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Domestic Interest Configuration and Island Disputes:
Cyclical Surges of Nationalist and Internationalist Influence in Northeast Asia

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Katrin Fraser Katz

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ABSTRACT

Domestic Interest Configuration and Island Disputes:
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Katrin Fraser Katz

My dissertation explores the dynamics of Northeast Asia's island disputes, specifically the Dokdo/Takeshima dispute between Korea and Japan and the Senkaku/Diaoyu dispute between Japan and China. I focus on three questions that are important for academic and policy purposes and are not well addressed by existing theories: 1) what explains the frequent escalation of these disputes in the midst of high levels of economic cooperation? 2) how has de-escalation been possible following the arousal of nationalist sentiment? and 3) what factors might alter the patterns of recent decades, making violent hostilities more likely and/or diminishing the ability of leaders to de-escalate? I present a theory to explain dispute patterns in recent decades that focuses on the relationship between different types of domestic groups and leadership strategies of escalation and de-escalation. I argue that a particular interest configuration predominant in post-World War II Northeast Asia - with internationalist groups favoring a cooperative regional order in pursuit of private gains having mobilization advantages over nationalist groups focused more on collective, symbolic interests - helps to explain patterns of contained conflict in recent decades. Shifts in this interest configuration, particularly the alignment of new private interests behind nationalism, would bring more risky dynamics, making de-escalation more difficult and militarization more likely.

The takeaways of this research resonate beyond Northeast Asia. The longstanding interplay of forces of economic interdependence and nationalism in these disputes now echoes ominously in other regions. My research suggests that conflict patterns in Northeast Asia can serve as a useful source of information in attempting to understand the implications of fresh divides between "nationalists" and "globalists" elsewhere in the world. I isolate a key factor to watch - specifically *who uses nationalism, to what end* - in assessing when nationalist-charged episodes of inter-state conflict are likely to result in violent hostilities or remain contained below the threshold of militarization.

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For Jeremy, Tova, Hannah, and Jacob

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PART I. Introduction and Theory

1. Introduction

“Japanese and Koreans are deeply at odds over something that, save for the birds and the trees, have grown increasingly empty at the center.”

- Alexis Dudden, with reference to the Dokdo/Takeshima islands, *Troubled Apologies*, 2008, p.1

“Popular nationalist passions on both sides may move the issue beyond the absolute calculation of political elites.”

- Min Gyo Koo, with reference to the Dokdo/Takeshima dispute, 2009, p. 66

“My most likely scenario for war [in the coming year] would begin with initiatives like China’s recent unilateral declaration of an exclusive air zone over the islands in the East China Sea that trigger escalatory responses by Japan leading to the downing of a plane or sinking of a ship with scores of casualties.”¹

- Graham Allison, with reference to the Senkaku/Diaoyu dispute, January 1, 2014

“Desolate dots”² with high stakes

Northeast Asia’s dynamic of “hot economics, cold politics” - involving the juxtaposition of deeply integrated economies and turbulent political relations - is frequently cited but poorly understood. Many analyses of the region focus on one piece of the “hot-cold” equation - cooperation or conflict - or on purely structural factors - like shifting military capabilities or levels of economic interdependence.³ These studies yield some useful insights but ultimately fail to explain the interplay of cooperative and conflictual forces in the region and how they shape dispute dynamics at the micro-level. Realist analyses focusing on balance of power cannot

¹ Allison, Graham, “2014: Good Year for a Great War?” *The National Interest*, January 1, 2014, accessible at: <http://nationalinterest.org/commentary/2014-good-year-great-war-9652>

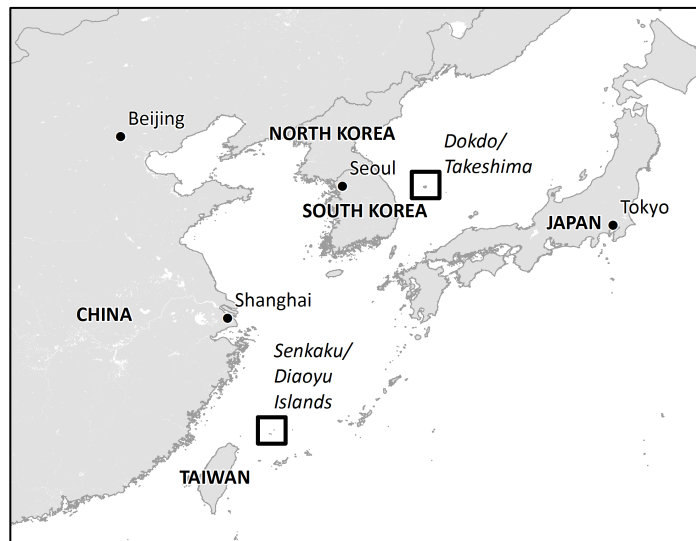
² Choe Sang-hun, “Desolate Dots in the Sea Stir Deep Emotions as South Korea Resists a Japanese Claim,” *The New York Times*, August 30, 2008, <http://www.nytimes.com/2008/08/31/world/asia/31islands.html>

³ See, for instance, Koo 2009a; J. J. Mearsheimer 2006.

explain levels of cooperation among strategic rivals. Theories that emphasize economic interdependence cannot account for repeated episodes of conflict. Neither can explain the fluctuation of intermittent conflict followed by accommodation.

In this dissertation, I focus on developing a better understanding of one particular manifestation of the region's "hot-cold" dynamics: island disputes, specifically the Dokdo/Takeshima dispute between Korea and Japan and the Senkaku/Diaoyu dispute between Japan and China.⁴ Since these disputes became active in the 1950s and late 60s, respectively, they have not neared settlement but also have not escalated to war. Instead, tensions in these disputes frequently oscillate between the extremes of war and settlement, patterns that are not well explained by existing arguments.

Figure 1.1 The Dokdo/Takeshima and Senkaku/Diaoyu Islands



Kelsey Rydland, Northwestern University Libraries

⁴ "Dokdo" is the Korean term and "Takeshima" is the Japanese term for the islets both countries claim in the East Sea/Sea of Japan. "Senkaku" is Japan's term for the islands in the East China Sea, known in China and Taiwan as "Diaoyutai." For purposes of simplification, this dissertation focuses on the China-Japan dynamics of the Senkaku/Diaoyu dispute, as the focus of the dispute shifted from Japan-Taiwan to Japan-China in 1972 following Sino-Japanese diplomatic rapprochement and because many of the Chinese and Taiwanese claims overlap.

For instance, the patterns of these disputes are inconsistent with predictions of the “commercial peace” argument, supported by a growing body of literature, which claims that economic interdependence pacifies relations between countries. The commercial peace helps to explain why these disputes have not escalated to war in recent decades: the economic costs would be too high. But it does not explain why they have repeatedly flared to lower levels of intensity among key economic partners in the region.

Theories associated with structural realism predict that tensions in the Senkaku/Diaoyu case should rise, or remain dormant, in line with shifting material capabilities between Japan and China. Yet, this dispute has involved cyclical escalation and de-escalation that, for the most part, has not appeared to correlate with trends associated with China’s rise. In the Dokdo/Takeshima case, structural realism would predict an increase in cooperation between Japan and South Korea to balance against China’s ascent; yet we have seen frequent escalation in this dispute as well. Realist arguments focused on the material value of territory, specifically tied to fish and possible oil and gas reserves in waters surrounding the islands, also cannot explain oscillating intensity levels in these disputes; shifts in the value of these resources (actual or estimated) have not correlated consistently with the ebb and flow of tensions in these disputes.

Lastly, work focused on explaining the role of nationalism tied to historical memory in the region helps to explain why these disputes haven’t been fully settled: the political costs would be too high. This work also helps to explain why they escalate: civic groups and political leaders often rally nationalism tied to these disputes to boost their own support. Yet this work does not explain how leaders have managed to de-escalate these disputes after rallying nationalist sentiment, contrary to expectations that nationalism ties the hands of leaders and hinders de-escalation.

In summary, these theories leave four questions unaddressed. First, what explains dispute escalation among key economic partners? Second, how have leaders managed to de-escalate these disputes in the midst of rallied nationalism? Third, why haven't Japan and South Korea cooperated to "balance" China, rather than continuing to escalate the Dokdo/Takeshima dispute?

And, fourth, perhaps most critical to policymakers, what might alter the dispute dynamics of recent decades, making militarized conflict more likely and/or decreasing the ability of leaders to de-escalate tensions?

Reaching a better understanding of these dynamics is important, for at least two reasons. First, these disputes involve "hot-cold" tensions between forces of economic interdependence and nationalism that, in recent decades, have been considered unique to Northeast Asia. Regional commentators have often pondered: why would countries so enmeshed economically and with so many aligned security interests (specifically, related to North Korea) repeatedly threaten their ties by stoking nationalist-charged historical issues and territorial disputes? Former South Korean President Park Geun-hye in 2012 referred to these "bifurcated" trends as "Asia's paradox," noting that it "is the single most important obstacle that has to be overcome by the region's leaders."⁵ However, this longstanding interplay of economic interdependence and nationalism now has ominous echoes beyond the region, with fresh divides between "nationalists" and "globalists" cropping up in Europe and the United States. One implication of this research is to demonstrate that conflict patterns in Northeast Asia in recent decades can serve as a useful source of information in projecting how dynamics of nationalism and interdependence could play out elsewhere in the world.

⁵ Park Geun-hye, "A Plan for Peace in North Asia," *The Wall Street Journal*, November 12, 2012, accessible at: <https://www.wsj.com/articles/SB10001424127887323894704578114310294100492>

On the hopeful side, cycles of nationalist-charged escalation in these disputes have, so far, coincided with rising prosperity and the absence of war in Northeast Asia. During the eleven episodes of escalation since these disputes became active in the 1950s and 1960s (coded as periods during which, at minimum, government rhetoric concerning territorial claims escalates beyond standard talking points), tensions have de-escalated prior to militarized conflict.⁶ These dynamics suggest that high levels of nationalism do not necessarily coincide with leadership loss of control over escalatory dynamics. The genie of nationalism can be contained.

But we cannot be complacent that these patterns will continue, and this is the second critical implication of this research. Any escalation brings the risk of spiraling hostilities. Out of all of Northeast Asia's political disputes - which encompass a broad range of issues from textbook controversies to contention over the "comfort women"⁷ issue and visits to the Yasukuni Shrine⁸ - these disputes have the highest probability of militarization. Numerous studies have demonstrated that conflict over territory is more likely to escalate to war than other types of confrontations.⁹ The implications of militarization would have ripple effects around the world: the fights over these islets involve some of the world's largest economies¹⁰ and most powerful militaries¹¹ on the planet. The most recent flare-up of the Senkaku/Diaoyu dispute has generated

⁶ With the exception of an isolated military skirmish in 1954 during the first episode of the Dokdo/Takeshima dispute. Notably, this was before Japan and South Korea normalized relations in 1965.

⁷ Women and girls forced to work in Japanese brothels during World War II.

⁸ A Shinto shrine honoring Japan's war dead, including a number of convicted war criminals from World War II.

⁹ For instance, Paul Huth notes in his study of territorial disputes and international conflict: "Throughout history territorial disputes have been the principal source of conflict leading to war." (Huth 1996, 6-7) See also Vasquez 1993 and Holsti 1991.

¹⁰ World Bank figures from 2016 ranking countries by gross domestic product (in millions of US dollars) place China's economy in second place, Japan's in third place, and South Korea's in 11th place globally. For complete list see: <http://databank.worldbank.org/data/download/GDP.pdf>

¹¹ A 2015 report ranked China, Japan, and South Korea as having the 3rd, 4th, and 7th strongest militaries in the world, based weighted values for six variables (1st and 2nd place went to the United States and Russia). See: "The End of Globalization or a more Multipolar World?" *Credit Suisse Research Institute*, September 2015, 41 accessible at: <http://publications.credit-suisse.com/tasks/render/file/index.cfm?fileid=EE7A6A5D-D9D5-6204-E9E6BB426B47D054>.

some ominous projections. As one CNBC news report asserted: “the risk of an accidental confrontation between [Japan and China] is rising” and the Senkaku/Diaoyu dispute “could be a trigger point for something bigger.”¹² Even the Dokdo/Takeshima case, which many view as less likely to become militarized, has involved risky dynamics in recent years with military vessels operating in close proximity to one another. It is not inconceivable that violent hostilities could break out over these “desolate dots”¹³ in the waters between economic and military giants in Northeast Asia, with damage spreading far beyond the region.

In summary, reaching a better understanding of what has kept these disputes contained in the past, as well as what might change these dynamics in the future, is increasingly important. Key to this research is the generation of a new lens on these disputes, one that triangulates existing theories. Rather than considering, in isolation, the relationship between economic interdependence and peace, or between nationalism and conflict, this work hones in on the other, increasingly important, leg of the triangle: the relationship between economic interdependence and nationalism. For policymakers, this work helps to identify factors that allow for de-escalation in nationalist-charged environments; factors that, if changed, might make it more difficult for leaders to keep a lid on tensions in these disputes moving forward.

¹² “Military nightmare scenario brewing in the East China Sea,” *CNBC.com*, April 4, 2017, News report (video) accessible at: <http://www.cnbc.com/2017/04/04/world-war-iii-nightmare-scenario-brewing-in-the-east-china-sea.html>. See also: Hugh White’s analysis at: <http://nationalinterest.org/feature/asias-nightmare-scenario-war-the-east-china-sea-over-the-10805> and Josh Gelernter’s at <http://www.nationalreview.com/article/439667/china-japan-senkaku-islands-dispute-war-scenario>; and Allison 2014.

¹³ Choe Sang-hun, “Desolate Dots in the Sea Stir Deep Emotions as South Korea Resists a Japanese Claim,” *The New York Times*, August 30, 2008, <http://www.nytimes.com/2008/08/31/world/asia/31islands.html>

The Theory: Domestic interest configuration and dispute dynamics

This dissertation develops a theory to address critical remaining gaps in our understanding of the drivers of escalation and de-escalation in Northeast Asia's island disputes. The theory shifts the focus of attention from ideational and structural¹⁴ factors, prevalent in existing theories, to group dynamics at the domestic level. The premise of the argument is not to suggest that structural and ideational factors like the military balance, economic ties, and levels of nationalism are unimportant. Rather, I demonstrate that one must also look at the types of pressure leaders face at the domestic level - pressures emanating from different combinations of groups with varying capacities to influence disputes that flow from the private or collective nature of their aims - in order to generate a complete understanding of why disputes escalate and how likely they are to be contained.

I argue that a particular domestic interest configuration that emerged in the context of export-oriented development strategies and historical grievance-charged nationalism across Northeast Asia in the post-World War II era has played a key role in generating the dispute patterns we have observed in recent decades. Specifically, I contend that two types of domestic groups - which I call "private internationalists" and "collective nationalists" - have had a strong influence on leadership strategies of escalation and de-escalation with regard to these islands. Private internationalists, including externally-oriented industries and businesses, have favored foreign policies that maintain an open, cooperative regional order that facilitates their pursuit of profits. These groups have aligned with collective internationalist actors within the governments of Japan, South Korea, and China in recent decades, developing strong state-business ties and

¹⁴ I define "structural factors" as those that constitute the general context of action and are exogenous to near-term dispute processes. This definition is inspired by Odell's discussion of "context" within the framework of bargaining, which he defines as "aspects of [a] situation that are normally beyond the influence of the...negotiator, at least in the short term, and are taken as given." (Odell 2000, 42)

dynamics of co-dependence.¹⁵ I argue that these groups have unique advantages in advocating for the de-escalation of regional disputes when economic ties are threatened, which helps to explain the ability of leaders to tamp down nationalist-charged dispute episodes.

The second group, collective nationalists, focuses on collective goals like bolstering national pride and honor. These groups, including island dispute activists like South Korea's Dokdo movement and Japan's *Nihon Seinensha*, are capable of short-term bursts of activity but have difficulty sustaining escalatory pressure over long periods (a further factor aiding de-escalation). The short-term mobilization advantages of these groups - including the ability to orchestrate dramatic events like island landings and the tendency for opposing private internationalist interests to remain aloof from dispute activity at low levels of intensity - helps to explain leadership decisions to escalate disputes to pursue their own short-term gains.

Applying domestic interest configuration theory to these disputes helps to answer key questions not addressed by existing theories. *Why do these disputes escalate among key economic partners?* In short, because collective nationalists have short-term mobilization advantages while private internationalists stay out of the mix, providing incentives for leaders to further incite nationalism to reap short-term gains. *How do leaders manage to de-escalate these disputes in the midst of rallied nationalism?* Because they can count on the support of powerful private interests backing internationalist policy stances, as well as the waning of collective nationalist influence, over the long term.

Domestic interest configuration theory also helps to address a third critical question: *what might change these patterns?* The theory contends that the activation of private economic or

¹⁵ On the development of state-business ties within Japan, South Korea, and China, see: Johnson 1982, 311; Amsden 1989, 72–73; Woo 1991, 149–50; Lie 1998, 96–98; Pempel 1999, 162–64; Pearson 1997, 145–59; S. L. Shirk 1993, 129–45; and Shambaugh 2016, 43.

military interests joining forces under the banner of nationalism (in other words, the injection of new “private nationalists” into Northeast Asia’s current interest configuration) would make de-escalation more difficult and militarization more likely. A global or regional shift toward economic closure or a prolonged recession could spur new dynamics of private interest-backed nationalism in the region.

For instance, an extended period of slow growth in China would make it difficult for the government to continue to finance military modernization at the rates it has in recent decades. This could prompt groups within the Chinese military that have thus far benefited from externally-oriented economic reform to support nationalist appeals in order to press for higher budgets and prestige. In South Korea, prolonged recession could prompt groups with economic interests in undermining the present-day establishment - such as the growing pool of contingent workers that emerged following the International Monetary Fund (IMF) reforms in the late 1990s - to fuse anti-globalist activism with anti-Japan Dokdo/Takeshima activism, thereby adding a private interest-backed economic element to recent dispute dynamics. Strategic shifts toward a more closed order could also empower Chinese energy interests engaged in maritime negotiations over exploration rights in the East China Sea to press the Chinese government to take a harder line on the Senkaku/Diaoyu sovereignty issue in order to gain more expansive access to the waters surrounding the islands.

Backed by these types of economic or military groups in pursuit of private gains, nationalist groups would have additional sources of leverage over leaders over an extended period of time, making de-escalation more difficult and escalatory spirals more likely. Notably, this type of private nationalist-infused domestic interest configuration resembles the configuration that prevailed during the imperial era in Japan, for instance, when groups in the

army and navy with parochial interests in expansion predominated in directing the country's foreign policy.¹⁶ At that time, leaders faced a stark choice: continue to escalate or risk losing the support of key power brokers within the system. So far, Northeast Asia's leaders have been freed from these types of binary choices in the context of island disputes. But these circumstances could change, making violent hostilities or even war more likely, with shifts in *who uses nationalism, to what end*.

A better grasp of Northeast Asia with implications beyond the islands

The theory of domestic interest configuration provides a useful complement to existing structural and ideational arguments. It allows one to consider the interaction of forces supporting cooperation and conflict in these disputes, yielding a more complete understanding of conflict dynamics than one can achieve through considering each independently. It also provides a new lens for considering drivers of change in the region over time. This type of theoretical development is essential to attaining a better understanding of the "hot economics, cold politics" of East Asia, where forces of cooperation and conflict have coincided perhaps more starkly than anywhere else in the world in recent decades. It is also critical to understanding what might alter longstanding patterns that, while not entirely peaceful, have also been notable for the absence of war.

This theoretical work aligns with the work of David Kang, Alistair Iain Johnston, Amitav Acharya, and others in theorizing about Asia on its own terms.¹⁷ As Kang notes, taking steps like acknowledging the legacy of Japanese colonialism as a key influence on relations between Asian

¹⁶ As detailed in Snyder's *Myths of Empire*: At that time, "private internationalist" interests in big business that benefited from trade at that time, such as Japan's *zaibatsu*, were ambivalent, as they also saw profit potential in military expansion. (Snyder 1991, 34)

¹⁷ Acharya 2003; Johnston 2012; D. C. Kang 2003

states could yield major strides in theorizing about the region while developing fruitful comparisons to other areas of the world.¹⁸ The theory of domestic interest configuration considers the impact of two uniquely East Asian features on regional conflict dynamics in recent decades: 1) the prevalence of export-led development strategies that fostered an open regional economic order, high levels of economic interdependence, and rapid economic growth in the decades following World War II; and 2) the impact of lingering historical grievances on manifestations of nationalism in the region. It also considers how changes in these features might alter domestic interest configurations and conflict dynamics in the future.

Integrating these regional conditions into my argument helps to yield new insights into the forces driving patterns of escalation and de-escalation in the region's island disputes. A useful extension of this study might involve a comparison of the role of nationalism in Northeast Asia's disputes to the dynamics of nationalism in the South China Sea island disputes, for instance, where disputant countries are not as affected by symbolic issues tied to historical memory. Beyond the region, one might make useful comparisons between the longstanding dynamics of "hot economics, cold politics" in East Asia and the more recent "nationalist-globalist" divides might affect conflict dynamics in other areas of the world. In short, theorizing about East Asia on its own terms can deepen understandings of the region while shedding new light on factors affecting conflict dynamics in nationalist-charged environments beyond Northeast Asia.

Organization of chapters

The next chapter outlines the theory of domestic interest configuration, as well as alternative explanations for the region's island dispute dynamics, in greater detail. The empirical

¹⁸ Kang 2003, 84

chapters follow, and are divided into two parts: Part II focuses on the Senkaku/Diaoyu dispute between Japan and China, and Part III focuses the Dokdo/Takeshima dispute between Japan and Korea. Both sections consist of two chapters, each of which covers a specific episode of the disputes involving within-case diachronic variation (escalation, then de-escalation). Specifically, the 1996 and 2004-05 episodes of the Senkaku/Diaoyu dispute are covered in Chapters 3 and 4, and the 1996-99 and 2004-06 episodes of the Dokdo/Takeshima dispute are covered in Chapters 5 and 6. The concluding chapter summarizes the key findings of this study and discusses factors that might alter dispute patterns in the future, making militarization more likely.

2. Theory:

Domestic Interests and Dispute Dynamics in Northeast Asia

“No doubt. No question. Don’t mention it any more. Dokdo is Korean territory.”

- Leading statement on “Pride of Korea - Dokdo” website¹⁹

“The current state of the bilateral political relations only causes losses for both sides...Stagnation in political exchanges between the two sides is hampering the expansion and development of their economic interdependence.”

- Japan Business Federation (*Keidanren*) chairman Sadayuki Sakakibara on Japan-South Korea relations, June 2015²⁰

Since the Dokdo/Takeshima and Senkaku/Diaoyu island disputes became active in the early 1950s and late 1960s, respectively, dispute dynamics have involved a fairly consistent pattern. Leaders and nationalist groups periodically escalate tensions, stirring domestic nationalist sentiment in the process, and later de-escalate, with government officials on both sides taking deliberate and visible steps to prevent the disputes from spiraling to the level of violent hostilities. While militarization has been avoided,²¹ leaders also have not made any serious efforts to resolve tensions through entering negotiations on the sovereignty issue.

Examples of this pattern abound. In 1978, a group of nationalist Japanese politicians pushed to link the Senkaku/Diaoyu sovereignty issue to ongoing Peace and Friendship Treaty negotiations with China. In response, the Chinese leadership sent a flotilla of over one hundred

¹⁹ Accessible at: <http://ourdokdo.com/>

²⁰ “Tokyo-Seoul tensions: Keidanren chief calls for pragmatism,” *Nikkei Asian Review*, June 18, 2015, accessible at: <http://asia.nikkei.com/Politics-Economy/International-Relations/Keidanren-chief-calls-for-pragmatism>

²¹ With the exception of an isolated military skirmish during the first round of the Dokdo/Takeshima dispute in 1954.

armed fishing boats to the Senkaku/Diaoyu Islands, brandishing Chinese flags and signs declaring the islands as Chinese territory.²² Tensions heightened further when a Japanese activist group built a lighthouse on one of the islands to reinforce Japan's claim.²³ Domestic pressures for further escalation grew on both sides, but leaders in Beijing and Tokyo took actions to resume treaty talks and tamp down activities near the islands.²⁴ Thereafter the dispute was shelved, remaining dormant until the next round of escalation, and de-escalation, in 1990-91.

Nearly 25 years later in the East Sea/Sea of Japan, the Dokdo dispute entered its fourth round of heightened tensions in 2004, culminating in Seoul's dispatch of 20 gunboats to the islets after two years of tit-for-tat provocations (which included South Korea's issuing of stamps illustrating "the flora and fauna of Dokdo" and Japan's revising of official textbooks to depict "Takeshima" as Japanese territory).²⁵ Despite the novel forms of escalation involved in this episode, it ended similarly to the Senkaku/Diaoyu flare-up of 1978 and just about every other episode of these disputes: both governments made visible efforts to prevent tensions from escalating beyond their control,²⁶ cooperating soon thereafter on a range of bilateral issues and shelving the dispute for another four years.

The Dokdo/Takeshima and Senkaku/Diaoyu disputes have experienced eleven escalatory episodes since they were initiated in 1952 and 1968, respectively.²⁷ These episodes have varied in duration and intensity, but all have similarly been bounded between the extremes of peaceful

²² Koo 2009a; Treitak 1978, 1242

²³ Chung 2002, 41

²⁴ Treitak 1978, 1245

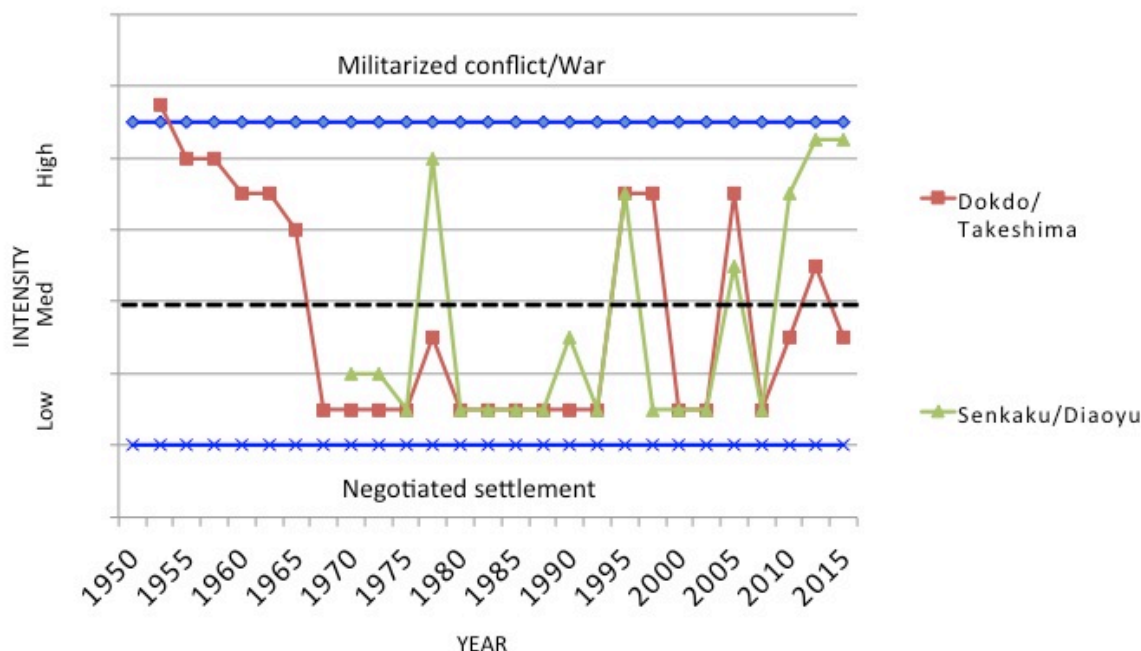
²⁵ Faiola, Anthony, "S Korea, Japan Raise Tension Over Islet Group," *Washington Post Foreign Service*, April 20, 2006, accessible at: <http://www.washingtonpost.com/wp-dyn/content/article/2006/04/19/AR2006041901348.html>, see also Weinstein 2006.

²⁶ D. Kang and Lee 2007, 5

²⁷ Specifically: Senkaku/Diaoyu 1968-71, 1978, 1990-91, 1996, 2004-05, and 2010-13+; and Dokdo/Takeshima 1952-65, 1977-78, 1996-99, 2004-06, and 2013 (Based on a combination of news reports and secondary sources. Note: dates are approximate, as accounts vary in identifying the start and end points of particular episodes.)

settlement and militarized conflict, with the exception of an isolated incident during the first round of the Dokdo/Takeshima dispute in 1954 involving South Korean forces firing upon Japanese patrol boats.²⁸

Figure 2.1 Dokdo/Takeshima and Senkaku/Diaoyu dispute intensity levels over time



Developing a better understanding of the dynamics of these disputes is important for academic and policy purposes. Theoretically, it will help to deepen our awareness of the relationship between nationalism, economic interdependence, and inter-state conflict, issues that recently have taken on increased importance with the emergence of new “nationalist-globalist” divides in other parts of the world. Existing arguments provide some useful insights but ultimately cannot explain these patterns of fluctuating intensity levels between the boundaries of militarization and settlement. In the midst of China’s rise, structural realist and “power transition” theories would predict either continually restrained or increasingly assertive dynamics

²⁸ Koo 2009a, 71

in the Senkaku/Diaoyu dispute tied to shifts in material capabilities in the region; instead we see frequent oscillation in intensity levels. Regarding the Dokdo/Takeshima dispute, realist theories would predict strengthened South-Korea Japan cooperation to balance against China's rise; instead, we see recurrent escalation of a largely symbolic territorial dispute. In the midst of dramatic increases in levels of economic exchange among countries within the region, "commercial peace" theories would predict the avoidance of escalation and even attempts to settle these disputes; instead we see oscillation. Lastly, ideational theories focused on the role of nationalism and historical memory in the region help to explain forces driving escalation, but not how leaders have managed to de-escalate these disputes amidst rallied nationalism.

For policymakers, clarifying the factors that have been responsible for keeping dispute intensity levels below the threshold of militarized conflict in recent decades could be critical in devising strategies to prevent the outbreak of violent hostilities in the future. Conflict has been averted thus far, but these patterns may not continue indefinitely. Recent tensions in the Senkaku/Diaoyu dispute have brought predictions of militarization and even war.²⁹ Most observers see the outbreak of violent hostilities in the Dokdo/Takeshima dispute as less likely, but even limited escalation brings the risk of accidents or miscalculations with the potential to precipitate more serious crises.³⁰ Identifying drivers of escalation and de-escalation in these disputes, as well as what might change these patterns, will be essential to efforts to keep tensions in check moving forward.

In this chapter, I review existing arguments in the International Relations literature that could help to explain the patterns of these disputes. I then introduce a theory focused on group

²⁹ "Military nightmare scenario brewing in the East China Sea," *CNBC.com*, April 4, 2017, News report (video) accessible at: <http://www.cnbc.com/2017/04/04/world-war-iii-nightmare-scenario-brewing-in-the-east-china-sea.html>. See also: Allison 2014.

³⁰ Nakajima 2007, 5.

dynamics at the domestic level that, I argue, provides a more complete explanation for drivers of escalation and de-escalation in these disputes in recent decades.

Existing arguments insufficient

Existing theories focused on relative material capabilities, economic interdependence and nationalism provide some useful insights but are ultimately insufficient in explaining recent island dispute dynamics in Northeast Asia.

Variants of Structural Realism: predict steady trends and balancing, not short-term oscillation

Realism encapsulates a broad range of theories, making it difficult to make general statements that capture this paradigm. Nonetheless, several prominent arguments associated with structural realism³¹ and theories of power transition emphasize the centrality of relative material capabilities (economic and/or military) in determining levels of inter-state conflict. These variants of realism are not unified in their predictions regarding the implications of China's rise for regional dynamics. For instance, offensive realism contends that "a great power that has a marked (military) power advantage over its rivals is likely to behave more aggressively, because it has the capability as well as the incentive to do so."³² Defensive realism suggests that certain factors, like defensive advantage and offense-defense differentiation, could foster regional cooperation and stability even as China's relative material capabilities increase.³³ And "rising power" realist theories, such as Organski's theory of power transition and Gilpin's theory of

³¹ Structural realism, descended from Waltz's neorealism, shares some basic assumptions, summarized by Glaser as follows: "(1) states live in an international environment characterized by anarchy... (2) states are motivated only by the desire for security... (3) states are essentially rational unitary decisionmakers; and (4) states 'black box' their adversaries..." (Glaser 2014)

³² Mearsheimer 2001, 37

³³ See, for instance, Jervis 1978.

hegemonic war, argue that the likelihood of war increases when a rising challenger nears power parity with a leading state.³⁴ Despite the wide range of predictions and mechanisms associated with these theories, all similarly contend that changes in inter-state conflict dynamics should align with changes in relative capabilities among states. These theories, particularly offensive and defensive realism, also share balancing predictions.³⁵ For instance, Mearsheimer's account of offensive realism contends that the pursuit of regional hegemony by rising powers prompts other states to seek to contain the rising power, "probably by trying to form a balancing coalition."³⁶ Walt's version of defensive realism contends that states balance against threats; with threats based on more than material capabilities, but balancing behavior predicted nonetheless.

Applying offensive realism to the Senkaku/Diaoyu case, we would expect to see the dispute escalate steadily, and not de-escalate, once China achieves a clear military advantage over Japan, and to remain dormant in the meantime. As Mearsheimer claims, "a great power that has a marked power advantage over its rivals is likely to behave more aggressively, because it has the capability as well as the incentive to do so."³⁷ Some regional observers, like Toshi Yoshihara, contend that China's military strength began eclipsing Japan's in the East China Sea in recent years, drawing a direct link between this shift and China's increased military presence in the area starting around 2008.³⁸ If Yoshihara's analysis is correct, offensive realism leaves one to wonder what explains the repeated escalation of the Senkaku/Diaoyu dispute prior to 2008. Even if China's increasing military capabilities help to explain to rising intensity levels over the

³⁴ Gilpin 1981; Organski 1968

³⁵ For an overview of balance of power logic in realism, see Ellman and Jensen, eds., 2014, Chapters 1, 3.

³⁶ Mearsheimer 2001, 4

³⁷ Mearsheimer 2001, 37

³⁸ Yoshihara 2014, 4

past five years (which would be consistent with power transition theories as well), trends over the longer period of China's rise have not aligned with the expectations of offensive realism.

Defensive realism, which asserts that states are mostly concerned with survival under the status quo rather than altering the regional order in their favor, is more open to the possibility that Japan and China might choose to cooperate or even fully resolve tensions over the Senkaku/Diaoyu islands, even in the midst of China's rise. According to Jervis (1978) this is more likely under conditions in which "status quo powers can identify each other, thus laying the groundwork for cooperation."³⁹ A significant degree of signaling status quo acceptance - through mutual agreements to "shelve" tensions, for instance - occurs in these disputes. This began with Deng Xiaoping's 1972 proposal that the sovereignty dispute should be shelved for "future, wiser generations" to solve and that the two sides should focus instead on increased economic development and the joint development of resources.⁴⁰ As James Manicom notes, following Deng's statement, "leaders in both capitals came to expect that neither party would attempt to alter this set of circumstances."⁴¹ The shelving principle was later invoked on several occasions in the de-escalation phase of Senkaku/Diaoyu and Dokdo/Takeshima episodes.

Yet, even though these public declarations of status quo acceptance are consistent with defensive realism, the theory still cannot explain frequent escalation, followed not long thereafter by mutual efforts to shelve tensions. In other words, defensive realism, like offensive realism, predicts more linear trends - with disputes either remaining dormant (when security dilemmas are muted by certain conditions) or steadily increasing in intensity (as China uses its military

³⁹ As cited in Elman and Jensen 2014, 141.

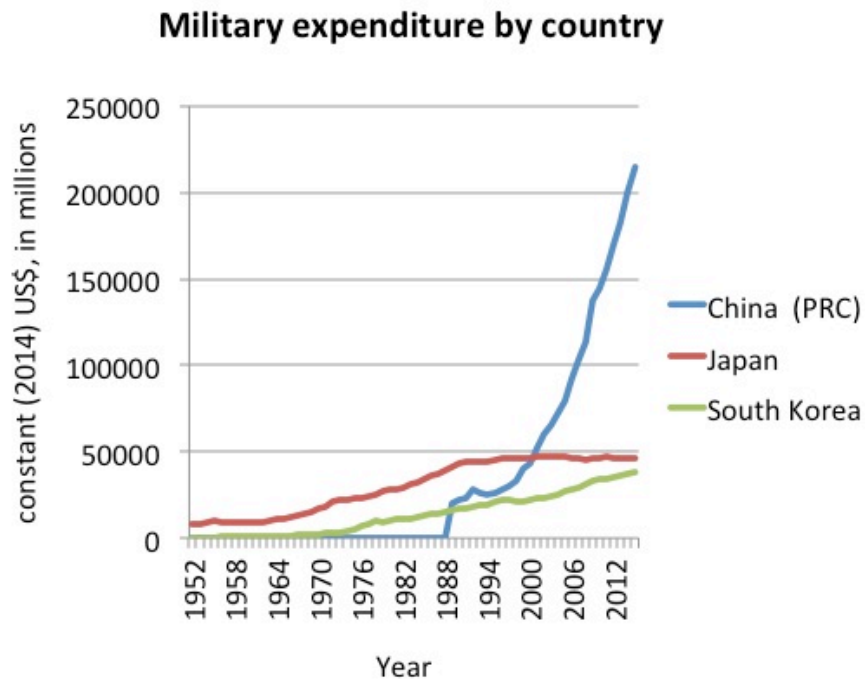
⁴⁰ Manicom 2014a, 46

⁴¹ *Ibid.*, 47

might to seek regional hegemony). Furthermore, escalation, if it occurs, is likely to be associated with attempts to either defend or alter the existing regional order.

One may also extrapolate from the balancing predictions of structural realism to project dynamics in the Dokdo/Takeshima dispute. Specifically, as China's relative material and/or economic power in the region rises, the Dokdo/Takeshima dispute should not escalate as Japan and South Korea cooperate to form a balancing coalition against China, (along with their shared ally, the United States). If structural realism were to explain Dokdo/Takeshima dispute trends, we would expect to see dispute intensity levels remain low as China's military expenditures rose relative to other regional powers. Instead, as Figure 2.1 illustrates, tensions vacillated over this time period, with no apparent correlation to regional trends in military expenditures. This suggests that factors other than shifting military capabilities must have been at work in driving Dokdo/Takeshima dispute dynamics over the decades of China's rise. Figure 2.2 (below) details shifts in relative military capabilities in the region (measured in terms of military expenditure by country) that have occurred over the lifetime of both disputes.

Figure 2.2 Relative military expenditures over the period of the disputes



Source: SIPRI Military Expenditure Database (expenditure by country, 1949-2015)⁴²

Material value shifts do not correlate consistently with dispute escalation

An alternative explanation for dispute dynamics associated with realism claims that the material value of territory drives dispute dynamics. Min Gyo Koo claims in his study on East Asia's island disputes, "if a certain territory is known to have natural resources or economic value for exclusively private use, it is more likely to be a target of dispute initiation and higher levels of escalation."⁴³

Certainly, there are several instances in the history of these disputes when issues related to the material value of these territories - more specifically, the value of fish and possible oil and

⁴² Data accessible at: <https://www.sipri.org/databases/milex>. Note: Some years are SIPRI estimates, data for China unavailable prior to 1989

⁴³ Koo 2009, 25. See also Chung 2004, 3.

gas resources in the waters surrounding the islands - have played a role in dispute escalation.

For instance, the first episode of the Senkaku/Diaoyu dispute involved a flurry of Japanese and Taiwanese government efforts to assert sovereignty claims following a 1968 United Nations geological survey suggesting that the sea bed near the Senkaku/Diaoyu islands might contain significant oil reserves.⁴⁴ The first round of the Dokdo/Takeshima dispute, lasting from 1952 until the conclusion of Japan-Korea normalization negotiations in 1965, as well as the second round, lasting from 1977-78, also coincided with contention over access to fishing in waters surrounding the islands.⁴⁵ Lastly, the introduction of the United Nations Law of the Sea (UNCLOS) in 1994, which had significant implications for the delimitation of maritime territories and associated rights to explore and develop marine resources, played a role in sparking new phases of escalation in both the Senkaku/Diaoyu and Dokdo/Takeshima disputes in the mid-1990s.

Yet not all periods of escalation in these disputes have been associated with developments concerning the material value of these islands. Several episodes, including the 1978, 1990-91, and 2004-05 episodes of the Senakaku/Diaoyu dispute and the 2004-06 and 2013 episodes of the Dokdo/Takeshima dispute did not involve energy development or fishing issues. Furthermore, in many instances, negotiations over fishery access, exclusive economic zone (EEZ) delimitation, and energy development have proceeded in relatively quiet, working-level channels deliberately separated from the sovereignty issue, including during the three years prior to the conclusion of the June 2008 Japan-China East China Sea joint development agreement. Overall, this suggests that there is no consistent correlation between short-term developments affecting the material value of the islands and dispute escalation.

⁴⁴ Chung 2004, 26

⁴⁵ Koo 2009, 70-71, 78-79

One could make the case that the rising demand for energy resources in the context of high economic growth rates across the region have increased demand for energy resources, making dispute escalation more likely in a general sense (not tied directly to short-term developments in the maritime space). South Korea and Japan have been long been large-scale energy importers, but shifts in China's energy needs have been more recent and stark: between 1993 and 2003, China went from being a net exporter of oil to the third largest oil importer in the world.⁴⁶ Across Northeast Asia, reliance on oil and gas supplies from the Middle East is higher than in other regions, increasing the region's sensitivity to periods of instability in the Middle East. Rising energy needs can heighten levels of resource competition in the region, making conflict over the territories near possibly energy-rich waters more likely. Yet, if long-term shifts in energy demand explained the escalation of these disputes, we would expect to see more linear trends in both cases, with Senkaku/Dioayu tensions rising consistently over the period of China's rising energy needs in recent decades (correlating with its period of high economic growth) and Dokdo/Takeshima tensions remaining more steady. Instead, we have seen frequent oscillation in dispute intensity levels in both cases that do not correlate with short or long term trends affecting the material value of these territories.

Commercial peace: inconsistent with escalation

The body of literature focused on the relationship between economic interdependence and conflict is also vast and generates varied predictions. Research in this area can be divided, roughly, into two camps. The first group sees economic interdependence as possibly increasing levels of inter-state conflict for a variety of reasons. For instance, Hirschman argues that

⁴⁶ Calder and Ye 2010, 14

asymmetrical interdependence may generate new opportunities for conflict as stronger (less dependent) states exploit the weaknesses of weaker (more dependent) states for coercive purposes.⁴⁷ Barbieri finds that the pacifying effect of balanced dependence applies only at the lowest levels of trade ties, noting: “in situations of extensive trade dependence, states with symmetric ties were found to be more conflictual.”⁴⁸ And Crescenzi asserts that economic ties can be used as tools in political bargaining processes, leading to more or less conflict depending on the ratio of “exit costs to exit cost threshold” (i.e., the degree to which a negotiator values continued trade ties more than other strategic goals) for both negotiators.⁴⁹

The preponderance of research falls into a second category, however, which emphasizes the pacifying effect of economic interdependence.⁵⁰ Within this group, the debate centers on the precise mechanisms that link interdependence to peace. Most theories in this category have relied on some variant of the “opportunity cost” hypothesis to explain this relationship, positing that economic interdependence discourages states from engaging in militarized disputes by increasing the economic costs of fighting.⁵¹ The opportunity cost argument is based on the notion that the likelihood that militarized conflict will disrupt trade creates an economic incentive to avoid escalation to the level of militarization. This is based on standard trade theory, which posits that militarized conflict restricts the ability of importers to supply goods and services and/or makes it more difficult to export goods and services to the most suitable trading partners, thereby

⁴⁷ Hirschman 1945. Marxist and dependency theory perspectives also highlight the role of asymmetrical dependence in spurring conflict.

⁴⁸ Barbieri 2002, 122

⁴⁹ Crescenzi 2005

⁵⁰ As Jack Levy notes, “While some empirical studies find that trade is associated with international conflict...most studies conclude that trade is associated with peace, both at the dyadic and systemic levels. (Levy 2003, 127) See also Kim (2014), which notes, “an increasing number of empirical studies have demonstrated the pacifying effects of interdependence.” (Kim 2014, 895)

⁵¹ Kim 2014; Polachek 1980

interfering with the efficiency-enhancing process of trade.⁵² In sum, opportunity cost arguments claim that high levels of economic interdependence reduce the expected utility of conflict, making it more likely that states will seek a peaceful resolution to disputes.

A second subcategory of commercial peace arguments focuses on strategic signaling behavior as the main mechanism linking interdependence to peace. These arguments posit that the effect of increased opportunity costs is indeterminate in terms of crisis initiation; trade might encourage one state to make more concessions to avoid militarized crises, but the other state may increase its threats and demands knowing this.⁵³ Alternatively, and taking inspiration from the bargaining theory of war⁵⁴ signaling arguments contend that interdependence pacifies because “liberal states more ably address the informational problems that give rise to costly contests, credibly communicating through costly signals using nonviolent methods of conflict.”⁵⁵ More specifically, states that are highly integrated into the global economy can use their economic dependence, threatening common economic assets, as a means to signal their resolve. Thus the overall likelihood of militarized conflict and war decreases under economic interdependence because the information problem is solved: states do not need to fight to learn about their opponent’s true intentions and resolve to stand firm.

While these theories provide some useful insights, they cannot fully explain the dynamics of Northeast Asia’s island disputes. The first category of theories (the “interdependence can lead to conflict” camp) would be compelling if dispute escalation was often motivated by bilateral economic asymmetries, or if economic “threats of exit” were used frequently to gain leverage in

⁵² Polachek provides a similar explanation for the logic behind this assumption: “Loss of existing trade, for example because of conflict, would imply potential welfare losses...it is these potential welfare losses that deter conflict.” (Polachek 1980, 57) For challenges to the view that war disrupts trade, see Barbieri and Levy (1999).

⁵³ Kim 2014, 897–88; J. D. Morrow 1999

⁵⁴ Fearon 1995

⁵⁵ Gartzke, Li, and Boehmer 2001, 391

these disputes (see, for instance, Crescenzi's "basic exit model"⁵⁶). So far, however, these dynamics do not match those of the island disputes under consideration in this study: 1) because the disputes have been motivated largely by symbolic issues tied to unresolved historical grievances, rather than economic matters like trade deficits; and 2) because, rather than threatening economic disruptions to increase leverage, leaders have made consistent efforts to *avoid* damage to economic ties in the midst of dispute flare-ups. Calls to "shelve" the sovereignty issue have often been accompanied with calls to restore steady relations to focus on economic development.⁵⁷

The "shelving" trend also calls into question the utility of signaling arguments in the "commercial peace" camp. For example, Gartzke, Li, and Boehmer claim that interdependence leads to peace because states use economic tools short of militarization to generate costly signals of resolve, thereby decreasing the need to fight to resolve the information problem.⁵⁸ With the exception of China's withholding of rare earth mineral exports to Japan during the 2010 Senkaku/Diaoyu episode, however, the use of economic ties to coerce rival states has not been a regular feature in these disputes.⁵⁹

The "opportunity cost" argument in the commercial peace camp - positing that interdependence deters conflict because the economic costs of militarization are too high - is more compelling insofar as it is consistent with the recent empirical correlation of high economic interdependence⁶⁰ and the absence of war in the region.⁶¹ Over the decades that these island

⁵⁶ Crescenzi 2005

⁵⁷ Manicom 2014, 46-7; Koo 2009a, 91

⁵⁸ Gartzke, Li, and Boehmer 2001

⁵⁹ For further information on the withholding of rare earth exports during the 2010 Senkaku/Diaoyu episode, see: Bradsher, Keith, "Amid Tension, China Blocks Vital Exports to Japan," *The New York Times*, September 22, 2012, accessible at: <http://www.nytimes.com/2010/09/23/business/global/23rare.html>

⁶⁰ I adopt Keohane and Nye's definition of interdependence as "situations characterized by reciprocal effects among countries or among actors in different countries... Where there are reciprocal (although not necessarily symmetrical)

disputes have been active, Japan, China, and South Korea have become increasingly reliant upon one another for their economic wellbeing. For instance, bilateral trade between Japan and China rose from \$550 million in 1968, when the first episode of the Senkaku/Diaoyu dispute flared, to \$270 billion in 2016.⁶² As of 2014, China was Japan's largest trading partner, and Japan was China's second largest; Japan was also by that time China's largest source of foreign investment.⁶³ Likewise, trade relations between Tokyo and Seoul expanded rapidly following the normalization of relations in 1965: Japan surpassed the United States as South Korea's top trading partner within a year of the normalization treaty's signing. Overall trade between Japan and South Korea increased from \$221 million in 1965 to \$71 billion in 2016.⁶⁴ (See Figures 2.3, 2.4 below)

costly effects of transactions, there is interdependence." (Keohane and Nye 1977, 7) See also Pempel 2013, 198, for reference to the reciprocal nature of economic interdependence in the region.

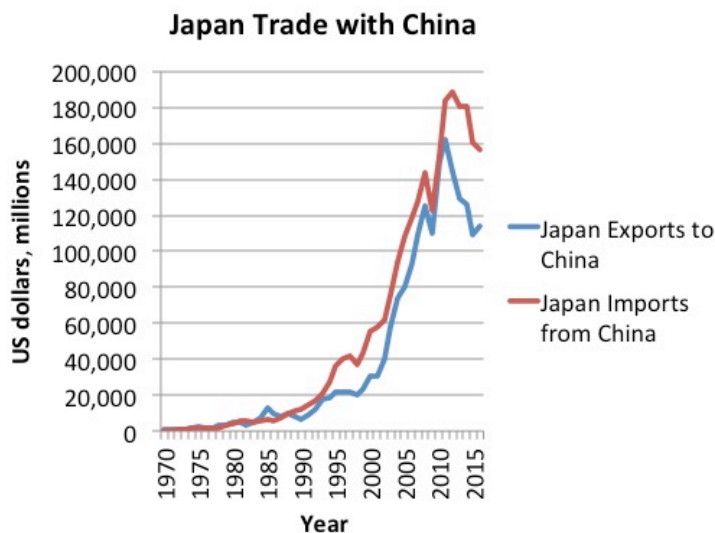
⁶¹ As David Kang noted in 2007, "As a region, East Asia since 1979 has been more peaceful and more stable than at any time since the Opium Wars of 1839-1841...China appears to have emerged as a regional power without provoking a regional backlash." (Kang 2007, 3-4)

⁶² International Monetary Fund (IMF) direction of trade statistics, external trade by counterpart (Japan). China figures include China, P.R.: mainland but not China, P.R.: Hong Kong or China, P.R.: Macao.

⁶³ Drysdale, Peter, "The geo-economic potential of the China-Japan relationship," *East Asia Forum*, September 28, 2015, accessible at: <http://www.eastasiaforum.org/2015/09/28/the-geo-economic-potential-of-the-china-japan-relationship/>; Bajpae, Chietigj, "Japan and China: The Geo-Economic Dimension," *The Diplomat*, March 28, 2016, accessible at: <http://thediplomat.com/2016/03/japan-and-china-the-geo-economic-dimension/>

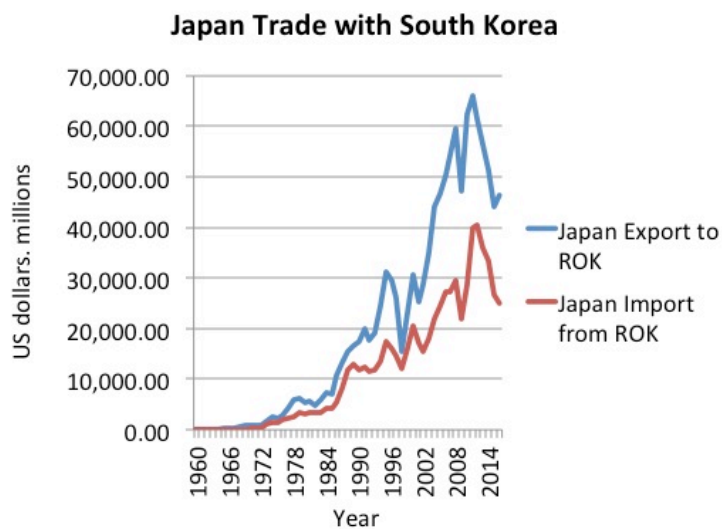
⁶⁴ IMF direction of trade statistics, external trade by counterpart (Japan)

Figure 2.3 Japan Trade with China



Source: Direction of Trade Statistics, IMF

Figure 2.4 Japan trade with South Korea



Source: Direction of Trade Statistics, IMF

Empirical studies of the Dokdo/Takeshima and Senkaku/Diaoyu disputes have argued that these strong economic ties have played a central role in preventing the outbreak of war over these islands. For instance, as Min Gyo Koo notes: “increasing economic interaction has played a pacific role in containing, if not resolving, intractable territorial disputes in East Asia. Indeed, the

pacific influence of economic interdependence has repeatedly prevented the sovereignty disputes from escalating into a full-scale diplomatic and/or military crisis.”⁶⁵

These studies help to link economic interdependence to the absence of war in the region. However, they do not explain the frequent escalation of these disputes during periods of rising economic exchange, threatening the sense of geopolitical stability that is thought to be good for business. In a region highly dependent on export-oriented growth, these repeated disruptions to smooth relations among key economic partners therefore merit further explanation.

Nationalism fuels escalation, but de-escalation absent backlash remains puzzling

Most of the existing research on nationalism’s effects on international politics highlights the ways in which nationalism can increase levels of conflict between states.⁶⁶ Frequently cited mechanisms include: 1) the use of nationalism as a tool to boost domestic political support at times of regime or leadership vulnerability;⁶⁷ 2) the use of nationalist strategic myths by expansionist or military groups within the state to generate public support for their interests;⁶⁸ and 3) the tying of leaders’ hands by nationalist groups by sparking bilateral flare-ups and rallying the public, thereby shifting domestic incentives in favor of aggression.⁶⁹

This literature is helpful in highlighting drivers of escalation in these disputes. There is ample evidence of leaders inflaming nationalism to boost domestic political support via the first

⁶⁵ Koo 2009a, 5

⁶⁶ In this project, I bracket the larger body of work focused on nationalism, ethnic conflict, and civil war since I am mostly concerned with nationalism’s effects on inter-state relations.

⁶⁷ This is derived from “diversionary war” theory (Lebow 1981), which contends that a government that faces internal problems will initiate conflict and even war with another state in order to consolidate its own domestic political support.

⁶⁸ See Snyder 1991 on the strategies of pro-imperial and military groups across different time periods and regional contexts.

⁶⁹ See Mueller (1970) on the “rally around the flag” effect and Fearon (1994) on audience costs.

mechanism of diversionary conflict. Japanese officials intentionally ratcheted up tensions in the mid-1990s episodes of the Senkaku/Diaoyu and Dokdo/Takeshima disputes, for instance, in order to rally their conservative nationalist base in advance of critical elections.⁷⁰

Some see the second mechanism – regarding the use of nationalism by parochial interests to rally broader support – as increasingly at work in China. For instance, Cheng Li states: “The Chinese military...remains a very important interest group in the country. The PLA’s need to advance its own bureaucratic interests makes the Chinese military, collectively and on an individual basis, an influential power broker.” He further notes: “PLA strategists have succeeded in broadening their audiences, and may better reflect the nationalistic strain of Chinese public sentiment than those in the foreign-policy establishment.”⁷¹

Regarding the third mechanism, nationalist groups in Japan, China, and South Korea have often orchestrated events to trigger flare-ups in the Senkaku/Diaoyu and Dokdo/Takeshima disputes – through attempts to plant flags on islands or build new lighthouses, for instance – which then rally the public and obligate leaders to issue at least token diplomatic statements to reassert their claims.⁷²

The literature focused on nationalism also helps to explain why disputant countries thus far have not made serious efforts to settle these disputes, despite strategic and economic incentives to do so. For instance, James Manicom highlights that formal negotiations on the Senkaku/Diaoyu dispute have not occurred because of the high degree of nationalist

⁷⁰ Koo 2009a, 88

⁷¹ Li 2010, 1,4. For a counter-argument, see Swaine 2012.

⁷² See Koo 2009a, 127. Chung also sees such a mechanism in play during several episodes of the the Senkaku/Diaoyu dispute, noting, “the (nationalist domestic forces) calculated that by planting flags, placing border markers, setting up commemorative plaques, constructing small beacons and lighthouses, and swimming off their shores, they would be able to make the greatest appeal to the broad populace.” (Chung 2004, 55)

attachment.⁷³ Regarding the Dokdo/Takeshima dispute, Min Gyo Koo notes that the “Dokdo question quickly became an icon of contending nationalisms of South Korea and Japan in the 1950s...cognitive biases held by the leadership both in Seoul and Tokyo essentially made compromise or concession in negotiations amount to treason.”⁷⁴

In short, ideational arguments focused on forces of nationalism in the region help to explain the absence of attempts to settle these disputes, as well as various drivers of escalation. But these arguments cannot explain how de-escalation has been possible in the midst of pitched nationalism, contrary to the expectations of theories contending that nationalism has “lock-in” effects making it difficult for leaders to control once publics “rally around the flag.”⁷⁵ As Koo notes with reference to the Dokdo/Takeshima dispute, “popular nationalist passions on both sides may move the issue beyond the absolute calculation of political elites.”⁷⁶ Yet, at least so far, leaders have managed to de-escalate disputes prior to militarization without inciting severe nationalist backlash. Existing nationalism-focused arguments cannot account for this.

In summary, existing arguments provide some useful contributions in explaining the dynamics of Northeast Asia’s island disputes, but key gaps remain. These contributions, and areas warranting further study, are summarized in Table 2.1, below.

Table 2.1 Summary of existing arguments

	Key claims	Contributions	Remaining gaps
Structural realism	Shifting relative military capabilities drive dispute escalation between rising and status quo powers,	- For Senkaku/Diaoyu: Offensive realism might help to explain more steady escalation	- For Senkaku/Diaoyu: Does not explain escalation prior to 2008 - For

⁷³ Manicom 2014b, 17

⁷⁴ Koo 2009a, 71, citing Cha 1996, 127

⁷⁵ See, for instance, Fearon 1994; Mueller 1970; and Snyder 1991.

⁷⁶ Koo 2009a, 66

	and the formation of balancing coalitions and de-escalation among those seeking to counter the rising power	patterns post-2008 - For Dokdo/Takeshima: Might help explain incentives for de-escalation in the context of China's rise	Dokdo/Takeshima: Does not explain frequent dispute escalation during China's rapid military modernization in recent decades
Material value	Shifts in the material value of territory drive dispute escalation	- Material value factors a contributing specific cause of escalation in some, but not all, episodes	Does not explain general causes of dispute escalation
Commercial peace	Economic interdependence deters conflict	Helps to explain absence of war over period of rising interdependence	Does not explain drivers of escalation
Nationalism	Nationalism spurs interstate conflict	Helps to explain drivers of escalation, as well as absence of dispute settlement	Does not explain leadership ability to de-escalate

Central research questions and the necessity of a domestic lens

My research aims to address four remaining “puzzles” concerning island dispute dynamics in Northeast Asia that are not adequately addressed in the existing literature:

First, What explains frequent dispute *escalation* in the midst of high levels of economic interdependence (contrary to the expectations of the commercial peace)?

Second, in the case of Dokdo/Takeshima, why have South Korea and Japan continued to escalate this dispute rather than cooperate to “balance” against China's rise (as prominent realist arguments would expect)?

Third, How have leaders managed to *de-escalate* these disputes after rallying nationalism (contrary to expectations that nationalism ties the hands of leaders)?

And, *fourth*, what forces might *change* the patterns of recent decades, making militarized conflict more likely and/or diminishing the ability of leaders to de-escalate?

Broad structural and ideational factors alone cannot address these questions. Certain trends - specifically economic interdependence and high levels of nationalism tied to historical memory - have defined the general parameters of regional interactions for several decades. Dispute dynamics play out between the boundaries of war and settlement, in part, because of the

anticipated high economic costs of militarization (due to high levels of regional interdependence) and the likely high political costs of settlement (due to high levels of nationalism). Reaching a firm grasp of the drivers of escalation and de-escalation between these extremes, however, as well as what might bring longstanding disputes closer to militarized conflict, requires an examination of domestic-level dynamics. The theory of domestic interest configuration, detailed below, stresses the importance of considering the role that various types of domestic groups play - tied to the “collective” or “private” nature of the benefits they seek - in an effort to better understand longstanding patterns in Northeast Asia’s island disputes, as well as what might change these patterns in the future.

The Theory of Domestic Interest Configuration

The theory of domestic interest configuration contends that the combination of domestic “pressure groups”⁷⁷ with stakes in a particular dispute episode⁷⁸ helps to explain conflict dynamics in Northeast Asia. Pressure groups, defined as groups that attempt to influence the decisions of leaders in line with their policy preferences, exist both inside and outside of the government. Some organize themselves, or are organized by politicians, into broader coalitions to advocate on behalf of shared goals. Others pursue their aims independently from other groups.

⁷⁷ I borrow the term “pressure groups” from Chung (2004), who uses this term to refer “not only to institutional or organized interest group actors such as bureaucratic agencies, trade or other lobby groups, legislative committees, and members and factions of a political party...(but also to) include mass opinion expressed by academics, journalists and other articulate members of the public upon whom political leaders rely to gauge the mood of the country on particular issues, and in a democratic country, their chances at the polls.” (Chung 2004, 10)

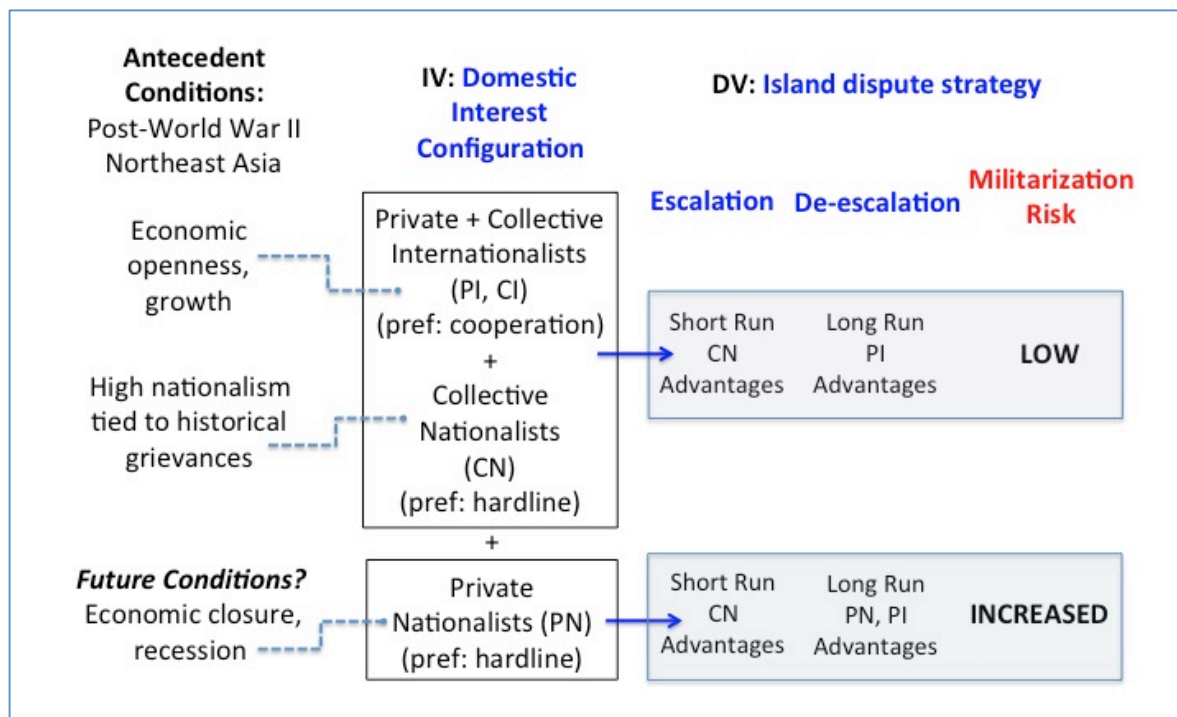
⁷⁸ I define “dispute episode” as an extended period of conflict between states at varying levels of intensity short of war, including: verbal expressions of hostility between governments (low intensity); the issuance of diplomatic or economic sanctions, prolonged and widespread anti-foreign protests, increased military presence or threats to use military force (medium intensity); and the actual use of military force in physical clashes (high intensity).

I argue that these groups have varying capacities to mobilize support and compel leaders to act in accordance with their hardline or cooperative foreign policy preferences, which flow from the types of benefits (private or collective) they seek. This variation in domestic group mobilization capacities and influence has a direct effect on leadership strategies of dispute escalation and de-escalation. Specifically, domestic groups that pursue collective interests enjoy mobilization advantages in the short term, but their capacity to sustain mobilization and pressure on leaders to sustain hardline policies over time dwindles due to the collective action problem. Conversely, domestic groups that pursue private interests are less susceptible to the collective action problem, making it easier to sustain mobilization over the long term. Groups seeking private interests are also better able to logroll (or trade favors among diverse groups) into broad coalitions, which increase access to and leverage over government officials. Because of these institutionalized advantages enjoyed by private interests, these groups tend to prevail in the political contest to influence government leaders.

In post-World War II Northeast Asia, where hardline nationalist groups have tended to pursue collective benefits and powerful private interests in business and industry have joined with internationalist coalitions backing cooperative regional postures, a focus on domestic interest configuration can help to explain both the reasons for frequent dispute escalation among key economic partners, as well as the capacity for leaders to de-escalate disputes in nationalist-charged environments. The theory of domestic interest configuration can also help to identify factors that could alter the patterns of recent decades, making dispute de-escalation more difficult and militarization more likely. Specifically, the alignment of new private interests with nationalist movements would present new obstacles to de-escalation, as leaders would face

greater difficulties deflecting demands from collective nationalist groups that are bolstered by the mobilization and institutional advantages of private interests.

Figure 2.5 Summary of the argument



Key assumptions

The theory of domestic interest configuration rests on two underlying assumptions. First, *domestic groups matter in shaping government behavior in inter-state disputes*. The state is not a unitary actor shielded from domestic pressures on the international stage. Rather, consistent with the “liberal” approach, “government policy is...constrained by the underlying identities, interests, and power of individuals and groups (inside and outside the state apparatus) who constantly pressure the central decision makers to pursue policies consistent with their

preferences.”⁷⁹ At the same time, international conditions, like levels of economic interdependence among countries, *also* matter. Under some conditions, international considerations are likely to trump domestic factors. An international economic or security crisis, for instance, can swiftly alter the strategic calculations of leaders, sidelining less pressing domestic concerns. But government leaders do not respond in any automatic way to shifting international conditions, as they also take into account the domestic political implications of their behavior.

Considering this interplay of domestic and international factors, interpreting inter-state dispute behavior requires a simultaneous assessment of international effects on the domestic environment (also known as “outside-in” or “second-image reversed”⁸⁰ effects), as well as domestic level factors that shape leadership cost-benefit calculations at the micro-level in the context of particular dispute episodes. Accordingly, the theory of domestic interest configuration, while focusing on varying arrangements of domestic interests as the key independent variable, also considers antecedent conditions⁸¹ at the international and regional levels that can influence domestic interest alignments.

Second, the influence of domestic groups in shaping inter-state dispute dynamics is comparable across a diverse range of regime types, from democracies to authoritarian systems.

Certainly, regime type plays an important role in determining the potential avenues open to pressure groups to affect foreign policy making, as well as whose voices are empowered in the

⁷⁹ Moravcsik 1997, 518. This is consistent with Putnam’s critique of unitary-actor state models. He notes, “on nearly all important issues, ‘central decision-makers’ disagree about what the national interest and international context demand... If the term ‘state’ is to be used to mean ‘central decision-makers,’ we should treat it as a plural noun: not ‘the state, it...’ but ‘the state, they...’ Central executives have a special role in mediating domestic and international pressures precisely because they are directly exposed to both spheres, not because they are united on all issues, nor because they are insulated from domestic politics.” (Putnam 1988, 432–33)

⁸⁰ Gourevitch 1978

⁸¹ I adopt Van Evera’s definition of an antecedent condition as phenomena whose presence “activates or magnifies the action of a causal law or hypothesis.” (Van Evera 1997, 8-9)

political process. For instance, civic groups representing nationalist interests can pressure leaders through general elections in democracies but not in single-party authoritarian states. Nationalist groups are more free to organize in democracies than autocracies.⁸² Authoritarian governments have capacities to permit or suppress nationalist protests that democratic regimes do not.⁸³ Yet these differences in state-pressure group dynamics across different regime types do not imply that pressure groups matter in shaping dispute dynamics in some systems but not others. The work of Jessica Weeks on “authoritarian audience costs” is helpful in this regard. As Weeks contends, “scholars of comparative politics have long argued that even without democratic institutions, autocratic leaders depend on the support of domestic groups to survive in office. The difference is that in authoritarian regimes, these influential groups usually represent fewer societal interests than in democratic regimes.”⁸⁴ Susan Shirk makes a similar point in detailing the workings of China’s “selectorate,” or “the group within a political party that has effective power to choose leaders.”⁸⁵ Shirk notes, “Although communist leaders (in China) obviously are not popularly elected, neither are they pure dictators, totally exempt from accountability to others...The competition for political leadership in communist states is almost constant.”⁸⁶

Authoritarian regimes might have more options and fewer constraints in repressing nationalist group activities, but leaders in authoritarian states like China also worry about the

⁸² As Chung notes, “It can be argued that, because it is much easier for nationalists to organize and propagate their agenda in a representative democracy, where freedom of opinion is protected, it would be much easier for nationalists in these countries to act as a political pressure group, both within and outside the government and ruling party, to create and galvanize public opinion conducive to realizing their...ambitions.” (Chung 2004, 21)

⁸³ Weiss 2014

⁸⁴ Weeks 2008, 38

⁸⁵ Shirk 1993, 71

⁸⁶ *Ibid.*, 70-71

costs of tamping down nationalism in the form of diminished patriotic credentials.⁸⁷

Conversely, democratic governments, like Japan and South Korea, might be more inclined to allow nationalist protests than authoritarian regimes, but they also take deliberate actions at times to keep nationalist sentiment in check.⁸⁸

So long as pressure groups 1) exist within a certain government system and 2) have some capacity to influence leadership decisions within that system, we should be able to identify and analyze the relative influence of different types of groups as well as change in their capacities to influence leaders over time. Factors - such as the degree to which private interests support the activities of nationalist groups - should affect degrees of domestic group influence over leadership decisions in foreign policy in similar ways across different regime types.

Variables and concepts

My theoretical model involves *one independent variable*: domestic interest configuration, operationalized as four distinct domestic group types that combine in varying ways over time. It also includes *one dependent variable*: leadership island dispute strategy, operationalized by three outcomes - dispute escalation, de-escalation short of war, and militarization. The theory, applied to Northeast Asia, also includes the consideration of *two antecedent conditions*, specifically regional economic and ideational trends, which have facilitated the emergence of a particular “private nationalist-free” interest configuration within countries across the region in recent decades.

⁸⁷ Downs and Saunders 1998

⁸⁸ For instance, Tokyo took deliberate action in the early 2000s to limit the ability of Japan’s nationalist groups to land on the Senkaku/Diaoyu islands. (Fravel 2010, 152) South Korea and Japan also decided to tamp down nationalist sentiment in the wake of an attempt by Japanese politicians to visit islands close to Dokdo/Takeshima in the summer of 2011. (Pollman 2015, 5-7)

The Independent Variable: Domestic interest configuration

My theory includes a typology of domestic groups with stakes in these disputes. This typology is then used to generate predictions regarding how different combinations of groups - or domestic interest configurations - are likely to affect the island dispute strategies of leaders in particular episodes.

I divide the universe of possible group types along two dimensions. First, I consider the foreign policy preferences of domestic groups, which can broadly be divided into **hardline/nationalist** and **cooperative/internationalist** camps. The division of domestic groups on the basis of cooperative versus hardline preferences is not new, though the terms used to describe these group types tends to vary across studies based on the period one is analyzing. For instance, in Snyder's work on the imperial era, hardline groups were labeled "imperialist" (defined as groups that favored expansionist territorial policies), while groups favoring more cooperative international stances were referred to as "anti-imperialist."⁸⁹ References to "internationalists" and "nationalists" (also referred to as "inward-looking" groups and "statist-nationalist" groups in Etel Solingen's work⁹⁰) as opposing cooperative/hardline domestic forces have become more common in studies of domestic groups and foreign policy the post-World War II era.

The term "nationalism" is used to describe a broad range of phenomena in the literature on Comparative Politics and International Relations. Its use in this study therefore merits further clarification. Nationalism takes many forms – including civic, ethnic, cultural, and ideological variants – not all of which are inherently conflict-generating and several of which might be

⁸⁹ Snyder 1991

⁹⁰ See, for instance, Solingen 1998 and Solingen 2014 on coalitional divides in the post-World War II era of economic liberalization.

active during a given period in a particular country. In this dissertation, I focus on manifestations of “anti-foreign” nationalism in Japan, China, and South Korea (also referred to as “extreme,” “ultra” or “hypernationalism”), which promote views of those outside the nation as inferior or threatening. This is in contrast to nationalism that is more internally directed, focusing on pride for one’s own country.⁹¹ I define nationalism, in general, as any behavior designed to restore, maintain, or advance the national community.⁹²

My use of the term nationalism is also distinct from the concept of economic nationalism, which refers to policies designed to improve one’s own economy relative to other countries. In Northeast Asia, internationalist strategies (favoring regional cooperation) have been used in recent decades to pursue economic nationalist aims. For instance, in the 1960s and 70s South Korean President Park Chung Hee pursued a strategy focused on regional economic cooperation to achieve national greatness: “Nation Building through Exports” was a motto of his regime.⁹³ (The “anti-foreign” component to Park’s nationalism was directed towards North Korea, not Japan,⁹⁴ highlighting the degree to which multiple forms of nationalism might be operational

⁹¹ For more on this distinction see Mearsheimer’s discussion of “hypernationalism” in Mearsheimer 1990, p. 39.

⁹² This definition is drawn from Gries’ work on Chinese nationalism (Gries 2004, 9). Gries follows Liah Greenfield in his use of nationalism “loosely as an ‘umbrella term’ covering national identity/nationality, national consciousness, nations, and their ideologies.” (*Ibid.*, 153) Gries further defines national identity as “that aspect of individual’s self-image that is tied to their nation, together with the value and emotional significance they attach to membership in the national community.” (*Ibid.*, 9)

⁹³ Solingen 1998, 223. As John Lie notes with reference to Park’s rule, “By emphasizing economic growth, the military regime imagined a particular trajectory of South Korea toward national greatness. It valorized materialism and modernity, while preaching anticommunism and nationalism.” (Lie 1998, 146)

⁹⁴ See also Lee 2011, 432-33: “From Park’s point of view, normalizing relations with Japan did not make him any less of a nationalist. Under Park’s regime, to be *panil* (anti-Japan) was set aside to make way for a more pragmatic, but still nationalistic *kukil* (beat Japan) approach. The normalization of relations with Japan was conceived as an instrument to secure the capital, technology, and markets required for South Korea to catch up with and eventually beat Japan in Japan’s own game of statist modernization.” And Amsden, 1989, p 72: “Ironically, in the 1960s exports were viewed by the military regime as a deliverance. Park’s speeches are full of references to rising self-sufficiency with every extra dollar of export earnings, and the antithesis of self-sufficiency was implicitly defined as continued reliance on US largesse.”

within a society or government at a given point in time.⁹⁵) In this study, I focus on manifestations of anti-Japan nationalism in Korea and China and “far-right” nationalism in Japan that seeks to glorify Japan’s past,⁹⁶ forms of nationalism that have been most visible in these disputes and have been consistently associated with hardline foreign policy orientations.

This hardline/nationalist, cooperative/internationalist distinction gives a sense of the *type of pressure* a group is likely to place on leadership: to escalate (hardline preference) or de-escalate (cooperative preference). However, it does not give any sense of how *effective* the group is likely to be in influencing leadership decisions to escalate or de-escalate. Previous studies of domestic groups and coalitions have identified a number of possible characteristics - from group size to levels of resources - that can have an impact on their effectiveness.⁹⁷ I focus on a different factor influencing group effectiveness: the degree to which it pursues **private or collective** benefits.⁹⁸ The theory argues that private interests should have the greatest ability to influence leadership decisions regarding foreign policy over the long term. Collective interests, in contrast, often have mobilization advantages in the short term but face difficulties sustaining support and pressure on leaders over extended periods.

My contention regarding the greater advantages enjoyed by private interests in influencing leaders, when compared with groups seeking collective gains, draws from previous

⁹⁵ See Lie’s discussion of South Korea’s *minjung* ideology and “state nationalism,” which was equated to “the celebration of GNP growth.” (Lie 1998, 147)

⁹⁶ Stronach 1995, 105

⁹⁷ For instance, Etel Solingen’s study of coalitions identifies “well endowed” coalitions - in other words, coalitions that are sizable in resources, able to attract key actors, consensual in macropolitical objectives, and effectively organized - as more effective than “less well-endowed” ones. (Solingen 1998, 11)

⁹⁸ As Schattschneider notes in *The Semi-Sovereign People*: “The distinction between *public* and *private* interests is a thoroughly respectable one; it is one of the oldest known to political theory. In the literature of the subject the public interest refers to general or common interests shared by all or by substantially all members of the community...In contrast with the common interests are the special interests. The implication of this term is that these are interests shared by only a few people or a fraction of the community; they *exclude* others and may be adverse to them.” (Schattschneider 1960, 23–24, emphasis included in original). He later notes, “it is a good deal easier to explain what is going on in politics by making a distinction between public and private interests than it is to attempt to explain *everything* in terms of special interests.” (*Ibid.*, 24, emphasis included in original).

research on domestic interests and social mobilization. First, Mancur Olson's work on collective action and public goods (1965) suggests that *individuals in large groups with collective interests usually do not mobilize to advance these interests*.⁹⁹ This is because most individuals in this type of group will tend to "free ride" from the efforts of others who advocate on behalf of collective goods; since the benefits associated with collective goods, by definition, cannot be excluded from the general public, even those who do not work to attain them can consume them freely. In contrast, smaller groups pursuing private goods, shared by only a fraction of the community, have a higher incentive to contribute toward group goals over extended periods because "each member derives a large benefit from the successful promotion of the shared interest;"¹⁰⁰ benefits might not be attained absent their efforts. In practice, groups seeking collective benefits might be able to organize broad-based activities in the short term,¹⁰¹ but over time levels of support are likely to dwindle as the costs of mobilization mount and the "free rider" problem takes effect.

Second, Jack Snyder's work on domestic interests and foreign policy during the imperial era claims that *private (what he calls "concentrated") interests are better able to logroll (or trade favors among groups with diverse interests) into broad coalitions that yield unique access to, and leverage over, state actors*. Specifically, Snyder claims that logrolling¹⁰² is: 1) crucial to empowering private interests in their pursuit of influence over national policy, and 2) "pays off

⁹⁹ With reference to groups (or parties) pursuing collective interests, Olson notes on page 164: "The average person will not be willing to make a sacrifice for the party he favors since a victory for his party provides a collective good." (Olson, 1965, 164)

¹⁰⁰ Snyder 1991, 33, citing Olson 1965, 1982; See also Olson 1965, 48.

¹⁰¹ This may be increasingly the case in the digital age, when social media, email, and cell phones have made it cheaper and easier to organize large protests than in the past. As Zeynep Tufekci notes, "in the digital age, the size of a protest is no longer a reliable indicator of a movement's strength." (Tufekci, Zeynep, "Does a Protest's Size Matter?" *The New York Times*, January 27, 2017, available at: https://www.nytimes.com/2017/01/27/opinion/does-a-protests-size-matter.html?_r=0)

¹⁰² Logrolling involves a group trading "what it wants most in return for tolerating the adverse effects of the policies its coalition partners desire." (Snyder 1991, 44)

concentrated (or private) interests and ignores diffuse (or collective) interests, which are hard to organize.”¹⁰³

Joining forces with logrolled coalitions increases the capacity of private interests to influence leaders for two reasons: 1) logrolling provides a chair at the bargaining table to those included in the coalition to influence the formation of state strategies, essentially enmeshing the interests of these groups with those of the ruling coalition; and 2) logrolling pools leverage. Diverse groups bring different resources to the table than can be used to pressure and coax policymakers. As Solingen notes, “Actors - individual and collective - vary in the currency (the yardstick for measuring power resources) they bring to bear on prospective coalitions: the military can wield its ability to coerce; capitalists their potential to invest, employ, and exit; labor its option to strike; independent central banks their capacity to maintain macroeconomic stability; threatened state bureaucracies their opportunities to foil implementation of reform,” etc.¹⁰⁴ Private interests in a logrolled coalition therefore can multiply their leverage over leaders by tapping the broad range of “currencies” at their disposal. In summary, these traits associated with private interests - including advantages in mobilizing over long periods and forming broad coalitions - increase their capacity, *vis a vis* collective interests, to influence leadership behavior in the context of particular dispute episodes. The distinction between collective and private interests I employ is similar to the role of kindling and wood in sparking a fire and keeping it burning: kindling, like collective interests, can light a spark and generate heat in the near term, but it fizzles over time without the addition of fuel wood, akin to private interests adding leverage and sustained mobilization potential over longer periods.

¹⁰³ *Ibid.*, 11-12

¹⁰⁴ Solingen 1998, 18

Taken together, identifying groups along these two dimensions yields four possible “ideal types”¹⁰⁵ of domestic groups, detailed below and in Table 2:

- 1) **Private internationalists.** These are groups favoring cooperative foreign policy stances in pursuit of private gains. This includes groups that directly profit from cooperative, open regional orders, such as export-oriented industries and business conglomerates, as well as groups that lend support to internationalist coalitions following side-payments, such as military groups that benefit from budget increases made possible by revenues from export-oriented growth and/or globally non-competitive industries and sectors that receive subsidies and protection to offset the distributional effects of trade and liberalization.
- 2) **Private nationalists.** These are groups favoring hardline foreign policy stances in pursuit of private gains. This might include military and economic groups that do not benefit directly from open, cooperative regional orders and are not granted side-payments to temper the effects of trade and economic liberalization.
- 3) **Collective internationalists.** These are individuals and groups favoring cooperative foreign policy stances in pursuit of collective gains. This might include leaders at the helm of internationalist coalitions as well economic ministries that foster export-oriented growth to benefit the country as a whole, foreign ministry officials who seek to foster peace and stability through diplomacy, and pacifist civic groups, such as Japan’s Peace Osaka.

¹⁰⁵ These group types may not perfectly represent distinctions among groups in the real world - many groups do not fit neatly into any one of these categories or shift over time - but are presented to capture general trends and simplify the theory.

- 4) **Collective nationalists.** These are groups favoring hardline foreign policy stances in pursuit of collective gains. This includes civic groups, such as South Korea's Dokdo movement and Japan's *Nihon Seinensha*, that rally in support of symbolic issues, such as seeking more sincere apologies for wartime conduct or defending the national honor.

Table 2.2 Domestic group typology: classified by foreign policy preferences, benefits sought

	Seek private benefits	Seek collective benefits
Prefer cooperative policy stances (internationalist)	<i>Private internationalists (PI)</i> - e.g., export-oriented business conglomerates; economic and military groups co-opted into internationalist coalitions via subsidies and budget increases	<i>Collective internationalists (CI)</i> - e.g., leaders seeking export-oriented growth to benefit nation as a whole; pacifist civic groups
Prefer hardline policy stances (nationalist)	<i>Private nationalists (PN)</i> - e.g., military groups seeking higher budgets or influence through assertive foreign policies; globally uncompetitive industries that do not benefit from economic openness	<i>Collective nationalists (CN)</i> - e.g., civic groups and island activists pressing for tougher stances in international disputes for symbolic reasons, such as defending the national honor

These four general domestic group types can combine in several possible ways to form different domestic interest configurations. The critical factor to keep in mind in working with this theory is: *which foreign policy orientation(s) - cooperative or hardline - do powerful private interests support within nationalist-charged environments?* This should give a good sense of the groups (cooperative or hardline) that are likely to have the greatest *long-term* influence over leadership dispute strategies. It should also help to determine the likelihood of militarization in a

particular dispute episode, as leaders should have greater difficulty de-escalating the more private interests - who have unique mobilization advantages and channels of access within the government - support hardline/nationalist foreign policy positions.

A focus on variation in the orientation of private interests in the midst of pitched nationalism yields three general domestic interest configuration scenarios that merit special consideration.¹⁰⁶ First are domestic interest configurations that involve **private interests supporting cooperative/internationalist foreign policy stances, while hardline/nationalist groups pursue mostly collective aims**. This includes private internationalist/collective internationalist-collective nationalist (PI/CI + CN) and private internationalist-collective nationalist (PI + CN) domestic interest configurations. The key to this scenario is that no private nationalist (PN) groups are active. The overall likelihood of militarization under these interest configurations is low, as private interests favoring de-escalation should have greater influence over leaders than collective nationalists over the long term.

The second scenario involves domestic interest configurations in which **private interests support both cooperative and hardline foreign policy stances** in the context of particular dispute episodes. This includes PI/CI + PN/CN; PI + PN/CN; PI/CI + PN; and PI + PN configurations. For instance, business groups might support internationalist/cooperative foreign policy stances (private internationalists), while energy interests support a hardline stance and cooperate with nationalist groups to rally support (private nationalists). The likelihood of militarization under this second type of scenario is higher than in the first, as private internationalists and private nationalists should be more evenly matched in terms of their

¹⁰⁶ Note: I do not consider scenarios in which *no* private interests are present, though this could be a useful extension of this study - considering escalation and de-escalation dynamics in disputes in which collective internationalists face off against collective nationalists, for instance.

capacities to influence leaders over the long term. Leaders should still be able to de-escalate under this scenario, but only if they are able to identify material side payments sufficient to convince the private nationalists involved to back down from hardline pressures.

The third scenario involves domestic interest configurations in which **private interests support *hardline/nationalist* foreign policy stances, while cooperative/internationalist groups pursue mostly collective aims**; in other words, there are no private internationalists in play. This includes CI + PN/CN and CI + PN domestic interest configurations. These configurations should involve the highest risk of militarization, as private interests favoring hardline policy stances and escalation should have greater influence over leaders than collective internationalists favoring cooperative stances and de-escalation over the long term.

Notably, the final scenario - with private interests backing hardline/nationalist foreign policy positions - resembles most closely the cases that Jack Snyder examines in *Myths of Empire*, including early twentieth-century Germany and Imperial Japan. In those cases, private interests in the military and industry favored expansionist, hardline foreign policy orientations to maximize their own budgets and profits and used their organizational advantages (derived from the parochial nature of their interests) to logroll into coalitions and “hijack” the state.¹⁰⁷ These coalitions then relied on nationalist groups touting imperial myths to sell their policies to the

¹⁰⁷ In the case of Wilhelmine Germany, key parochial interests included the Junkers (or landed nobility, who wanted inflated grain prices via protective tariffs), the navy (which wanted a fleet), and heavy industry (which wanted protected industries and opportunities for development, which building a navy fleet provided). Bargaining among these groups involved logrolling, in which “each group gets what it wants in return for tolerating the adverse effects of the policies its coalition partners desire.” (Snyder 1991, 44) For instance, within this coalition of “iron and rye,” Junkers tolerated high taxes on agriculture needed by heavy industry to fund military expansion in exchange for industry’s tolerance of high agricultural tariffs, which suppressed industrial exports. (*Ibid.*, 100) In Japan, similar logrolling processes occurred between the navy and army elites, who wanted a rising share of the budget and a mainland empire, respectively. (*Ibid.*, pp. 44-5, Chapter 4)

broader public.¹⁰⁸ As Snyder argues, this resulted in self-defeating territorial overexpansion, as “pro-imperial leaders became entrapped in this political and ideological dynamic.”¹⁰⁹

Antecedent conditions and domestic interest configurations in Northeast Asia

The predominant domestic interest configuration in Northeast Asia in recent decades has resembled the first scenario most closely. It has consisted of private internationalist interests joining with collective internationalists in logrolled coalitions to create and maintain a cooperative regional order. A combination of private and collective aims motivate these groups: private internationalists, including industries and businesses, seek private gains from trade and foreign investment, while collective internationalists have included leaders and government agencies that pursue export-oriented growth to benefit the entire country. The configuration also includes highly active collective nationalist groups that favor hardline dispute stances in pursuit of largely symbolic aims - groups like South Korea’s Dokdo movement and Japan’s *Nihon Seimensha* who pursue goals like righting historical wrongs and protecting the national honor. Notably, private nationalist groups, preferring hardline policy stances in pursuit of excludable benefits, have been largely absent from this interest configuration.

This private/collective internationalist - collective nationalist (PI/CI-CN) domestic interest configuration is key to explaining patterns of escalation and de-escalation in Northeast Asia’s island disputes. These patterns would likely change - making de-escalation more difficult

¹⁰⁸ Nationalist groups in Snyder’s account were necessary to mask parochial interests. Without such groups and the nationalist narratives they promoted, the masses, who bore the burden of expansionist policies (including high taxes to fund military expenditures and the need to send young family members to war), would have less incentive to support imperialist projects. Nationalist groups in Wilhelmine Germany included the Navy League and Pan-German League, which became self-sustaining and eventually took on a life of their own. (*Ibid.*, 103)

¹⁰⁹ *Ibid.*, 2. More specifically, in Snyder’s words, strategic myths “came to capture even those who invented them: because myths are necessary to justify the power and policies of the ruling coalition, the leaders must maintain their myths or else jeopardize their rule” (*Ibid.*, 17)

and militarization more likely - if private nationalists (PN) were to join the interest configuration. Dispute dynamics with private nationalists in the mix would more closely resemble the second or third scenarios highlighted above, with private interests backing nationalist movements and making it more difficult for leaders to avoid becoming “locked into” nationalist-charged escalatory spirals.

Two antecedent conditions have had a strong influence on the formation and endurance of Northeast Asia’s “private nationalist-free” interest configuration in recent decades: 1) the prevalence of export-oriented development strategies in the region; and 2) the high baseline of nationalist sentiment tied to historical issues within South Korea, China, and Japan.

Antecedent condition 1: export-oriented development → private-collective internationalist coalitions

The international and regional economic order that exists at a given point in time - classified by degrees of openness and the processes that drive economic growth - affects domestic interest configurations by affecting the likelihood that powerful private interests in “big business” and the military will support internationalist or nationalist economic and foreign policy stances.

The end of World War II brought major economic shifts on a global scale that fundamentally altered incentives for expansion that existed during the imperial era that Jack Snyder analyzes in *Myths of Empire*. Etel Solingen characterizes these changes as a shift in “world time,” noting: “For the most part, the global political economy of the late twentieth century has placed big business exactly opposite the militarist, imperial, and autarkic coalitions

that underwrote expansion in the great power cases examined by Snyder.”¹¹⁰ This reversed domestic interest configuration (shifting from scenario 3 to scenario 1) enabled private internationalists to capture the political advantages that imperial (nationalist) groups enjoyed in the period Snyder analyzes, including the ability to logroll into coalitions and acquire privileged access to and high-level positions within state institutions.

The alignment of private interests behind internationalist economic and foreign policies in Northeast Asia evolved in the context of the regional predominance of export-led development strategies in the decades following World War II. In the 1950s, 60s, and 70s, leaders like Japan’s Yoshida Shigeru, South Korea’s Park Chung-hee, and China’s Deng Xiaoping forged coalitions among both collective and private interests that were “internationalist” insofar as they viewed a cooperative regional environment as conducive to their aims.¹¹¹ In Japan, internationalist coalitions in the early stages of the country’s post-World War II development included the ruling Liberal Democratic Party (LDP), the Ministry of International Trade and Industry (MITI), the Japan Defense Agency, the Japan Business Federation (*Keidanren*), and major industrial and business conglomerates.¹¹² South Korea’s coalition under Park Chung-hee in the 1960 and 70s included military administrators, state technocrats, industrialists and *chaebol* business conglomerates.¹¹³ And, starting in the late 1970s, China under the leadership of Deng Xiaoping forged a strategy focused on technology imports and foreign direct investment to fill gaps in the

¹¹⁰ Solingen 1998, 12

¹¹¹ Some have referred to these strategies as “techno-nationalist” (Cheung 2013) or “economic nationalist” (Lee and Lee 2015) due to the predominant role of the state, rather than multinational firms and global markets, in establishing processes and aims of economic development; I identify these strategies as “internationalist” based on the degree to which cooperative foreign policies, or in Japan’s case a “low posture” in foreign relations” (Curtis 1999, 40-41) are relied upon to facilitate development strategies.

¹¹² Cheung 2013, 70

¹¹³ *Ibid*; Solingen 1998, 224

domestic base¹¹⁴ that also involved granting new business elites greater economic control over resources to promote industrialization¹¹⁵ and using revenues from economic growth to fund military modernization and co-opt key groups within the military to the side of the reformers.¹¹⁶

While the timing and processes of development in these countries were not identical, leaders in South Korea, Japan, and China similarly aimed for rapid economic growth fostered by extensive trade ties within a cooperative, stable regional environment.¹¹⁷ Coalition-building strategies in all three countries were also similar, involving cultivating new domestic “winners” from economic reform (specifically, by supporting businesses and industries that directly benefitted from increasing trade and, to varying degrees, foreign investment¹¹⁸) while providing incentives to support the development program to potential “losers” from reform (including small businesses and agriculture in Japan, conservative rural constituencies in South Korea, and state owned enterprises in China). Processes of growth and redistribution served as “glue” to satisfy a diverse range of constituents and generate shared interests in the success of internationalist economic and foreign policy strategies. Powerful vested interests became

¹¹⁴ Cheung 2013, 74

¹¹⁵ Pearson 1997

¹¹⁶ A Shirk notes, “China’s economic miracle has helped turn the People’s Liberation Army into a modern military force.” (Shirk 2007, 21)

¹¹⁷ With reference to shared goals within the region, T.J. Pempel claims “Across Northeast Asia there has been a pervasive embrace of national economic growth as a powerful tool capable of enhancing a nation’s power and prestige as well as in mitigating potential domestic divisions. As a consequence, states have collectively reduced their focus on military might as the principal driver of enhanced national influence and as a consequence have forged a less militarily brittle region.” (Pempel 2013, 9-10) Regarding China, Margaret Pearson contends that “China’s reformers have adopted the same broad goals as did their East Asian counterparts: rapid, stable economic growth, based in large part on exports.” (Pearson 1997, 146)

¹¹⁸ Development strategies in all three countries relied on extensive regional and global trade links, but degrees of openness to foreign direct investment (FDI) varied considerably, with China allowing FDI at earlier stages of its development than South Korea or Japan. As Cheung notes, the shift toward market-opening steps in South Korea and Japan was a “carefully managed and highly selective process,” though South Korea ultimately took significant steps to allow open sectors to foreign investment following the 1997-98 Asian financial crisis. (Cheung 2013, 69, 75-77)

entrenched within the governments and societies in all three countries in favor of export-oriented growth and the high levels of regional cooperation and stability that facilitate such growth.¹¹⁹

These externally-oriented development strategies and coalition-building processes had three important results. First, levels of economic interdependence within the region rose dramatically. In recent years the “hub” of intra-regional trade shifted from Japan to China, but overall levels of trilateral trade have continued to rise.¹²⁰ Second, high levels of economic interdependence and growth generated increases in wealth at the elite and mass levels across the region, further broadening the internationalist coalitional base of support.¹²¹ Third, these strategies and processes resulted in strong state-business ties in Japan and South Korea, as well as less institutionalized but similarly co-dependent government-private business relations in China, which fused the interests and fortunes of the leaders of internationalist regimes with those of private interests in business and industry.¹²² For leaders, these processes have bolstered their political standing, while making them more reliant on continued economic growth as the basis

¹¹⁹ Solingen provides reasoning for the link between internationalist economic strategies and cooperative foreign relations, stating that cooperative regional postures “in general terms, are expected to have three consequences: freeing up resources to carry out reform at home, weakening groups and institutions opposed to reform, and securing access to foreign markets, capital, investments, and technology.” (Solingen 1998, 26)

¹²⁰ Between 2000 and 2008, Northeast Asian intra-regional trade tripled in trade, from US\$166.8 billion in 2000 to US\$524.6 billion in 2008. Also notable is the fact that China tends to have trade deficits with neighboring countries in Northeast Asia but surpluses with the rest of the world. (Choi 2013, 95)

¹²¹ As Pempel notes, the region has become a “natural economic zone with ever-expanding integrated production linkages transcending national borders and bringing regional economic benefits to mass and elite alike.” (Pempel 2013, 9) On the broad distribution of wealth from export-led growth in Northeast Asia, see also Solingen 1998, 228; Curtis, 1999, 40, and Lie 1998.

¹²² Institutional aspects of state-business ties have differed across these countries (Pearson 1997, 149), but the processes of building these bonds have been similar, with states granting selective support and advantages to key businesses and industries (and, in China’s case, regional economic zones) in exchange for good performance and growth. (Woo 1991, 149; Johnson 1982, 311; Pearson 1997, 146-7; Amsden 1989, 72-73; Lie 1998, 97-98; Shirk 1993, 131)

for their legitimacy and on private business enterprises as the engine of that growth.¹²³ As Jung-en Woo has noted with respect to the state-business nexus over the period of high growth in South Korea, “*chaebol* tentacles gripped not only the economy but the state as well: big state and big business would have to sink or swim together.”¹²⁴

In summary, in the post World War II era, private internationalists in Northeast Asia have logrolled with collective internationalist leaders and government ministries into coalitions that have maintained a hold on power, closely tied to strong economic performance, for several decades. The externalities flowing from this cooperative internationalist coalitional predominance were quite different from those generated by the hardline nationalist coalitions of the imperial era: rather than generating self-defeating overexpansion,¹²⁵ coalitions supporting export-oriented growth have facilitated broad-based prosperity in their countries, which has further bolstered the strength of internationalist regimes.

Calls for reform have arisen - particularly during periods of slowed growth in Japan and China and following the 1997 Asian financial crisis in South Korea - but the postwar strategies focused on economic development and a relatively low profile in foreign affairs also have had considerable “stickiness.” With regard to Japan in the late 1990s, Gerald Curtis posits that “Japan’s postwar political and social institutions were associated with half a century of social harmony and economic success in a land previously wracked by social conflict, controlled by a militarist government, and ruined by war. Success tends to make people risk-averse, and Japan’s

¹²³ Regarding China, Nicholas Lardy’s *Markets Over Mao* (2014) posits that innovation and growth are stemming from the 40.6 million household businesses and 6.5 million private enterprises across China, which, between 2010 and 2012, accounted for between two-thirds and three-quarters of China’s gross domestic product (GDP). (As cited in Shambaugh 2016, 43)

¹²⁴ Woo 1991, 149. Similarly, Solingen contends, East Asia’s rulers have “pivoted their political survival on economic performance, export-led growth, and integration into the global political economy.” (Solingen 2007, 760, as cited in Pempel 2013, 9)

¹²⁵ Snyder 1991

postwar ‘miracle’ made many Japanese cautious about proposals for radical institutional innovations with unpredictable consequences.”¹²⁶

The same has applied in South Korea and China: the broad contours of the early reform strategies have held, focusing on fostering externally-oriented economic growth within a stable international environment. Key coalitional partners have also remained intact. Bruce Cumings notes, with reference to South Korea’s large private business conglomerates, “In the mid-1990s, after much talk about scaling down the *chaebol* and diversifying the economy, the ten largest firms still account for about 60 percent of all production, and the big four do 40 percent all by themselves.”¹²⁷

I argue that the centrality of private actors in ruling internationalist coalitions has had a strong impact on leadership dispute strategies in Northeast Asia, helping to ensure that leaders retain the capacity to de-escalate tensions even in nationalist-charged environments because they are bolstered by powerful private interests. Private internationalists enjoy a number of advantages within this interest configuration. First and foremost, as noted above, their interests are deeply entwined with those of the state. In the era of export-oriented development, what is good for the state has been closely related to what sustains strong economic performance, which relies heavily on the success of externally-oriented private economic actors. Thus, leaders, in deliberating over dispute strategies often, somewhat automatically, take into account the interests of private internationalists. Second, being a part of the coalitional “logroll” also gives these groups channels of access within the government and leadership circles, which they can use to

¹²⁶ G. L. Curtis 1999, 38–39

¹²⁷ Cumings 1997, 330. See also: Ahrens, Frank, “The Myth of Chaebol Exceptionalism,” *Foreign Policy*, December 1, 2016 (accessible at: http://foreignpolicy.com/2016/12/01/the-myth-of-chaebol-exceptionalism/?utm_source=Sailthru&utm_medium=email&utm_campaign=New%20Campaign&utm_term=Flash%20points), which provides an account of the continuing, though evolving, central role of the *chaebol* in South Korea’s economy.

pressure for certain leadership responses to international crises from behind the scenes.

Third, in addition to these channels of influence within the state, private internationalist interests can use large business federations in Japan and South Korea (less so in China¹²⁸), such as Japan's *Keidanren* and South Korea's Federation of Korean Industries (FKI), as a public platform to press for their interests when needed.

These dynamics of close state-business ties involve some empirical challenges: because these interests are incorporated into the system, their influence is only visible to the broader public when they use the third, public, channel of influence. Most often, the influence of these groups is evident only in the degree to which internationalist leaders act in accordance with private internationalist interests.¹²⁹

Antecedent condition 2: Unresolved historical grievances → nationalists in pursuit of collective interests

In contrast to these internationalist coalitions involving groups focused on private, excludable interests, nationalist groups in Northeast Asia in recent decades have tended to emerge from the grassroots level and advocate on behalf of largely on collective aims, like seeking more sincere apologies for wartime conduct. This is largely due to the high salience of history issues related to unresolved legacies of World War II among the general public in South Korea and China and far-right groups in Japan.¹³⁰ Starting in the 1980s disputes over historical issues have occurred on an almost annual basis between Japan-South Korea and Japan-China,

¹²⁸ See Pearson's discussion of the lack of institutions linking the business sector to the Chinese government, relative to the situation in Korea and Taiwan. She notes that strategies of state-business coordination have been similar across these cases, but institutional arrangements, such as "peak organizations" to facilitate state-business ties, have been lacking in China. (Pearson 1999, 146-151)

¹²⁹ Narizny deals with a similar challenge in his study of domestic interests and grand strategy, but notes "If a strong, coherent relationship exists between the hypothesized goals of socioeconomic groups, their positions on foreign policy, and the actual grand strategy chosen by their political representatives, there will be good reason to believe that the theory is correct." (Narizny 2007, 32)

¹³⁰ Wan 2006; Berger 2014

mostly over grievances tied to Japan's colonization of Korea (1910-1945) and its wartime conduct in China.¹³¹ Starting with a diplomatic controversy over Japanese textbooks in 1982 – when South Korea and China lodged protests in response to media reports that Japanese government screeners were requesting that textbooks depict the country's "invasion" of China in 1937 as an "advance"¹³² – almost every year has brought some form of historical dispute among these countries, if not over Japanese textbook revisions than in response to a host of other catalysts.¹³³

For nationalist groups in Northeast Asia, the island disputes symbolize unresolved grievances from World War II and a means to defend their country's honor. For instance, groups associated with the "Dokdo movement" in South Korea view the islands as a reminder of Japan's past aggression toward Korea and their activism as a means to commemorate Korea's liberation from Japanese colonial rule.¹³⁴ Japan's *Nihon Seinensha* (Japan Youth Federation), which has been active in the Senkaku/Diaoyu dispute, shares a common mission with other Japanese far-right groups seeking to revitalize and glorify Japan's prewar past.¹³⁵ And China's *Bao Diao* (Protect the Diaoyu) movement uses Senkaku/Diaoyu activism as a means the movement as a way to "right historical wrongs" against Japan.¹³⁶

¹³¹ As Berger (2012) notes, "the 1980s was a decade when history returned with a vengeance to the diplomatic agenda in Asia." (p. 164) For more on the historical disputes of this period see Lind 2008.

¹³² The fact that these reports were later proven to be erroneous did not dampen suspicions in the region regarding Japan's attitude towards its wartime past. (Berger 2012, Lind 2008)

¹³³ Japan's Ministry of Foreign Affairs has an official webpage entitled "Issues regarding History" that demonstrates the scope of these issues as well as the degree of government energy they have consumed over the past several decades. Beyond textbooks, it provides links to information from the early 1980s to the present day on issues ranging from the "Issue known as 'Wartime Comfort Women'" to the "Issue on the Visit to Yasukuni Shrine" (honoring Japan's war dead), as well transcripts of past apologies issued by the Japanese government. (See <http://www.mofa.go.jp/policy/postwar/>)

¹³⁴ Choi 2005

¹³⁵ Stronach 1995, 105

¹³⁶ Chung 2004, 46

The association of nationalist groups with collective interests in recent decades in Northeast Asia has limited their capacity to mobilize and form broad coalitions - since collective interests are more susceptible than private interests to the collective action problem and have greater difficulties logrolling. These groups have been politically influential and have even forged strong partnerships with government actors and political parties in some cases. But their influence has not translated into the capacity to shape grand economic or foreign policy strategies or to seriously constrain leadership behavior in the context of specific bilateral dispute episodes that private internationalists have enjoyed. The tendency for nationalist groups to focus on symbolic, collective interests has also created opportunities for leaders to offer symbolic side-payments to these groups that cost little in material terms and are ultimately reversible. These symbolic concessions have facilitated processes of de-escalation by making nationalist backlash less likely.

Operationalizing the Dependent Variable: Leadership dispute strategies of escalation, de-escalation, and militarization

I argue that the configuration of interests that has predominated in Northeast Asia in recent decades - including private internationalist groups logrolling with internationalist ruling coalitions in favor of cooperative regional stances and hardline nationalist groups focused on collective interests - helps to explain leadership dispute strategies. I operationalize these strategies by three observable outcomes: escalation, de-escalation short of war, and militarized conflict. In recent decades, leaders have pursued the first two strategies: escalating disputes to low to medium levels of intensity and later de-escalating short of militarization.

Explaining escalation

I measure levels of escalation using a five-point scale:

0 = Peace: no verbal expressions of hostility between governments; no diplomatic, economic, or military confrontations

1 = Low intensity: low to moderate verbal expressions of hostility between governments

2 = Medium intensity: strong verbal expressions of hostility; widespread street protests; sanctions on bilateral diplomatic, economic, or military ties; seizure of civilians in disputed areas; increase in official physical presence on or near the islands; threats to use military force

3 = High intensity: actual use of force in mild to severe physical clashes; outbreak of militarized hostilities

4 = Full-fledged war

Dispute episodes in the Senkaku/Diaoyu and Dokdo/Takeshima disputes have generally involved escalation to “low” or “medium” intensity levels, with de-escalation consistently occurring prior to militarization (or “high” intensity). In analyzing escalation patterns in these cases, it is useful to distinguish between *specific* and *general precipitants* of dispute episodes. Specific precipitants, defined as “particular and especially provocative” acts,¹³⁷ tend to be somewhat random - ranging from island landings to important historical anniversaries¹³⁸ to fishing boat mishaps and negotiations over maritime resources. Nationalist groups in Northeast Asia consistently seek opportunities to raise awareness of their causes, making any one of these events a possible trigger for dispute episode initiation. However, specific precipitants are difficult to predict and do not *cause* escalation in any systematic way. As Snyder and Diesing note in their study of international crises, “the identification of specific precipitants is useful in

¹³⁷ Snyder and Diesing define “specific precipitants” as “a particular and especially provocative act by the opponent that is seen as the ‘last straw,’ or perhaps as the pretext for the challenge.” (G. H. Snyder and Diesing 1977, 11)

¹³⁸ As one *Economist* article noted in the lead-up to August 15, 2012: “It is that time of year again: the anniversary of the end of the second world war in North-East Asia, when wound-opening patriots take the sticking-plaster laid over historical grievances and give it a hard tug.” The article later detailed South Korean President Lee Myung-bak’s precedent-setting trip to the Dokdo/Takeshima islets five days before the anniversary. (“History wars in North-East Asia: Ripping yarns,” *The Economist*, August 18, 2012, accessible at: <http://www.economist.com/node/21560617#print>)

developing a pattern of crisis events, but in most cases little causality should be imputed to them. They function more as convenient occasions for, or as legitimizers of, the challenge than as causes of it.”¹³⁹

It is more useful to focus on *general* precipitants, or “larger and longer term developments” that make escalation more likely.¹⁴⁰ In this area, the role of domestic interest configurations is critical. I contend that the combination of groups in play in particular dispute episodes, which differ in their relative advantages and disadvantages in mobilizing to influence leaders, has played a key role in causing the general patterns of escalation and de-escalation we have seen in these disputes.

Under Northeast Asia’s post-World War II domestic interest configuration, collective nationalists have had two key short-term advantages that have made leadership decisions to escalate disputes more likely. First, in the initial stages of a dispute flare-up, collective nationalists can attract high-level attention and rally public support to their cause fairly easily and cheaply. An activist landing on an island, for instance, tends to generate media attention. This, in turn, prompts leaders on both sides to publicly issue at least routine talking points to reassert their country’s sovereignty claims (or else risk being accused of not sufficiently protecting the country’s territorial integrity). Segments of the public within disputant countries might be moved to express support for the nationalist cause - particularly if it is framed in broad symbolic terms as an effort to protect the national honor, thereby appealing to a wide cross-section of society. Some particularly motivated citizens might decide to join a weekend street rally or sign an online petition, for instance. None of these initial actions cost the nationalist group, or their supporters among the public, very much in material terms. They also do not

¹³⁹ G. H. Snyder and Diesing 1977, 11

¹⁴⁰ *Ibid.*, 12.

require a great deal of organization or access to official government channels. But they often succeed in moving the island dispute to the forefront of the bilateral agenda (away from more pragmatic concerns), thereby constituting a significant “win” for the nationalist groups.

Second, in the short term, collective nationalists are unlikely to face strong resistance from private internationalist interests, specifically the externally-oriented business groups, which tend to be unconcerned with the low-intensity dispute episodes because their private interests are not threatened. So long as disputes do not near militarization, or otherwise risk affecting the “bottom line” through disrupted trade or investment activities, these business interests tend not to become concerned with political disputes. As one foreign-sector manager in China commented in the mid-1990s, “I pay little attention to politics. The company should just pay attention to profits.”¹⁴¹ And so, collective nationalists in early phases of dispute episodes are also advantaged by the absence of contention with internationalist business interests.

Together, these two collective nationalist advantages create incentives for leaders to escalate disputes further in order to rally domestic support or create bilateral bargaining leverage from the stirring of nationalism.¹⁴² Collective nationalist activities provide opportunities (initiating nationalist-charged episodes) at relatively low risk (“business as usual” continues in terms of regional trade and investment) for leaders to seek short-term gains from low to medium-level escalation. Leadership actions to piggy-back off of collective nationalist activities often involve going above and beyond what would normally be required to placate the general public following an activist provocation - by escalating rhetorical responses beyond standard talking points and/or increasing patrols around the islands, for instance.

¹⁴¹ Pearson 1997, 101

¹⁴² See “diversionary war” theory (Lebow 1981) and “two-level game” theory (Putnam 1988).

This domestic interest configuration-focused argument to address why escalation occurs with key economic partners in these disputes can be summarized as follows:

Hypothesis 1 (explaining escalation): Leaders escalate disputes due to collective nationalist advantages in the short term, which create incentives for leaders to seek short-term gains from further stoking nationalism.

Explaining de-escalation

The de-escalation phase of these island disputes most often begins when leaders on both sides make public calls to “shelve” the sovereignty issue to focus on economic development or other “future oriented” matters. Mutual actions to shelve tensions usually take place when: 1) the dispute episode reaches a high enough level of intensity to potentially disrupt economic ties or domestic stability (particularly but not exclusively in China); or 2) “external shocks,” such as a North Korean missile test or financial crisis compel both sides to return to regular bilateral relations to restore regional stability. We then see leaders and their internationalist coalition partners in both capitals beginning to look for quick ways to cool nationalist fervor and end the dispute episode.

Discerning the motivations for leaders at the helm of growth-focused internationalist coalitions to de-escalate prior to militarization is not difficult: avoiding militarization is good for regional stability, which is good for the maintenance of healthy economic ties, which spurs economic growth. What is more puzzling is the *capacity* for leaders to de-escalate in nationalist-charged environments. Why do the collective nationalists, and their supporters among the broader public, back down? A focus on domestic interest configuration dynamics helps to explain this puzzle. I argue that leadership capacity to de-escalate prior to militarization stems

from two implications of the post-World War II domestic interest configuration in Northeast Asia.

First, *private internationalists maintain the capacity to pressure leaders to de-escalate over the long term*. In some cases, when private internationalist groups deem that leaders have gone “too far” in stoking nationalist tensions, they publicly activate to pressure for de-escalation and the restoration of cooperative ties conducive to regional business activity. In particular, groups in Japan like the *Keidanren* (Japan Business Federation) and *Keizai Doyukai* (Japan Association of Corporate Executives) can use institutionalized channels of access to the leadership as well as ties to media outlets to call for a return to normal bilateral relations. The *Keidanren*, historically the most powerful of the “peak” organizations in the Japanese business world, was once believed to have the “power to make and break prime ministers.”¹⁴³

The *Keidanren's* political influence began to wane by the late 1990s due to the fragmentation of business interests during Japan's years of economic stagnation and the halting of direct funding to political parties.¹⁴⁴ However, it remains an important umbrella organization that has been both willing and able to advocate for moderation in regional politics when tensions risk affecting business interests. For instance, in 2015, following two years of frozen bilateral Korea-Japan diplomatic ties due to disputes over the islands and other historical issues, *Keidanren* chairman Sadayuki Sakakibara stressed in a media interview that “the diplomatic deterioration inevitably imposes restrictions on our (Japan's) operations there (in South Korea) and could discourage other Japanese companies from expanding into South Korea...Both

¹⁴³ Curtis 1999, 52

¹⁴⁴ *Ibid.*, Green 2003, 65

countries should come up with effective political ideas to enable them to meet half way in areas where that is possible and solve bilateral issues through talks.”¹⁴⁵

In general, private internationalists become more active in pressing for de-escalation when the likelihood of bilateral economic disruptions increases. They also have the means to do so, both privately through government channels and more publicly through media and public policy institutions established to promote business interests, such as Keidanren’s Twenty-first Century Public Policy Institute.¹⁴⁶ These types of interventions do not always occur - disputes often do not become serious enough to threaten business ties. When these groups do activate, they provide political cover for internationalist leaders seeking to tamp down tensions absent any progress on the dispute issues, themselves.

The second reason why leaders retain the capacity to de-escalate prior to militarization under this interest configuration is *collective nationalists have difficulty sustaining pressure on leaders over the long term*. This is consistent with Mancur Olson’s theory of collective action. Since collective goods, by definition, are provided even to those who do not work to obtain them, most individuals will not be willing to make a significant sacrifice in their pursuit.¹⁴⁷ In line with this theory, members of the public who rally in the initial escalatory phases of island dispute episodes for the purpose of settling historical scores do not remain mobilized over long periods. Participants in weekend street rallies go back to work on Monday. Signers of online petitions do not follow up with further actions. Most nationalist sympathizers in South Korea and China choose to “free ride” off of the efforts of more highly committed nationalist group

¹⁴⁵ “Tokyo-Seoul tensions: Keidanren chief calls for pragmatism,” *Nikkei Asian Review*, June 18, 2015, accessible at: <http://asia.nikkei.com/Politics-Economy/International-Relations/Keidanren-chief-calls-for-pragmatism>.

¹⁴⁶ Green 2003, 66-67; See the official website at: <http://www.21ppi.org/english/>

¹⁴⁷ According to Olson, collective interests fall prey to the “collective action problem,” or tendency to “free-ride” off the efforts of others. With reference to groups (or parties) pursuing collective interests, Olson notes on page 164: “The average person will not be willing to make a sacrifice for the party he favors since a victory for his party provides a collective good.” (Olson, 1965, 164)

members to defend the national honor, particularly as the costs of continued mobilization (in the form of time away from work or the increased likelihood of clashes with authorities) increase. With time, without people in the streets and facing diminishing returns from the repetition of highly visible antics like island flag planting, collective nationalists have little means to sustain pressure on leaders for further dispute escalation. In short, collective nationalists can spark a flame but, on their own, cannot keep it burning.

Furthermore, because collective nationalist groups are unable to sustain pressure on leaders for continued hardline stances in these disputes, they become amenable to symbolic, often reversible concessions offered by the leadership on both sides, such as more “sincere” apologies for past misdeeds. These concessions cost little in material terms for the leadership and are not optimal for the nationalist groups since they do not resolve the disputed sovereignty issue. Yet, so long as collective nationalist groups care mostly about symbolic issues, they provide a face-saving rationale for these groups to back down in the near term, allowing bilateral relations to return to normal.

In summary, leaders maintain the capacity to de-escalate in nationalist-charged environments because:

Hypothesis 2 (explaining de-escalation): Leaders are able to de-escalate disputes prior to militarization because of private internationalist mobilization advantages, and collective nationalist mobilization disadvantages, over the long term.

Explaining (potential) militarization

These disputes have not been militarized in recent decades. Yet the patterns of escalation and de-escalation between the boundaries of militarization and settlement could change if private nationalists were to join the interest configuration. Dispute dynamics with private nationalists in

the mix would more closely resemble the second or third scenarios highlighted previously, with private interests backing nationalist movements and making it more difficult for leaders to avoid becoming locked into nationalist-charged escalatory spirals.

As Peter Gries notes, nationalism has a “vital affective component” in the form of “emotional commitments to our national identities.” But it is also used instrumentally by different groups – in society and government – to meet diverse aims. In Gries’ words, “some will always seek to ‘use’ nationalism.”¹⁴⁸ In the imperial era, expansionist groups used nationalism to distract the broader public from the costs of aggressive foreign ventures and win their support. The tendency for nationalist groups to rally in support of symbolic, collective causes in more recent decades does not preclude a shift back toward a nexus between nationalism and private interests.

A shift in the regional order toward economic closure or a prolonged recession - altering the antecedent condition of export-oriented growth that has been key to the perpetuation of the present-day interest configuration in Northeast Asia - could prompt a realignment of interests supporting nationalism. For instance, protected industries in Japan, China, and South Korea might shift to support hardline nationalist policy stances to press for further benefits if their governments cut off subsidies and other forms of support (which would become more likely if a prolonged recession were to diminish overall government revenues). A decline in government revenues from growth might also depress military budgets, making militaries more likely to use nationalist appeals, even taking actions to ramp up island dispute tensions, in order to press for further resources and protect their institutional interests within the government. Lastly, energy interests in Japan or China preferring a tougher approach to negotiations over resource

¹⁴⁸ Gries 2004, 20

development in the East China Sea might begin to rally under nationalist banners in future years, even cooperating with island activist groups focused on the sovereignty issue in order to increase their bargaining leverage. These types of changes, aligning new private interests behind hardline nationalist foreign policy orientations, would increase the risk of militarization of these disputes, as leaders would face greater difficulties placating private economic and military interests in the context of nationalist-charged escalation. This analysis involves one caveat: If private interests backing nationalist stances are open to modest material side-payments for backing down, de-escalation short of militarization should still be possible.

Hypothesis 3 (explaining militarization): Militarization will become more likely if private economic or military interests begin to support the activities of hardline nationalist groups and are not amenable to side payments.

Alternative arguments

In addition to the hypotheses associated with domestic interest configuration theory outlined above, I consider the following alternative hypotheses for Northeast Asia's island dispute dynamics.

Alternative argument 1: structural realism

Hypothesis 4 (structural realism-Senkaku/Diaoyu): Dispute trends should correlate with trends concerning material capabilities in the region. Escalation is most likely when a rising disputant state becomes materially ready and willing to alter the regional status quo. De-escalation is unlikely prior to the settlement of a new regional order.

Hypothesis 5 (structural realism-Dokdo/Takeshima): As China's relative military power in the region rises, this dispute should de-escalate as Japan and South Korea cooperate to form a balancing coalition (along with their shared ally, the United States) against China.

Alternative argument 2: commercial peace

Hypothesis 6 (commercial peace): Increases in levels of economic exchange among disputants should correspond with de-escalation and even attempts to settle the disputes.

This is due to increased incentives for cooperation under high levels of economic interdependence, which drive up the costs of conflict.

Research Strategy

In attempting to reach a more complete understanding of the drivers of escalation and de-escalation Northeast Asia's island disputes, I accept the possibility no single cause wholly determines these dynamics. Structural forces at the international level undoubtedly affect dispute dynamics over time. Yet these forces, like military capabilities and levels of economic exchange, are limited in their ability to explain short-term dynamics in the context of particular dispute episodes. I offer an explanation focused on domestic group configurations to further develop understandings of the circumstances under which events might elude the control of individual leaders, thereby making dispute militarization more likely.

In order to assess the validity of my explanation for dispute dynamics relative to alternative arguments, I rely on qualitative analysis using the congruence method - which involves making a number of paired observations of values on the dependent variables and independent variables across a number of dispute episodes and determining the degree to which they co-vary in accordance with the hypotheses. I also use process tracing methods to determine the degree to which theorized mechanisms connecting independent and dependent variables align with empirical evidence.¹⁴⁹ Table I, included in the appendix, details the data to be collected for each case to assess the validity of different hypotheses explaining dispute dynamics.

¹⁴⁹ Van Evera 1997; George and Bennett 2005

Case selection: Why these islands?

I focus on these island disputes, first and foremost, because they are inherently important. These islets are often described, with some degree of bewilderment, as “dots” and “specks.” But they have hindered security cooperation in the region for several decades and, in the Senkaku/Diaoyu case, have the potential to spark a great power war. The fights over these islands, involving some of the world’s largest economies and militaries, remain poorly understood. A firm grasp of dispute dynamics of escalation and de-escalation, as well as what might make militarization more likely, is critical to their continued containment in a period of increasing strategic uncertainties due to China’s rise.

These cases also have broader relevance. A better understanding of these disputes will help to shed light on the ways in which certain variables - including levels of interdependence and the degree to which nationalism is tethered to private or collective interests - affect the relationship between nationalism and conflict.¹⁵⁰ It will also strengthen understandings of the circumstances under which seemingly favorable conditions for peace, such as interdependence, do not lead to entirely pacific relations. The lessons learned from this study may be applied to other contexts - such as island disputes in the South China Sea - where disputant countries have different degrees of interdependence and territorial disputes are driven more by material than symbolic concerns. Overall, this project will help to deepen awareness of drivers of East Asia’s “cold politics, hot economics” while generating more nuanced understandings of dynamics of nationalism and interdependence that can be applied to other areas of the world.

I focus on four episodes of these disputes, two in the mid-1990s and two in the mid-2000s, for two reasons. First, each episode displays the pattern I seek to explain: dispute

¹⁵⁰ This responds to Van Evera’s 1994 call, still relevant after more than two decades, to expand the “[meager] stock of hypotheses on the consequences of nationalism” in international politics. (Van Evera 1994)

escalation and de-escalation between the boundaries of militarization and settlement. Second, during the period between these episodes, relative military capabilities shifted and levels of economic exchange among disputants increased. This allows for the consideration of material power shifts and trends in economic cooperation as alternative drivers of dispute dynamics.

PART II - Japan-China

Domestic Interests and The Senkaku/Diaoyu Dispute

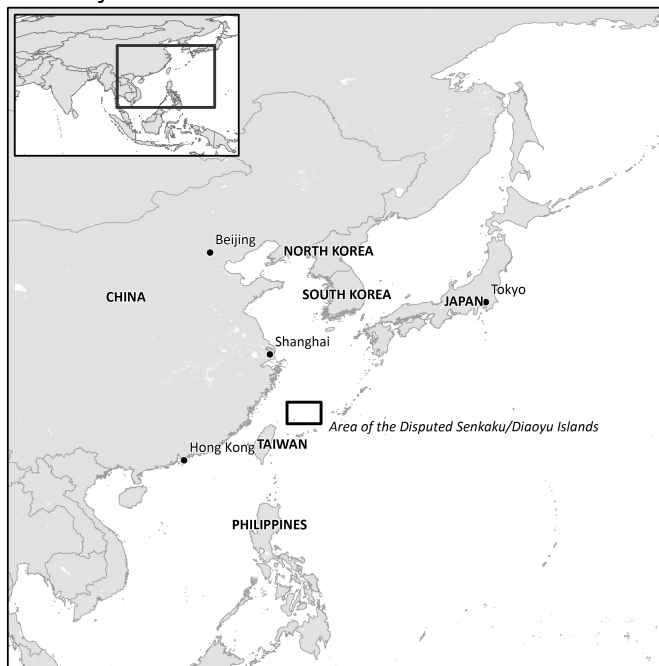
“There’s no tourism, no military potential, no real strategic value. There’s no there there.”¹⁵¹

- Mark McDonald, with reference to the Senkaku/Diaoyu islands, September 23, 2012

“Japan’s fear is this: China’s fishing fleet, after probing Japan’s ability to respond to incursions into its EEZ, will suddenly begin to deposit commandos, disguised as fisherman, on the uninhabited Senkakus. These little green men will then build beachheads and repeat the Chinese claim that the islands are, in fact, Chinese territory — forcing Japan to either start a war to evict them or concede China’s claim.”

- Josh Gelernter, considering possible war scenarios over the Senakau/Diaoyu islands, September 3, 2016 ¹⁵²

Figure 3.1. Map of Senkaku/Diaoyu Islands



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¹⁵¹ McDonald, Mark, “How to Settle the Fight Over Some Guano-Covered Rocks,” *The New York Times*, September 23, 2012, accessible at: https://rendezvous.blogs.nytimes.com/2012/09/23/how-to-settle-the-fight-over-some-guano-covered-rocks/?_r=0&module=ArrowsNav&contentCollection=World&action=keypress®ion=FixedLeft&pgtype=Blogs

¹⁵² Gelernter, Josh, “Will China Start a War with Japan?” *The National Review*, September 3, 2016, accessible at: <http://www.nationalreview.com/article/439667/china-japan-senkaku-islands-dispute-headed-war>

The potential for Great War over uninhabited rocks

The Senkaku/Diaoyu Islands, claimed by Japan, China, and Taiwan,¹⁵³ consist of a chain of five uninhabited islets and three rocky outcroppings covering a total area of around seven square kilometers. They are located approximately 220 kilometers southwest of Okinawa at the edge of the East China Sea continental shelf extending from the Chinese mainland and Taiwan.

Japan claims it incorporated the Senkaku Islands as *terra nullius* (or “nobody’s land”) in 1895.¹⁵⁴ Japan’s effective control of the islets continued until the end of World War II, when the U.S. took control of them (along with Okinawa and the entire Ryukyu chain) under the terms of the San Francisco Peace Treaty. In 1971, the U.S. trusteeship over the Ryukyu Islands officially ended with the signing of the Okinawa Reversion Agreement, and the islands were returned to Japan.

China began to actively claim sovereignty over the Senkaku/Diaoyu Islands in 1970, after Japan and Taiwan began to discuss plans for the joint exploration of energy resources in the East China Sea. These discussions followed a 1968 United Nations (UN) geological survey and report suggesting there might be large, underwater oil reserves in the area.¹⁵⁵ Since then, China, as well as Taiwan, have asserted sovereign rights over the islands, citing legal and historical justifications. In addition to potential economic value, over the years the islets have acquired

¹⁵³ The islands are known as Senkaku in Japan, Diaoyu in China and Tiaoyutai in Taiwan. I focus on the China-Japan dynamics of the Senkaku/Diaoyu dispute, as many of the Chinese and Taiwanese claims overlap and because the focus in the dispute shifted from Japan-Taiwan to Japan-China interactions in 1972 following Sino-Japanese diplomatic rapprochement.

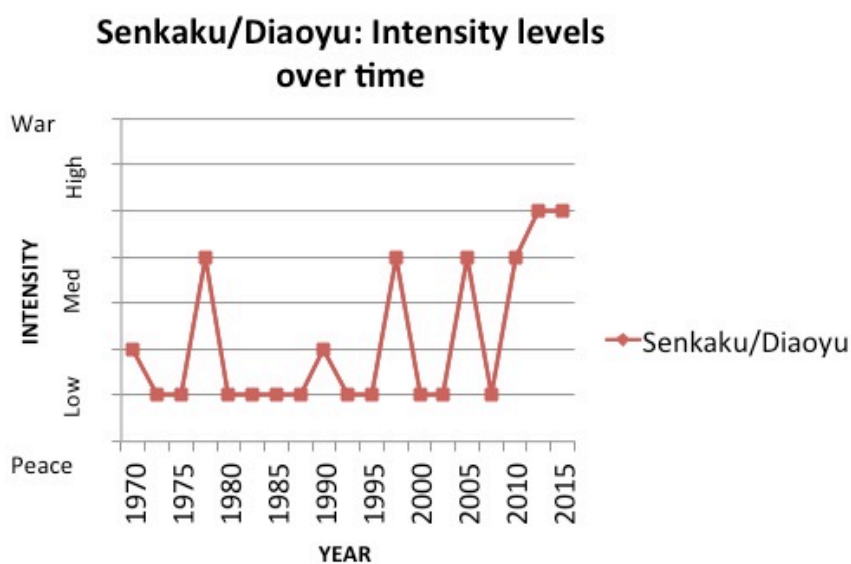
¹⁵⁴ “Japanese Territory, Senkaku Islands Q&A,” Ministry of Foreign Affairs of Japan website, accessible at: http://www.mofa.go.jp/region/asia-paci/senkaku/qa_1010.html#q1

¹⁵⁵ Specifically, the UN survey stated “a high probability exists that the continental shelf between Taiwan and Japan may be one of the most prolific oil reservoirs in the world, with potential estimated at between 10 and 100 billion barrels.” *Ibid*, 109, citing the UN Economic Commission for Asia and the Far East (UNECAFE)’s 1968 report, pp. 38-40.

considerable national and symbolic salience, becoming a touchstone for nationalist sentiment on both sides.¹⁵⁶

This dispute has involved a fairly consistent pattern of government behavior in recent decades. Leaders and nationalist groups periodically escalate tensions, stirring nationalist sentiment domestically in the process, and later make mutual agreements to “shelve” the sovereignty issue.¹⁵⁷ Consequently, overall levels of dispute intensity have remained bounded between war and peace, as indicated in Figure 2, below.

Figure 3.2 Senkaku/Diaoyu Dispute – Intensity levels over time



Despite the avoidance of violent hostilities, these patterns merit close attention for theoretical and policy purposes. Theoretically, they defy the expectations of major theories in the

¹⁵⁶ Deans 2000; Mack 1997. As Chung notes, to the Chinese, “memories of the Pacific War figure prominently, and Diaoyudao/Tiaoyutai represents to them an attempt by Japan, led by its right-wing nationalists and militarists, to keep from the Chinese what it stole from them during a half a century of invasion and occupation. They will not allow Japan to escape this unpleasant, embarrassing and shameful past. In this, they are aided by the Japanese who exhibit a form of national stubbornness and denial behavior by refusing to consider their past actions and by not considering the claims of those who suffered as a result of being invaded by Japan.” (Chung 2004, 55)

¹⁵⁷ Many have referred to the “ritualization” of the Senkaku/Diaoyu dispute. (Bush 2010, 16) Wan also refers to a repeated pattern: “Previous dispute management has an impact on subsequent disputes, providing a script and parameters for pushing and pulling.” (Wan 2006, 44)

International Relations literature. Structural realism (both offensive and defensive variants) predicts that dispute dynamics will correlate with trends in relative material capabilities among powers in the region. It predicts linear trends of either dispute dormancy or escalation. Frequent oscillation between militarization and settlement, seemingly disconnected from regional power trends, is inconsistent with these predictions. The “commercial peace” contends that escalation is too risky for economic partners like Japan and China, as economic exchange thrives under stable relations. This is inconsistent with the recurrent escalation we see in this dispute. And theories focused on ideational factors like nationalism - specifically the importance of issues tied to historical memory in the region - help to identify drivers of escalation but not how leaders have managed to de-escalate dispute episodes after nationalist sentiment has been rallied. This does not align with predictions that nationalism is a “double edged sword” that ties the hands of leaders. Exploring these patterns will heighten our understanding of the relationship between economic interdependence, nationalism, and inter-state conflict, prominent issues in Northeast Asia for several decades and, more recently, other regions as well.

Understanding these dispute patterns is also important for policymakers. Contention over these islets involves the world’s second and third largest economies and two of the world’s most powerful militaries. So far, escalatory episodes have de-escalated prior to militarization. Yet recent years have brought more risky dynamics. Military patrols on both sides have become regularized, with armed vessels and planes operating in close proximity. Some have even recently predicted the Senkaku/Diaoyu dispute as one of the most likely triggers for the outbreak of great power war.¹⁵⁸ Thus, we cannot be complacent regarding the continued containment of

¹⁵⁸ Allison 2014. See also Hugh White’s analysis at: <http://nationalinterest.org/feature/asias-nightmare-scenario-war-the-east-china-sea-over-the-10805> and Josh Gelernter’s at <http://www.nationalreview.com/article/439667/china-japan-senkaku-islands-dispute-war-scenario>.

this dispute. For policymakers, identifying the factors that have sustained (relative) peace in this dispute in recent decades could be critical to the prevention of militarized hostilities moving forward.

In the two chapters that follow, I examine two episodes of the Senkaku/Diaoyu dispute (1996 and 2004-05). Each episode is treated as a distinct case with within-case diachronic variation on the dependent variable (escalation, then de-escalation). For each case, I aim to address two questions. Specifically: 1) what explains frequent dispute escalation in the midst of high levels of economic cooperation? (contrary to the expectations of the “commercial peace”); and 2) how has de-escalation been possible in the midst of pitched nationalism? (contrary to expectations that nationalism entails inevitable blowback for leaders). In a later concluding chapter, I address a third question: what might change these patterns, making de-escalation more difficult and militarization more likely?

Chapter 3:

The 1996 Episode of the Senkaku/Diaoyu Dispute

The trajectory of the 1996 Senkaku/Diaoyu dispute episode aligns with the general patterns of Northeast Asia's island disputes referenced in the previous chapters. A nationalist group in Japan initiated the episode in July 1996 when it built a lighthouse on one of the disputed islets. China responded with firm rhetoric, declaring that the lighthouse construction constituted a "serious encroachment on China's territorial sovereignty."¹⁵⁹ Japan then heightened the rhetoric further, seemingly in an attempt to rally domestic support in advance of important elections. As tensions built, and Chinese nationalist groups in Hong Kong and Taiwan organized large rallies to protest Japan's actions,¹⁶⁰ Beijing and Tokyo made mutual efforts to quell tensions. Specifically, at a meeting between foreign ministers at the United Nations in New York in September 1996, both sides agreed that the dispute should not be allowed to dominate their bilateral relationship.¹⁶¹ Some nationalist activities followed, making immediate de-escalation difficult, but leaders were eventually able to placate nationalist groups with symbolic

¹⁵⁹ "PRC: Spokesman Warns Japan Over Lighthouse on Disputed Islands," *Hong Kong AFP in English*, 0819 GMT 18 July 1996 [FBIS Transcribed Text]; Zou Chunyi, "PRC Spokesman Expresses 'Grave Concern' Over Senkaku Incident," *Beijing XINHUA Domestic Service in Chinese*, 0941 GMT 18 July 1996 [FBIS Translated Text].

¹⁶⁰ "Japan: Island dispute Triggers Hong Kong, Taiwan Protests," *Tokyo KYODO in English*, 1350 GMT 22 July 1996 [FBIS Transcribed Text].

¹⁶¹ Manicom 2014, 51

concessions, including a pledge by Japanese Prime Minister Hashimoto Ryutaro to not visit the Yasukuni Shrine while he was still prime minister.¹⁶²

The events of this episode present a number of puzzles. First, economic ties between Japan and China were robust throughout the 1990s. Total Japan-China trade between the two countries grew from \$20.3 billion to \$57.5 billion in the first half of the 1990s,¹⁶³ and Japanese foreign direct investment (FDI) into China rose from \$438 million in 1989 to \$4.5 billion in 1995.¹⁶⁴ The “commercial peace” argument contends that increasing economic exchange pacifies relations between states by driving up the costs of conflict. If so, what explains the escalation of this dispute beyond standard reassertions of territorial claims during a period of rising economic exchange? Second, escalation stirred nationalist sentiment among domestic groups in Japan and China during this episode, but leaders managed to de-escalate without making clear progress on the sovereignty issue and without invoking severe nationalist backlash. What explains this? Why did the nationalist groups seem to let leaders off the hook?

In this chapter, I apply domestic interest configuration theory to address these questions. The theory emphasizes the central role that various types of domestic groups play - shaped by the private or collective nature of the benefits they seek - in influencing leadership strategies to escalate or de-escalate these disputes. Specifically, I argue that this dispute escalates periodically because of the advantages of “collective nationalist” groups in the short term, including the capacity to mobilize for short periods and the relative inactivity of “private internationalist” groups with opposing interests at low levels of dispute intensity. These advantages create incentives for leaders to seek short-term gains from low to medium-level escalation. I argue that

¹⁶² Weiss 2014, 122

¹⁶³ Koo 2009a, 125

¹⁶⁴ Green 2003, 98

leaders are able to de-escalate this dispute, even after rallying nationalism, because private internationalists retain the capacity to pressure leaders to de-escalate over long periods, providing both incentive and political cover for leaders to tamp down tensions prior to making concrete gains in the dispute. Furthermore, collective nationalists favoring escalation have difficulty sustaining pressure on leaders over time, making nationalist groups amenable to accepting symbolic side-payments that provide a face-saving rationale for backing down. I also consider alternative arguments for these dynamics, including structural realism, which focuses on relative material capabilities as a key driver of dispute trends, and the commercial peace, which contends that economic exchanges should pacify relations between disputants.

The chapter, as well as the later case chapters, consists of five sections. First, I provide an empirical overview of the case, highlighting the two observational outcomes - escalation and de-escalation - that the theory attempts to explain. Second, I identify the main groups involved in the episode based on the typology outlined in Chapter 2 (including private internationalist, collective nationalist, private nationalist, and collective internationalist distinctions). Third, I assess whether the theory's hypothesis regarding *escalation* conforms to the data gathered on the case, specifically: 1) are collective nationalist groups more active in the escalation than the de-escalation phase; 2) are private internationalists inactive in the escalatory phase; and 3) do leaders further rally nationalism to seek short-term gains? Fourth, I assess whether the theory's hypothesis regarding *de-escalation* conforms to the data collected, specifically: 1) do private internationalist interests activate in this phase; 2) does the involvement and influence of collective nationalists fade during this phase; and 3) do collective nationalist groups back down following symbolic concessions? Fifth, I consider the relative utility of alternative arguments

focused on material capabilities and levels of economic exchange as explanations for dispute dynamics.

Escalation of the 1996 Senkaku/Diaoyu episode

On July 14, 1996, seven members of a Japanese right-wing group, the Japan Youth Federation (*Nihon Seinensha*), constructed a five meter-tall lighthouse on Kita-kojima of the Senkaku/Diaoyu island group.¹⁶⁵ Four days after the activists' landing, Chinese Foreign Ministry spokesman Cui Tiankai declared that the "building of facilities on the Diaoyu [Senkaku] Islands by some Japanese without authorization constitutes a serious encroachment on China's territorial sovereignty."¹⁶⁶ In response, Japanese Foreign Ministry Spokesman Hiroshi Hashimoto told reporters "It is crystal clear that the Senkaku Islands are, historically and under international law, our indigenous territory," adding, "In fact, we are actually controlling the islands."¹⁶⁷ Japanese Chief Cabinet Secretary Kajiyama Seiroku later issued an official statement declaring that the government of Japan would not prevent lawful acts by its citizens.¹⁶⁸

On July 20, Japan declared its exclusive economic zone (EEZ)¹⁶⁹ in the East China Sea, which included Senkaku/Diaoyu as a part of Japanese territory. In late July, the Japan Youth

¹⁶⁵ "Japan: Political Group Sets Up Lighthouse on Senkaku Islands," *Tokyo Sankei Shimbun in Japanese*, 17 July 1996, Morning Edition 1 [FBIS Translated Text].

¹⁶⁶ "PRC: Spokesman Warns Japan Over Lighthouse on Disputed Islands," *Hong Kong AFP in English*, 0819 GMT 18 July 1996 [FBIS Transcribed Text].

¹⁶⁷ "Japan: Foreign Ministry Spokesman Comments on Senkaku Islands," *Tokyo Kyodo in English*, 1058 GMT 19 Jul 1996 [FBIS Transcribed Text].

¹⁶⁸ Chang, Maubo, "Taiwan: Taipei Expresses Concerns About Disputed Islands," *Taiwan Central News Agency in English*, 1448 GMT 19 July 1996 [FBIS Transcribed Text].

¹⁶⁹ "Japan: UN Maritime Law To Take Effect 20 Jul," *Tokyo KYODO in English*, 0843 GMT 18 Jul 1996 [FBIS Transcribed Text]. Exclusive economic zones (EEZ's) are maritime boundaries prescribed by the United Nations Convention on the Law of the Sea (UNCLOS), within which states are granted rights to explore, exploit, conserve, and manage natural resources and fish stocks within 200 nautical miles of territorial sea borders. China ratified UNCLOS in May 1996, and reaffirmed its sovereignty over the Senkaku/Diaoyu islands at that time. Japan ratified UNCLOS in June 1996, though it did not claim an EEZ around the Senkaku/Diaoyu islands at that time. (Manicom 2014, 50)

Federation also pushed to have its lighthouse recognized as an official beacon.¹⁷⁰ Japanese Prime Minister Hashimoto Ryutaro (1996-98) further inflamed tensions by visiting the Yasukuni Shrine on July 29.¹⁷¹ Two weeks later, on August 18, a group of Japanese activists from a smaller right-wing group, the Senkaku Islands Defense Association, placed a wooden flag next to a lighthouse that had been built by the the *Nihon Seirankai* (a precursor to the Japan Youth Federation) on the Uotsuri Island of the Senkaku/Diaoyu chain in 1978.¹⁷²

Japanese Foreign Minister Ikeda Yukihiko kept tensions stoked during a visit to Hong Kong in late August, when he reiterated Japan's claim to sovereignty over the Senkaku/Diaoyu islands and ruled out handing them over during talks with Hong Kong officials. Chinese Foreign Ministry spokesman Shen Guofeng responded to the Ikeda statement on August 29, condemning the remarks as irresponsible and linking the actions of nationalist groups to the attitude of the Japanese government. Shen further noted that China's consistent position has been to shelve the territorial dispute, but warned: "Shelving in no way signifies that we will tolerate Japanese right-wing groups and extremists carrying out illegal activities or activities which violate China's sovereignty."¹⁷³

By this stage, anti-Japan nationalist groups had mobilized overseas and on mainland China. Activists surrounded Japanese diplomatic offices in Taiwan and Hong Kong, urging Beijing for a firmer response.¹⁷⁴ On the mainland, protests were strictly banned due to concerns about domestic instability, but some groups still managed to express anti-Japanese sentiment

¹⁷⁰ "Japan: Right-Wing Group Urges Recognition of Disputed Lighthouse," *Tokyo Kyodo in English*, 1308 GMT 25 July 1996 [FBIS Transcribed Text].

¹⁷¹ Koo 2009, 121. Yasukuni visits are particularly offensive to the Chinese (and Koreans) because the shrine honors Class-A war criminals among the war dead and is viewed as a symbol of Japan's militaristic past.

¹⁷² "PRC: Renmin Ribao Commentator on Diaoyu Islands," *Xinhua*, 30 August 1996 [FBIS Translated Text].

¹⁷³ "Japan: PRC Spokesman Responds to Ikeda Remarks on Senkaku Islands," *Tokyo Kyodo in English*, 0955 GMT 29 August 1996 [FBIS Transcribed Text]. See also: Downs and Saunders 1998, 133; Wiegand 2011, 130.

¹⁷⁴ Weiss 2014, 117

through websites like “Defend Diaoyutai,” messages on campus electronic bulletin boards, and online petitions.¹⁷⁵ On September 1, a group that had previously lobbied Beijing for war reparations from Japan issued a petition to Chinese President Jiang Zemin and military leaders demanding that the Chinese navy be sent to remove the wooden Japanese flag that had been placed on Uotsuri Island by the Senkaku Islands Defense Association in August. A group including graduates from the Huang Pu Military Academy of China also collected more than 2,000 signatures urging military action.¹⁷⁶

The Chinese leadership became increasingly concerned about the spread of nationalist sentiment across the country and wary that protestors in Hong Kong were using the island dispute as a means to embarrass the Chinese government in advance of the July 1997 handover of Hong Kong to Beijing. China’s top leaders developed a “restrained yet adequate” response, aiming to appease demands from some domestic figures for a hardline approach towards Japan while protecting regional economic ties and domestic stability.¹⁷⁷ Chinese authorities asked Tong Zeng, the mainland organizer of the Chinese Civilian Union for Defending the Diaoyutai Islands and long-time anti-Japan activist, to leave Beijing on a “business trip” in mid-September amid accusations of disrupting Sino-Japanese relations and meddling with China’s foreign policy.¹⁷⁸ Tong had previously signed an open letter with 257 signatures, urging Jiang Zemin to end the Japanese “occupation” by sending military forces to the islands.¹⁷⁹

Members of the Japan Youth Foundation returned to Kita-Kojima on September 9 to repair the lighthouse, which had been damaged in a typhoon. The next day, the group reapplied

¹⁷⁵ Downs and Saunders 1998, 136; Manicom 2014, 51

¹⁷⁶ Bong 2002, 69-70

¹⁷⁷ Bong 2002, 77-8, citing *South China Morning Post*, September 7, 1996. On the “restrained yet adequate” approach, see also: Weiss 2014, 119; Manicom 2014, 51. See also Reilly on China’s “mixed approach” in responding to Hong Kong protests. (Reilly 2012, 90)

¹⁷⁸ Reilly 2012, 90

¹⁷⁹ Weiss 2014, 118

for official recognition of the lighthouse. China's foreign ministry again issued a stern response, saying that if Tokyo did not make an effort to stop right-wing groups from landing on the islands "the situation will become more serious and the issue more complicated."¹⁸⁰

On September 13-14, the Chinese military conducted two large-scale drills, including one naval exercise in the East China Sea and one air force exercise in the Gobi Desert. Chinese Major General Dai Yifang announced the goal of the exercise as protecting China's territorial integrity and independence.¹⁸¹ Around the same time, regular anti-Japan protests were taking place in Hong Kong, and a Hong Kong delegation delivered a petition to Beijing including 15,000 signatures urging the Chinese government to take a tougher stance, even using warships if needed, to take control of the islands.¹⁸²

De-escalation of the 1996 Senkaku/Diaoyu episode

By mid-September, both Beijing and Tokyo began taking a more cautious approach toward the dispute. On September 17, the Japanese Foreign Ministry spokesman stated: "We attach great importance to relations with China. We are worried about Chinese people's strong feelings on matter."¹⁸³ At a meeting between Chinese Foreign Minister Qian Qichen and Japanese Foreign Minister Ikeda Yukihiko at the United Nations in New York on September 19, both agreed that the dispute should not be allowed to dominate bilateral relations.¹⁸⁴ Minister Qian reportedly pressed Japan to better control its nationalist groups. Ikeda responded by

¹⁸⁰ Downs and Saunders 1998, 133

¹⁸¹ Bong 2002, 70. One Western diplomat assessed that the positioning of report in the *China Daily* on the naval exercises "on the same page as a Foreign Ministry warning to Tokyo over the islands" was "no coincidence" and was intended to send a clear signal to Japan. (Wiegand 2011, 132, citing *Deutsche Presse-Agentur*, September 25, 1996)

¹⁸² Kristof, Nicholas D, "An Asian Mini-Tempest Over Mini-Island Group," *The New York Times*, September 16, 1996, accessible at: <http://www.nytimes.com/1996/09/16/world/an-asian-mini-tempest-over-mini-island-group.html>

¹⁸³ Weiss 2014, 121, citing *Kyodo News Agency*, September 17, 1996

¹⁸⁴ Manicom 2014, 51

agreeing that recognizing the lighthouse would not be good for bilateral relations, though he did not commit to removing it.¹⁸⁵

These early efforts to defuse tensions were disrupted three days later when David Chan, an activist from Hong Kong participating in a mission to the islands, drowned after jumping in the water following the Japan Maritime Security Agency's attempts to block his boat. Chan's death sparked a resurgence of anti-Japan activism in Hong Kong and Taipei. Within China, members of a newly formed anti-Japan group donned black armbands to protest the death of Chan.¹⁸⁶ A group of thirty-five army generals and roughly eighty members of Hong Kong's Preparatory Committee submitted joint letters to Beijing, urging more forceful efforts to defend China's claims to the Senkaku/Diaoyu islands.¹⁸⁷

Following the drowning incident, leaders on both sides strengthened efforts to end the flare-up and stabilize bilateral relations. Chinese Premier Li Peng made a statement calling on Japan to protect the relationship and blaming the crisis on a small group of "right-wingers and militarists" in Japan, a marked shift from earlier statements implicating the Japanese government.¹⁸⁸ Despite heightened nationalist pressure following Chan's death, neither President Jiang Zemin nor Qian Qichen reported on the Senkaku/Diaoyu dispute at the CCP's sixth plenum in early October. Instead, Jiang reportedly asserted in internal meetings that Hong Kong activists should be "given correct guidance," stressing that the pro-Diaoyu movement in Hong Kong must not hinder the territory's smooth transition to Chinese rule or spark large demonstrations against

¹⁸⁵ *Ibid.* According to Weiss, Foreign Minister Ikeda later committed to suspending the Japanese government's decision on official lighthouse markers, which was similar to the concession that ended an earlier flare up over the islands in 1990. (Weiss 2014, 121)

¹⁸⁶ Downs and Saunders 1998, 135

¹⁸⁷ Bong 2002, 82

¹⁸⁸ Downs and Saunders 1998/99, 135, citing *Kyodo News Agency*, September 30, 1996

Beijing for not being tough enough with Japan.¹⁸⁹

Japanese Foreign Minister Ikeda also made efforts to keep a lid on tensions, pledging immediately after the drowning incident to ban activities by Japanese groups on the Senkaku/Diaoyu islands. Japanese Prime Minister Hashimoto then stated on October 2 that Japan's sovereignty over the Senkaku/Diaoyu Islands was the policy of his party, not the government, emphasizing that "the government's position will naturally contain certain differences...As a part of our foreign policy, we are not planning to take extreme measures."¹⁹⁰ On 3 October, in the context of negotiations with Taiwan over fishing rights, the Japanese government formally announced it would not grant official recognition to the Japan Youth Federation's lighthouse on Kita-Kojima.¹⁹¹ One day later, on October 4, Hashimoto offered a further concession, indicating that he would not visit the Yasukuni Shrine again while he remained prime minister.¹⁹²

Nationalist group attempts to further escalate tensions continued but were deflected. In early October, 300 activists from Taiwan and Hong Kong set sail for the islands. Some landed on Uotsuri Island long enough to raise the flags of the People's Republic of China (PRC) and Taiwan. Government reactions from both sides were restrained. Prime Minister Hashimoto appealed for calm. Japan's Chief Cabinet Secretary Teijiuro Furukawa suggested that Japan might confiscate boats in the future but also stressed that the incidents should not affect relations in the

¹⁸⁹ Bong 2002, 82, citing *BBC Summary of World Broadcasts - Asia Pacific*, October 2, 1996

¹⁹⁰ Bong 2002, 84, citing *Mainichi Daily News*, October 2, 1996

¹⁹¹ Chung 2004, 51

¹⁹² Hashimoto had reportedly planned to visit the Yasukuni Shrine for the second time during his tenure as prime minister on October 16, the day his cousin had died in the war. He told the press that his decision was based on "mutual understanding that the issue should in no way damage the overall relations between Japan and China," further noting: "As prime minister, I must act cautiously so as to not generate unnecessary suspicion about Japan or cause trouble to Japan." (Weiss 2014, 122, citing *Associated Press and Xinhua News Agency*, October 4, 1996)

region.¹⁹³ In an interview with the Japanese television network NHK on October 9, Chinese Vice Foreign Minister Tang Jiaxuan expressed hope that the episode would be resolved in advance of the upcoming twenty-fifth anniversary of normalized Sino-Japan diplomatic relations. Foreign Minister Qian made a similar comment to a group of Japanese reporters in China on October 13, repeating China's proposal to jointly develop resources in the East China Sea.¹⁹⁴

In late October 1996, Chinese Vice Foreign Minister Tang visited Tokyo and pressed Prime Minister Hashimoto to remove the new lighthouse. Prime Minister Hashimoto refused, explaining that the government could not remove the lighthouse because it was on private property. Tang settled for a more ambiguous commitment from Deputy Foreign Minister Shinji Yanai that Japan would “properly” handle the island dispute along with other outstanding issues in the relationship.¹⁹⁵

Prime Minister Hashimoto visited Beijing in September 1997, an indication of repaired ties. The Fifteenth Congress of the Chinese Communist Party (CCP) also occurred that month, during which President Jiang Zemin made a statement communicating the desire of CCP leaders to avoid further strain on Sino-Japanese relations so that economic reform in China could progress to the next stage of building “a complete market system in the national economy.”¹⁹⁶ In November, Chinese Premier Li Peng visited to Tokyo to sign a new bilateral fishery agreement. The agreement formally shelved the sovereignty issue and subjected the waters surrounding the

¹⁹³ Bong 2002, 84-5

¹⁹⁴ Downs and Saunders 1998, 135

¹⁹⁵ Downs and Saunders 1998, 135, citing *Kyodo News Agency*, October 30, 1996 and *Straits Times*, October 31, 1996

¹⁹⁶ Bong 2002, 77, citing *Beijing Review* (English text), October 6-12, 1997

islands to close management by both sides.¹⁹⁷

Domestic groups involved in the 1996 episode

Based on the domestic group typology detailed in Chapter 2, one can identify the following domestic group types in the 1996 episode of the Senkaku/Diaoyu dispute: *collective nationalists* (such as the Japan Youth Federation and China's Protect the Diaoyu movement); *private internationalists* (logrolled into private-collective internationalist coalitions); *collective internationalists* (including political leaders like Chinese President Jiang Zemin); and *private nationalists* (participants in the anti-Japan protests with narrow political aims and "losers" from reform in the Chinese military). The characteristics of these groups are detailed further below. In the sections that follow, I assess whether their respective roles in this episode correspond to the theory's predictions.

Collective nationalists

Collective nationalists, or groups favoring hardline foreign policy stances in pursuit of non-excludable, often symbolic benefits, were active in both Japan and China during this episode. The activity of these groups early in the episode helps to explain drivers of dispute escalation.

Japan: Nihon Seinensha (Japan Youth Federation) and Senkaku Islands Defense Association

On Japan's side, collective nationalist groups in the 1996 episode included the Japan Youth Federation (*Nihon Seinensha*) and the Senkaku Islands Defense Association. Both of these groups are associated with Japan's collection of far-right (also referred to as "ultranationalist")

¹⁹⁷ Koo 2009a, 126

groups¹⁹⁸ that share an interest in “recreat(ing) what they perceive to be the glory of Japan’s prewar past.”¹⁹⁹ While not all of the right-wing groups focus on Japan’s claims to the Senkaku/Diaoyu islands, in particular, all tend to view China’s claims to the chain as an affront to Japan’s national sovereignty and dignity that they seek to challenge. At the time of the 1996 episode, most of the Japanese public did not share the same passion for this issue.²⁰⁰ The Japan Youth Federation’s leader at that time, 59 year-old Eto Toyohisa, bemoaned the fact that the Japanese public was apathetic about issues his group cared deeply about, telling the press: “The Japanese are no longer conscious of their territory. It makes me sad.”²⁰¹

These groups once had deep connections to the ruling Liberal Democratic Party (LDP). At its peak of influence in the 1970s, the *Nihon Seirankai*, a precursor to the Japan Youth Federation, included ten members of the LDP’s Nakasone faction and fourteen of the Fukuda faction in its membership, as well as former Prime Minister Kishi Nobusuke.²⁰² Yet these political ties dwindled during the early 1990s, partly because of political realignments (triggered by the 1991 Gulf War and the collapse of Japan’s economic bubble), which brought new electoral rules and actors onto to the foreign policy stage.²⁰³ These shifts relegated the far-right to the political fringe, but also made it more difficult for conservative leaders to control the

¹⁹⁸ While it has been difficult to pinpoint the size of these groups at a given point in time – since they have no umbrella organization and members often split up and regroup – Japanese police estimated in the 1990s that there were around 1,000 far-right groups like these nationwide with around 90,000 members, of which around 800 groups and 16,000 members were active. (Bukh 2013, 181–82) By 1990, the Japan Youth Federation was considered the most well endowed of these groups, with around 3,000 members and headquarters in Tokyo’s expensive Ginza district. The Senkaku Islands Defense Association was a smaller right wing group based in Naha, Okinawa’s capital, known to have close ties to the second leader of the Japan Youth Federation, Eto Toyohisa. (Chung 2004, 45)

¹⁹⁹ Stronach 1995, 105

²⁰⁰ As one international news report indicated, when the Japan Youth Federation built the lighthouse on Kita-Kojima, “Japanese newspapers largely ignored the incident. Only when strong protests erupted in Hong Kong and Taiwan did it become a story. Until then, most Japanese hadn’t even heard of the islands. Or the Japan Youth Federation, for that matter.” (Moffett 1996)

²⁰¹ Moffett 1996

²⁰² Chung 2004, 45

²⁰³ Japan’s political realignment in the 1990s brought younger conservatives with new views on constitutional revision and Japan’s security strategy to the forefront of domestic politics (see Green 2003, 46).

activities of these groups.²⁰⁴

By the mid-1990s, far-right groups had also been distanced from mainstream Japanese politics because of their suspected ties to organized crime and their use of intimidation and violent tactics.²⁰⁵ As Sheila Smith notes, “several leaders – including both politicians and business executives – who advocated for closer cooperation and compromise with China found themselves on the receiving end of bomb threats and actual physical attacks” from far-right groups.²⁰⁶

In short, groups like the Japan Youth Federation and the Senkaku Islands Defense Association at the time of this episode were highly visible and vocal but politically and socially marginalized. They used tactics like building and repairing lighthouses on the islands, suspecting it would prompt some reaction from China, to attract media attention and rally support to advance their largely symbolic aims.

China’s *Bao Diao* movement

On China’s side, the collective nationalists involved in this episode were activists associated with the *Bao Diao* (Protect the Diaoyu) movement. *Bao Diao* groups in Hong Kong, Taiwan, and on the mainland used varying tactics - from protests to Internet postings to petitions - to press the Chinese government to take a more aggressive stance towards Japan. The *Bao Diao*

²⁰⁴ *Ibid.*, 68

²⁰⁵ The most benign of these tactics involved driving noisy “sound trucks” through crowded streets, blaring martial music and “castigating Russia, China, the U.S., or anyone else who impinges on Japanese sovereignty or dignity.” (*Ibid.*) At the time of the 1996 episode, the Japan Youth Federation had around fifty such trucks. (Moffett 1996) While the group does not publicize its funding sources, many suspect that they rely on a combination of sympathetic donors as well as extortion – e.g., getting businesses to pay for noisy trucks to *not* drive through their neighborhoods. (Green 2003, 68)

²⁰⁶ Smith 2015, 54. Smith later notes that the Japan Youth Federation’s organizational capacity was weakened after its leaders were found liable for tax evasion and other criminal activities. (*Ibid.*, 212) Consistent with these accounts, on October 3, in the midst of the 1996 episode, Japanese police raided the Japan Youth Federation’s headquarters and charged one member with illegal possession of a handgun. (Weiss 2014, 122)

movement associates the dispute with a broad range of grievances and views the movement as a means to “right historical wrongs” against Japan. As Chien-peng Chung notes, “To the Chinese, Tiaoyutai (the Taiwanese term for the island chain) is unfinished business, a legacy of the last war with Japan, and issues like that of compensation for the former sex-slaves or ‘comfort women’ of Japanese soldiers, visits to the Yasukuni war memorial by Japanese premiers and politicians, and the anniversary of the outbreak of the Pacific war serve as *reminders of the shame and suffering visited on them by the unrepentant and unforgiven Japanese invaders.*”²⁰⁷ Participating in anti-Japan activism also served a broader social function for many. Susan Shirk observes, “Young people in particular seek an idealistic cause that replaces the communist values they have abandoned and transcends the commercialism that pervades Chinese life today.”²⁰⁸

On the mainland, the Chinese government made intense efforts to repress protests during this episode out of concern that they might highlight the leadership’s unwillingness to strongly defend China’s sovereignty or evolve into a broader anti-government movement.²⁰⁹ Yet a number of mainland groups still managed to organize some anti-Japan activities. These groups claimed to be motivated to push back against what they saw as Japan’s impenitent attitude towards its conduct in World War II and were particularly incensed by the activities of Japanese right-wing groups like the Japan Youth Federation. As Tong Zeng, who established the *Bao Diao*-affiliated China Federation for Defending the Diaoyu Islands (CFDD) on the mainland during the 1996 episode, noted: “it is understandable that the authorities are concerned about stability when so many people are involved,” citing the millions of Chinese who suffered due to

²⁰⁷ Chung 2004, 46, emphasis added

²⁰⁸ Shirk 2007, 151

²⁰⁹ For details on the Chinese government’s efforts to repress mainland activism in the 1996 dispute, see Weiss 2014, 114-125; Reilly 2012, 90–91; and Downs and Saunders 1998, 131-138

Japan's wartime conduct, including an estimated 200,000 comfort women.²¹⁰

Nationalist groups on the mainland made a number of specific demands over the course of this episode, including requests for the Chinese government to remove items left on the islands by Japanese activists and to provide military escorts to Chinese groups attempting to land on the islands. Despite the diversity of these demands, all similarly urged a harder line in the dispute and were motivated by a shared desire to punish Japan for its past actions.

Notably, some portion of the activists involved in *Bao Diao* activities, particularly in Hong Kong, seemed to have been motivated, at least in part, by more parochial political aims. This sub-group of *Bao Diao* activists in this episode will be discussed in the "private nationalist" section below.

Private and Collective Internationalists

Private internationalist interests were not overtly active in this episode. Nonetheless, the tacit influence of private internationalists was apparent in this episode in two respects. First, collective internationalist leaders took actions in accordance with private internationalist interests, which pre-empted the need for these groups to activate. Second, key groups within the Chinese military, which had developed vested interests in supporting the economic reform program by that time, did not press for further escalation once de-escalation processes initiated, indicating the degree to which they had been co-opted into the internationalist coalition.

Private internationalist interests advanced by collective internationalist leaders

As noted in Chapter 2, collective and private internationalists in Northeast Asia, including leaders and businesses seeking export-oriented growth both for the good of the country

²¹⁰ Weiss 2014, 116-17, citing *South China Morning Post*, August 16, 1996

and in pursuit of profits, essentially “captured the state” during the decades following World War II. Collective internationalist leaders like Chinese leader Deng Xiaoping (1978-1989) and Japanese Prime Minister Yoshida Shigeru (1946-47, 1948-54) forged coalitions among a broad range of groups that similarly aimed for rapid externally-oriented economic growth within a cooperative, stable regional environment in pursuit of private aims.

In both countries, these internationalist coalitions have included: domestic “winners” from export-oriented development and reform - including globally competitive firms in a range of sectors in Japan²¹¹ and business elites in China who interact with international firms in China’s coastal regions;²¹² and 2) potential “losers” from economic reform - including small businesses and agriculture in Japan and state owned enterprises (SOE’s) and elements of the military in China - who developed vested interests in supporting internationalist agendas because of extensive redistributive benefits that internationalist leaders have provided to maintain their support.

During the 1996 episode, private internationalist groups that are part of these coalitions did not become involved in pressing for their interests in any direct way. Yet their relative invisibility in this episode did not imply a lack of influence. On the contrary, private internationalist interests remained at the core of grand strategies in both Japan and China. These groups did not need to be highly visible or active in pressing for their aims because their interests were essentially embedded within the priorities of the leadership itself. As Swaine notes, in China by the mid-1990s there existed “a strong and virtually irreversible consensus among

²¹¹ Globally competitive industries in Japan included machine tools, consumer electronics, automobiles and robotics. (Pempel 2006, 43)

²¹² As Pearson notes, as a part of the economic reform program the central government in China granted new business elites greater economic authority and control over resources due to the government’s perception that it depended on members of this group to promote industrialization. (Pearson 1997, 1)

China's leadership in favor of a strategy of pragmatic economic reform keyed to the extended marketization and links with the outside."²¹³ Similarly, in Japan in the mid-1990s, there remained a "strong consensus...that friendly relations must be maintained with the People's Republic of China (PRC)."²¹⁴ Thus key aspects of postwar Prime Minister Yoshida Shigeru's longstanding formula for Japan-China relations remained: using economic ties with China as a tool to keep it prosperous and friendly to the United States and Japan.²¹⁵

The tacit influence of private internationalists was evident in the actions taken by leaders that aligned with their interests: most significantly, making concerted efforts to de-escalate tensions prior to the point where regional economic flows could be threatened. Levels of trade and foreign investment remained high over this period, indicating that "business as usual" was maintained in the economic, if not the political, sphere. The embedded interests of private internationalists were also evident in the statements of collective internationalist government leaders after the episode ended, such as President Jiang Zemin's September 1997 call for repaired Japan-China relations at the Fifteenth Congress of the Chinese Communist Party (CCP) so that China could proceed with liberalizing economic reforms.²¹⁶

"Winners" from reform within the Chinese military

The role of private internationalists in this episode was also evident in the "dog that did not bark" in pressing for further escalation: specifically, "winners" from reform within the Chinese military. Contrary to expectations that the Chinese military would pursue a hardline, there is little evidence to suggest that the People's Liberation Army (PLA) favored a

²¹³ Swaine 1995, 7

²¹⁴ Green 2003, 80

²¹⁵ Green 2003, 77. For further details on the Yoshida Doctrine, see Samuels 2007.

²¹⁶ Koo 2009a, 127

confrontation in this episode.

The Chinese military played a visible role in this episode in two separate respects. First, the PLA conducted two large-scale military exercises on September 13-14, with the declared goal of protecting China's territorial integrity and independence.²¹⁷ Second, military leaders joined with civic activists in at least two instances to push Beijing to take a tougher position with Japan: first in early September when a group of graduates from the Huang Pu Military Academy collected signatures urging military action and second later that month when thirty-five army generals submitted joint letters with members of Hong Kong's Preparatory Committee pressing for more forceful action to defend China's claims to the islands.

What were the aims of the Chinese military in this episode? At first glance, it might appear that the PLA, as a unified group, was using various means to press for a tougher, even militarized Japan policy.²¹⁸ Yet this would place the preferences of the Chinese military, as a whole, in direct opposition to those of the pro-reform leadership at that time. As Michael Swaine noted in the mid-1990s, "although some members of (China's) emerging leadership generation hold strong suspicions toward the West (and Japan), most recognize that China's economic reform strategy requires the maintenance of good relations with such countries, at least over the short to medium term."²¹⁹

The characterization of the Chinese military as a unified group in favor of a hardline policy toward Japan is called into question by the fact that many elements of the Chinese military had developed vested interests in support of China's economic reforms by the mid-1990s. First, the PLA's military modernization program relied on China's economic reforms in several

²¹⁷ Bong 2002, 70

²¹⁸ After all, as one Chinese journalist put it, the PLA seeks "a bigger budget and honor," aims that would presumably become more attainable if more regional conflicts became militarized. (Shirk 2007, 72)

²¹⁹ Swaine 1995, 8

respects.²²⁰ Starting in the 1980s during a period when Deng Xiaoping's regime prioritized civilian development above military modernization, the PLA was encouraged to engage in profit-making activities in the private sector to fund its development and ease the state's financial burden.²²¹ As Swaine noted in 1995, "Throughout China, increasing numbers of military factories are converting to civilian production while numerous military units of all types are establishing profit-oriented enterprises, many in the foreign trade sector. The dynamic coastal regions in particular are increasingly serving as sites for such military enterprises."²²² Later, in the 1990s, Jiang Zemin shifted emphasis toward ensuring the PLA remained loyal to the party, using increases in the military budget as one means to insure PLA loyalty. The 1994 tax reforms, which brought more revenue into the central government, made it possible for the leadership to commit to simultaneous large investments in both civilian and defense projects.²²³

The benefits from economic reforms were not distributed evenly throughout the military, however. In particular, the navy, air force, and missile forces – which procured the greatest number of new systems in the modernization effort – were the "winners" from budgetary shifts stemming from economic reform. Starting in the late 1970s, Deng Xiaoping shifted the country's military focus from a "people's war" fought by land forces on Chinese territory to a higher tech war involving combined services fighting beyond China's boundaries. As a result of this initiative, since the early 1980s, the PLA's land army personnel decreased by 31 percent, while the navy held constant, and the missile forces increased by 11 percent.²²⁴ Representation in decision making bodies of the government have shifted accordingly: between 1990 and 2007,

²²⁰ As Shirk notes, "China's economic miracle has helped to turn the People's Liberation Army into a modern military force." (Shirk 2007, 21)

²²¹ Shirk 2007, 72

²²² Swaine 1995, 28

²²³ Shirk 2007, 69-72, 21

²²⁴ Thereafter, as one PLA general put it, the ground forces, once the "big brother" of the PLA became the "younger brother." (Lampton 2014, 168-9)

army representation on the CCP's Central Committee decreased, while air force representation increased by 200 and navy representation increased by 133 percent.²²⁵

In addition to the land army, military modernization efforts during the period of economic reform created another category of “losers:” retired PLA officers. As Lampton notes, “the concept of retirement was nearly nonexistent under Mao, when the three principal exit paths from a position were political disgrace, dementia, or death. But the professionalization of the military, education requirements, and age limits have created a body of high-ranking retired officers” who do not “sink into obscurity” once they leave service.²²⁶

In sum, Chinese economic reform produced new subgroups of “winners” and “losers” within the PLA. The interests of the former group presumably would have aligned with those of the predominant pro-reform internationalists in the leadership at that time – seeking to keep a lid on tensions with Japan to facilitate economic exchange and prevent a U.S.-Japan containment strategy. As such, this “mainstream” military group most likely did not seek to pressure the leadership to move the leadership in a new direction. The latter group, on the other hand, had more to gain and less to lose from the militarization of the Diaoyu/Senkaku dispute, since higher threat levels and inflamed nationalist sentiment among the public would likely increase the importance of the military services, in general, while also providing more media and market opportunities for disgruntled military officials.

Which interests were represented in the 1996 episode? Some commentators speculated that the September 13-14 exercises signified the PLA's intent to signal China's resolve toward Japan in the Senkaku/Diaoyu dispute.²²⁷ But these exercises, coming on the heels of the Taiwan

²²⁵ Lampton 2014, 169

²²⁶ Lampton 2014, 171

²²⁷ See, for instance, Downs and Saunders, 134 and Wiegand 2011, 132.

Strait crisis, were also consistent with broader military efforts at that time to deter moves toward Taiwanese independence. Chinese Major General Dai Yifang's statement, announcing the goal of the exercise as protecting China's independence and territorial integrity, is consistent with either explanation. Considering the services participating – the navy and air force, both “winners” in the reform period – it seems plausible that these exercises were not the work of a “rogue” PLA determined to push the leadership into a more serious confrontation with Japan. Rather, the exercises were more likely the initiative of the military mainstream, which was, in the mid-1990s, increasingly professionalized, less politically involved, and had vested interests in continuing on the path of economic reform.²²⁸

The more vocal and visible military officials in this dispute – those actively petitioning the government for a firmer stance – most likely consisted of “losers” from economic reform, discussed further in the “private nationalist” section below.

Private nationalists

Two groups on China's side in this episode can be classified as “private nationalists” or groups preferring hardline foreign policies in pursuit of private, excludable aims. These groups played key roles in extending hardline pressure on leaders into the de-escalation phase.

Politically-motivated *Bao Diao* activists in Hong Kong and Taiwan

The locus of *Bao Diao* activity in this episode was in Hong Kong and Taiwan. High points of non-mainland activism included the September 15 protests in Hong Kong and the late September mission to the islands that led to David Chan's drowning. While these activists

²²⁸ See Swaine 1995, Chapter 2 for further details on professionalization trends within the PLA in the mid-1990s.

presumably shared historical grievances toward Japan with their mainland compatriots, some were also suspected to be taking advantage of the protests as an opportunity to humiliate Beijing. As Chung characterized it, they engaged in “competitive nationalism,” or the “desire to manifest one’s patriotic credentials *vis a vis* Beijing and ones’ Chinese compatriots elsewhere.”²²⁹ The political value of Beijing one-upmanship may explain the involvement of many Taiwanese and Hong Kong politicians in this episode, including David Chan, who was a politician from a party in Hong Kong that was often critical of the CCP.²³⁰ Thus, some individuals motivated by narrow political interests were likely using collective nationalist activities opportunistically in this episode, particularly in the non-mainland groups.

“Losers” from reform within China’s military

“Losers from reform” within the Chinese military, including retired officials who actively supported Chinese nationalist activities during this episode, had more to gain personally and professionally from conflict than cooperation with Japan. Retired officials, beckoned by the media and market, became vocal and visible, though not necessarily with much impact. Lampton contends: “the most balanced and moderate voices are not the ones the market and media reward, although it is unclear what these new voices actually represent.”²³¹ Another indication of the limited impact of this sub-group of the Chinese military was the fact that President Jiang Zemin avoided the topic of the Senkaku/Diaoyu dispute at the CCP’s sixth plenum in October, which followed petitioning activities by Chinese military leaders to press for further escalation of the dispute.

²²⁹ Chung 2004, 55-56

²³⁰ Deans 2000, 124

²³¹ Lampton 2014, 171

Table 3.1 Summary of domestic group types in the 1996 Senkaku/Diaoyu episode

	Seek private benefits	Seek collective benefits
Prefer cooperative policy stances (Internationalist)	<p><i>Private internationalists (PI)</i></p> <ul style="list-style-type: none"> - Externally-oriented business interests within China's internationalist coalition - Externally-oriented business interests within Japan's internationalist coalition - "winners" from reform in the Chinese military 	<p><i>Collective internationalists (CI)</i></p> <ul style="list-style-type: none"> - leaders, like Chinese President Jiang Zemin, seeking liberalizing reforms to strengthen the economy
Prefer hardline policy stances (Nationalist)	<p><i>Private nationalists (PN)</i></p> <ul style="list-style-type: none"> - Hong Kong politicians engaged in <i>Bao Diao</i> movement - "losers" from reform in the Chinese military 	<p><i>Collective nationalists (CN)</i></p> <ul style="list-style-type: none"> - Japan Youth Federation - Senkaku Islands Defense Association - China's <i>Bao Diao</i> movement

Explaining escalation

My theory of domestic interest configuration contends that escalation is due to short-term collective nationalist advantages, which create incentives for leaders to piggyback off of nationalist activities in pursuit of their own gains. In line with this argument, we should expect to see collective nationalists active in this phase, private internationalists inactive so long as economic interests are not affected, and leadership actions to escalate to low to medium levels of intensity.

The dynamics of this episode are consistent with these predictions. Collective nationalist groups, particularly Japan's *Nihon Seinensha* and Senkaku Islands Defense Association and

China's *Bao Diao* movement, were particularly active in the early stages of escalation. The tactics these groups used were conducive to short-term mobilization, including island landings and street protests. Private internationalist actors did not activate in the escalation phase. Lastly, leaders, particularly in Japan, took advantage of rallied nationalist sentiment to seek short-term domestic benefits. While discerning leadership intentions is inherently difficult, the conditions surrounding Japanese actions to heighten tensions - particularly Japanese Foreign Minister Ikeda's quoted statement in Hong Kong one month after the Japan Youth Federation's landing in which he declared that "Japan already effectively governs the islands, so the territorial dispute does not exist"²³² - suggest an eagerness to increase support for the ruling Liberal Democratic Party (LDP) in advance of important elections. The LDP had won a significant victory in Upper House elections in March 1996, bringing the party out of a three-year period of shared power under a coalition government. But the LDP faced Lower House elections sometime in the fall and was under pressure from conservative elements in the party to show that it could be tough with China. As Green notes, this intention was "clearly signaled in the party's 1996 campaign platform, which claimed that the Senkakus would remain Japanese territory despite Beijing's pressure."²³³

Ikeda's comments were consistent with actions by other leaders to rally nationalist sentiment around the same time, including Chief Cabinet Secretary Kajiyama Seiroku's comments on the lighthouse immediately following the activists' landing and Prime Minister Hashimoto Ryutaro's visit to the Yasukuni Shrine on July 29. Once the elections had passed with an LDP victory secured, this type of rhetoric was no longer used; in fact, by 1997 Tokyo was making concerted efforts to tamp down further nationalist-inspired episodes before they even

²³² Downs and Saunders 1998/99, 133, citing *Wen Wei Po*, September 2, 1996

²³³ Green 2003, 86

began.²³⁴ This suggests that leadership decisions to escalate this episode - going beyond standard reassertions of territorial claims in response to initial nationalist group provocations - were a part of a broader strategy to cater to nationalist sentiment in the LDP and the public as a means to bolster domestic support prior to important elections.

Explaining de-escalation

The record of the 1996 episode also corresponds with my theory's predictions regarding de-escalation fairly well. Private internationalist interests did not activate during the de-escalation phase in ways that were highly visible to the public. Japan's *Keidanren*, for instance, did not make statements in the press encouraging a return to friendly relations. Yet the interests of private internationalists in protecting regional economic ties and stability were still central to driving de-escalation insofar as they affected the priorities of the leadership on both sides. In both Japan and China in the mid-1990s, leaders remained focused on externally-oriented economic strategies resting on a foundation of cooperative regional ties.²³⁵ Furthermore, levels of trade and investment between Japan and China remained high during this period, indicating that political tensions did not trickle into the economic sphere. The tacit, if not explicit, impact of private internationalist interests was therefore evident in this episode in the actions that internationally-oriented leaders took to de-escalate tensions prior to adverse effects on the economy. Private internationalists did not need to mobilize more visibly because political leaders

²³⁴ Japan's official statements and actions following a visit to the islands by right-wing politicians Nishimura Shingo and Ishihara Shintaro in May 1997, during which they raised the "hinomaru" Japanese flag, provide a useful point of contrast. As Bong notes: "This time, the top leaders in Japan immediately condemned the action. Prime Minister Hashimoto openly expressed his displeasure, noting that no Diet members should assume political immunity to act against the landowner's rejection of landing. The next day, the Japanese government issued official guidelines to deter conflicts with Japanese citizens and foreigners who attempt to land on the islands." (Bong 2002, 87)

²³⁵ Swaine 1995, 7; Green 2003, 80

- reliant on economic performance fueled by Japan-China business interactions for regime stability and support - preemptively factored the interests of these groups into their decisions.

Regarding nationalist activity, the record of this episode is also consistent with the prediction that the influence of collective interests wanes over the long term, which further facilitates processes of de-escalation. On the Japanese side, two groups identified as “collective nationalists” – the Japan Youth Federation and Senkaku Islands Defense Association – were far more active in the escalation stage than in the de-escalation phase. Even after the Japanese government rejected the Japan Youth Federation’s request for recognition of its lighthouse on October 3, the group did not organize a backlash.

On the Chinese side, some nationalist activity continued into the de-escalation phase, but this could have been the result of the mingling of some private interests with collective nationalist groups (specifically losers from reform within the PLA and politicians in Hong Kong and Taiwan seeking to gain politically from embarrassing Beijing). On the mainland, some groups attempted to regroup following Tong Zeng’s dismissal, but they failed to gather a large following willing to confront the Chinese authorities.

Lastly, the episode record suggests that leaders placated collective nationalists with symbolic concessions to ease de-escalation. “Symbolic payoffs” included Japanese Foreign Ministry Spokesman’s September 7 acknowledgement of the Chinese people’s feelings toward the dispute, which could have been an effort to placate China’s collective nationalists. Chinese Foreign Minister Qian’s demand during the same meeting on September 19 for Japan to better control its nationalist groups was possibly an effort to placate China’s collective nationalists. Japanese Foreign Minister Ikeda’s September 19 refusal to commit to removing the Japan Youth Federation’s lighthouse was possibly an effort to placate Japan’s collective nationalists. Prime

Minister Hashimoto's October 4 commitment to not make any further visits to the Yasukuni Shrine while in office could have been an effort to placate China's collective nationalists. The Japanese government's October 3 announcement that it would not grant official recognition to the Japan Youth Federation's lighthouse may have been an effort to placate China's collective nationalists. Prime Minister Hashimoto's late October refusal to remove the lighthouse was possibly an effort to placate Japan's collective nationalists. And Japanese Deputy Foreign Minister Shinji Yanai's pledge to properly handle the island dispute and other sensitive issues in the relationship could have been effort to placate China's nationalists.

These statements all appeal to the concerns of nationalist groups, yet they are similarly vague and reversible in nature. Furthermore, they cost the leadership little in material terms. While the most committed nationalist activists probably found these statements unsatisfying, the fact that these actions corresponded with relatively weak nationalist backlash suggests they played a role in placating nationalist interests, at least in the short term.

Alternative arguments

Structural realism, in both offensive and defensive variants, contends that conflict dynamics should correlate with broader trends in relative material capabilities in the region. Escalation, if it occurs, generally represents an effort to alter or protect the existing regional order. These theories are inconsistent with the more limited aims of escalatory behavior that we saw in this episode, such as the efforts of leaders in Japan to boost domestic support in advance of important elections. Certainly, concerns about larger power shifts lurked in the background of this episode. As Chung notes, with reference to this episode, "there is reason to believe that China suspected the US and Japan of being involved in this islands fracas in a move calculated to

contest, if not constrain, any attempt by China to expand its power and influence seaward.”²³⁶ Chung points to China’s denouncement of the Japan-United States’ April 1996 reaffirmation of the U.S.-Japan security alliance as evidence of these suspicions at that time.

Yet, even if China was wary of “rising militarism” in Japan at that time, and even if Beijing was not entirely incorrect in its assumption that Japan and the United States were motivated to some extent to balance against rising China, it does not follow that every escalatory action in the Senkaku/Diaoyu dispute was intended to protect or shift the regional order. In fact, the evidence suggests that Japan’s aims in rallying domestic nationalism in this episode were far more limited. Once the elections had passed and the LDP pocketed an important victory, Japan was no longer interested in provoking nationalism at home, even absent any clear gains in the Senkaku/Diaoyu dispute. Rather than sustained tough talk, Japan and China, together, made clear efforts to signal their preferences for shelving dispute tensions by late 1996.

The commercial peace argument fares even less well than realism. It contends that increasing levels of economic exchange between countries should have a pacifying effect on their relations. The early 1990s was a period of rapidly expanding economic ties between Japan and China: bilateral trade rose from \$20.3 billion to \$57.5 billion from 1990 until 1995, and in subsequent years the increases continued but at a slightly slower rate.²³⁷ Japan’s investment in China was expanding around the same period, rising from \$438 million in 1999 to \$4.5 billion in 1995.²³⁸ Despite these trends of rising economic exchange, this dispute involved deliberate attempts by leaders to escalate tensions, particularly on Japan’s side, which is inconsistent with the theory’s predictions.

²³⁶ Chung 2004, 50

²³⁷ Koo 2009a, 125-27

²³⁸ Green 2003, 77

Concluding thoughts on the 1996 Senkaku/Diaoyu episode

Overall, the dynamics of escalation and de-escalation in this episode align with the expectations of domestic interest configuration theory. Consistent with Hypothesis One, escalation coincided with collective nationalist advantages in the short term, including the capacity of collective interests to mobilize for short periods, the tendency for private internationalists to stay out of dispute flare-ups so long as economic interests were not threatened, and leadership decisions to further stoke nationalist sentiment in pursuit of limited, short-term gains. Consistent with Hypothesis Two, de-escalation was facilitated by collective nationalist influence waning in the de-escalation phase, as well as leadership efforts to placate collective nationalists with symbolic concessions. The overt activation of private internationalist groups was not necessary because leaders acted in accordance with their interests by de-escalating the dispute prior to adverse effects on the economy.

This analysis illustrates the degree to which structural explanations focused on shifting capabilities and economic interdependence, or ideational explanations wholly focused on nationalism, are insufficient to explain the oscillating intensity patterns of this dispute over time. Leaders did not consider dispute settlement in this episode because of the nationalistic significance of this dispute - the political costs would have been too high. They were also careful to not allow dispute intensity levels to approach the level of militarization - the economic costs would have been too high. But, in between these extremes, the prevailing domestic interest configuration (private/collective internationalist - collective nationalist) allowed for a fairly safe gamble that hardline nationalist groups would not be strong enough to counter private interest-backed internationalist pressures for accommodation by the de-escalation phase. This, in turn,

provided an opportunity for leaders to pocket short-term domestic gains from escalation to medium levels of intensity without worrying about becoming “trapped by their own rhetoric” or locking into to a nationalist-charged escalatory spiral.

Chapter 4:

The 2004-05 Episode of the Senkaku/Diaoyu Dispute

The Senkaku/Diaoyu episode of 1996 was followed almost a decade later with another dispute. The 2004-05 Senkaku/Diaoyu flare-up shared a number of commonalities with the 1996 episode. Most significantly, the general patterns of escalation and de-escalation were similar. Actions by a nationalist group, the China Federation for Defending the Diaoyu Islands, initiated the episode. Chinese leaders then took calculated steps to escalate the dispute further through heightened rhetoric and by taking a more tolerant stance than usual towards anti-Japan protests on the mainland. Once the protests became violent and concerns among the Chinese leadership about social stability mounted, Beijing and Tokyo took steps to defuse citizen unrest and return to friendly relations. As such, this episode aligns with the oscillating pattern of Northeast Asia's island disputes that is the main focus of this dissertation, summed up by Richard Bush as follows:

“The islands are the object of periodic action by patriotic groups...actions that only inflame public opinion all around. The issue is taken very seriously for a while, but soon the mini-crisis winds down and remains dormant until the next time.”²³⁹

Despite these general similarities, three differences between the 1996 and 2004-05 Senkaku/Diaoyu episodes merit consideration. First, nationalist groups were more active on the

²³⁹ Bush 2010, 15

Chinese than Japanese side in the 2004-05 episode; a reversal of the 1996 episode dynamics, when Japanese activist groups played a strong role. This was largely due Chinese lenience toward protests in 2004-05 but not in 1996.²⁴⁰ Conversely, the Japanese government tolerated nationalist group landings on the islands in the mid-1990s but, by 2004, had taken strong measures to block activist activity on the islands.²⁴¹

Second, leaders in China took advantage of nationalist sentiment in the 2004-05 episode to gain short-term concessions from Japan - specifically, to pressure Japanese Prime Minister Koizumi Junichiro (2001-2006) to stop his visits to the Yasukuni Shrine²⁴² and to drop Japan's bid for a permanent United Nations Security Council (UNSC) seat. In contrast, Japanese leaders used the 1996 dispute to boost support in advance of important elections, seeking domestic rather than bilateral benefits. Third, the 2004-05 episode erupted in the context of heightened tensions over Chinese energy development research activities in the disputed waters of the East China Sea, which began in the summer of 2000.²⁴³ While the Chinese government handled these activities through separate channels than the island dispute, the increased presence of naval and maritime research vessels in waters near the Senkaku/Diaoyu islands nonetheless increased the stakes of escalated tensions over the sovereignty issue.

These differences across episodes, while not insignificant, ultimately do not undermine the utility of the theory of domestic interest configuration in explaining dispute dynamics. To recap, the theory argues that collective nationalist advantages in influencing leaders in the short term help to explain leadership decisions to escalate disputes, while private internationalist

²⁴⁰ Weiss 2014

²⁴¹ Fravel 2010

²⁴² Between 2001 and the initiation of the 2004-05 episode, Koizumi had made four visits to the Yasukuni Shrine. Following the episode, he made two more visits, one in October 2005 and one in August 2006. For further details on Koizumi's Yasukuni visits, see Shibuichi 2005, Wan 2006, chap. 9, and Smith 2015, chap. 3.

²⁴³ Wan 2006, 38

advantages (coupled with collective nationalist disadvantages) in influencing leadership strategies over the long term help to explain the ability for leaders to de-escalate in the midst of pitched nationalism.

Accordingly, differences across episodes concerning relative levels of activity among nationalist groups in different countries, the particular short-term gains leaders seek in their efforts to benefit from rallied nationalism, and the intensity of energy development activities in the area should not alter dynamics of escalation and de-escalation so long as they do not affect the type of interests (private or collective) backing nationalist and internationalist foreign policy stances. Regarding shifts in relative levels of nationalist activity across dispute dyads, the theory predicts that nationalist groups, whether in Japan or China, should be relatively easy to control over the long term so long as they focus mostly on collective gains. This is because “collective nationalists,” whether in Japan or China, have difficulty sustaining long-term mobilization due to the collective action problem and their willingness to accept symbolic, and ultimately reversible, concessions.

Regarding the aims leaders seek in the escalation phase, the motivations of leaders in piggybacking on rallied nationalism are less important than the degree to which their aims remain limited and short-term in nature (rather than more lofty goals like altering the regional order, which would be more consistent with structural realism).

Lastly, the theory predicts that energy development activities will alter dispute dynamics only if they affect the characteristics of domestic groups involved in a particular dispute episode. Specifically, if private energy interests in either disputant country begin to back the activities of nationalist groups seeking a hardline in the dispute, nationalists will have new sources of leverage over leaders, making de-escalation more difficult. So long as groups with private

interests concerned with energy development do not join forces with collective nationalists focused on the more symbolic sovereignty issue, the theory's explanation for de-escalation should hold.

Escalation of the 2004-05 Senkaku/Diaoyu episode

The 2004-05 episode of the Senkaku/Diaoyu dispute, like the 1996 episode, initiated with nationalist group activities. This time, seven Chinese activists from the mainland-based China Federation for Defending the Diaoyu Islands landed on Uotsuri Island on March 24, 2004.²⁴⁴ Japanese police arrested and detained the activists for violating Japanese domestic immigration laws.²⁴⁵ Chinese Vice Foreign Minister Dai Bingguo protested the arrests one day later, warning: “this issue could be complicated and intensified to jeopardize Sino-Japanese relations. The serious outcomes from this would have to be borne by Japan.”²⁴⁶ Marking a change from the mid-1990s episode, Chinese authorities allowed protests in front of the Japanese embassy in Beijing, with some even managing to burn and stamp on a Japanese flag.²⁴⁷ Chinese diplomats reportedly warned their Japanese counterparts privately that the protests might spiral out of control if Japan did not release the activists. Prime Minister Koizumi got involved, instructing local officials to release the seven activists without condition.²⁴⁸ After three days of detention, the Japanese government deported the activists on March 26 without charge.²⁴⁹

²⁴⁴ “Japanese Right-Wingers Set to Reach Disputed Senkaku Islands,” *AFP*, March 25, 2004 [FBIS Transcribed Text]

²⁴⁵ “Japanese Police Detain Seven Chinese Activists on Senkaku Island,” *AFP*, March 24, 2004 [FBIS Transcribed Text]

²⁴⁶ Wiegand 2011, 135, citing *Xinhua News Agency*, March 25, 2004; See also “AFP: PRC FM Spokesman Says Japan’s Detaining Chinese on Disputed Island ‘Illegal,’” *AFP*, March 25, 2004 [FBIS Transcribed Text]

²⁴⁷ “Chinese Protesters Burn, Stamp on Japanese Flag 25 Mar Over Islands Issue,” *AFP*, March 25, 2004 [FBIS Transcribed Text]; “AFP: Chinese Demonstrate for Third Day Demanding Japan Release Activists,” *AFP*, March 26, 2004 [FBIS Transcribed Text]

²⁴⁸ Reilly 2012, 44

²⁴⁹ “AFP: Japan Urges China To Stop Activists From Landing on Disputed Islet,” *AFP*, March 27, 2004 [FBIS Transcribed Text]

At an April 3 meeting between Japanese Foreign Minister Kawaguchi Yoriko and Chinese Premier Wen Jiabao in Beijing, Premier Wen reportedly reiterated China's claim to the islands and warned Japan to reconsider its stance on Yasukuni visits or risk damaging overall bilateral relations.²⁵⁰ Around the same time, the Japanese government stationed two Coast Guard vessels near the islands in order to prevent further activist landings.²⁵¹

On April 8, 2004, in response to the landing by Chinese nationalists, members of the Japan Youth Federation set out on a trip to Uotsuri Island. The Japan Coast Guard did not stop the trip because the group promised that it would not land on the island.²⁵² Later that month, on April 23, a member of a different Japanese right-wing group rammed a bus into the Chinese consulate in Osaka, claiming his actions were in protest of China's claims to the Senkaku/Diaoyu islands.²⁵³ According to a Chinese press report, the man was arrested and the Japanese cabinet secretary apologized.²⁵⁴

Continuing activities in the East China Sea, while involving separate issues from the Senkaku/Diaoyu dispute and handled through separate channels, nonetheless contributed to tensions in this episode.²⁵⁵ In 2004, Chinese research ships started sailing through the area Japan

²⁵⁰ Wiegand 2011, 135. See also: "Editorial: Foreign Minister's China Visit - Japan Should Maintain Position To Protect National Interest," *Tokyo Sankei Shimbun*, April 2004 [FBIS Translated Text].

²⁵¹ Fravel 2010, 152

²⁵² Smith 2015, 216

²⁵³ "Japan right-winger rams bus into PRC consulate," *Reuters*, Tokyo, April 23, 2004, <http://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-23-april-2004/>, accessed July 17, 2016.

²⁵⁴ "China indignant at Japanese right-wing attack on Consulate General in Osaka," *People's Daily Online*, updated June 25, 2004, http://en.people.cn/200404/23/eng20040423_141323.shtml, accessed July 17, 2016.

²⁵⁵ Bush summarizes the competing exclusive economic zone (EEZ) claims and their relationship to the Senkaku/Diaoyu dispute as follows: "China says that its exclusive economic zone (EEZ) is made up of the entire continental shelf, out to the Okinawa Trough. Japan argues that a) the continental shelf is a structure shared between the two countries; b) the western extent of its territory is defined by the Senkaku and other islands; and c) therefore a median line between the two coasts of China and Japan (around fifty miles west of the Okinawa Trough) should delineate the exclusive economic zones between the two countries... Japan's (Senkaku/Diaoyu) claim is important in pushing westward the baseline for drawing any median line." (Bush 2009, 18)

claims as its EEZ without advance notice, which it had previously provided.²⁵⁶ On May 27, the Japanese media reported that China had begun the construction of a drilling facility in the Chunxiao oil and gas field, which Japan believes extends across its median line. Tokyo was concerned that a Chinese “straw” could therefore draw gas from Japan’s area.²⁵⁷ In response, Japan requested that China provide survey data to the Japanese. China rejected this proposal, viewing the Chunxiao field as fully on the Chinese side of Japan’s claimed EEZ demarcation, which China did not accept. China then proposed joint exploration of the gas fields. Tokyo did not agree due to concern over the implications of joint development for the sovereignty issue.

In July, Japan launched its own survey in the disputed area of the East China Sea.²⁵⁸ Chinese activists held demonstrations outside the Japanese Embassy in Beijing, referring to Japan’s survey activity as a brazen encroachment. Press coverage of the demonstrations also stressed that the timing of Japan’s survey, on July 7, corresponded with a “day of national humiliation for the Chinese people” and suggested that Japan’s actions “hurt the feelings of the Chinese public.”²⁵⁹ During the Asian Cup soccer tournament, which took place in Beijing the following month, Chinese spectators held banners claiming the Senkakus as their territory, booed Japanese players, and vandalized a Japanese diplomatic vehicle in the midst of a riot after China lost the final match.²⁶⁰

In October, China dispatched four armed naval ships to the waters near the disputed islands, weeks before scheduled talks in Beijing on China’s gas exploration in the East China

²⁵⁶ Wan notes, “A senior Japanese Foreign Ministry official informed the Japanese Senate on March 16, 2004, that there had been thirteen incidents of Chinese survey boats entering Japan’s EEZ so far in the year, compared with eight cases on the whole of 2003.” (Wan 2006, 40)

²⁵⁷ Bush 2010, 76

²⁵⁸ “AFP: Japan Launches Gas Survey Near Islands Claimed by PRC,” *AFP*, July 7, 2004 [FBIS Transcribed Text]

²⁵⁹ Liao Yameng, Liu Ningzhe, “Some 40 People Stage a Protest on a Voluntary Basis Outside the Japanese Embassy Over the Incident of the Japanese Exploration in the East China Sea,” *Hong Kong Wen Wen Po*, July 2004 [FBIS Translated Text]

²⁶⁰ Koo 2009, 130; Wan 2006, 29

Sea.²⁶¹ In early November, the Japan Defense Agency (JDA) released a report announcing three military scenarios for dealing with China, including in response to a potential Chinese attack on the Senkaku/Diaoyu Islands or the Chinese military occupation of gas fields in the East China Sea. China's official media criticized the JDA report, calling it "clearly provocative" and "full of imagination."²⁶²

One day later, on November 9, a Chinese nuclear Han class submarine was detected in waters near the Senkaku/Diaoyu islands.²⁶³ Planes from Japan's navy, the Maritime Self-Defense Force (MSDF), closely tracked the submarine as it operated close to Okinawa.²⁶⁴ One week later, Beijing acknowledged that the submarine was its own and called the incident "regrettable."²⁶⁵ Nevertheless, a public outcry erupted in Japan over the incident.²⁶⁶

In February 2005, the Japanese Coast Guard took possession of the lighthouse on Uotsuri Island that had been built and maintained by the Japan Youth Federation because the private owner of the island had given up its ownership claim.²⁶⁷ China strongly criticized the action as "illegal and invalid" and allowed a 2-hour protest in front of the Japanese Embassy on February 15.²⁶⁸

²⁶¹ Wiegand 2011, 136. According to Wan, China suggested the meeting at the working level to discuss the situation in the Chunxiao oil field. The meeting occurred on October 25 but did not result in any agreement or set a date for a future meeting. In December, Tokyo decided to build its own maritime research vessel. (Wan 2006, 41)

²⁶² Wiegand 2011, 136-7, citing *Kyodo News Service*, November 10, 2004. The JDA report noted China was "cautious about using military force to solve international issues...(but) it is likely that the CCP will go its own way to secure its sovereignty and territory as well as expand its interests in the sea." (*Ibid.*, citing *Straits Times*, November 9, 2004)

²⁶³ "More on FM Machimura Says PRC Submarine Entered Japan Due to 'Technical Error,'" *AFP*, November 16, 2004 [FBIS Transcribed Text]

²⁶⁴ Bush 2010, 20

²⁶⁵ Wan 2006, 29. See also Shirk 2007, 147; Weiss 2014, 130.

²⁶⁶ Bush 2010, 20

²⁶⁷ "Japan Puts Lighthouse on Diaoyu Islands Under Government Control," *Beijing Xinhua in English*, February 9, 2004 [FBIS Transcribed Text]; "Japan FM Official Says Senkaku Lighthouse Put Under State Control," *AFP*, February 9, 2004 [FBIS Transcribed Text]

²⁶⁸ Weiss 2014, 130, citing *Renmin Ribao*, February 9, 2005. Fravel argues that Japan's action in taking control of the lighthouse, in addition to increased patrols by the Japan Coast Guard, had an overall stabilizing effect on the

Anti-Japan sentiment in China, which had been brewing throughout the Koizumi administration because of his repeated visits to the Yasukuni Shrine, peaked in April 2005 in response to Tokyo's campaign for a permanent seat on the United Nations Security Council (UNSC) and its authorization of new history textbooks that downplayed its wartime conduct. Civic unrest began with street petitions in late March, sponsored by the China Federation for Defending the Diaoyu Islands.²⁶⁹ Over a three-week period thereafter, protestors violently attacked a number of Japanese businesses and government buildings in across China.²⁷⁰ While the demonstrations were primarily focused on blocking Japan's UNSC bid and rejecting Japan's history textbook revisions, they also pressed claims to the Senkaku/Diaoyu Islands, stressing the need for Japan to atone for its past.²⁷¹

Notably, Beijing did not put a stop to the protests. As Shirk notes, "in the days following the violent April 2005 demonstrations against Japan's application for permanent membership in the United Nations Security Council, no one in authority criticized them. Premier Wen Jiabao, traveling in India, identified himself with the protestors and satisfied their demands by announcing that China would not support Japan's membership in the Security Council."²⁷² On April 17, Japanese foreign minister Nobutaka Machimura traveled to Beijing and demanded an apology for damages to Japanese government property from the protests. Chinese Foreign

dispute, as it helped to tamp down "perhaps the greatest irritant in the dispute, the actions of activist citizens. In the past, the rationale for these visits by Japanese activists was the need to maintain the lighthouses and replace their solar-powered batteries." (Fravel 2010, 152-3)

²⁶⁹ Chen Weimin, "China's Non-Government Sector Sends Letter to Annan, Expressing Opposition to Japan's Bid to Join UNSC," *Beijing Zhongguo Qingnian Bao in Chinese*, 28 March, 2004 [FBIS Translated Text]; Cody, Edward, "New Anti-Japanese Protests Erupt in China;" Weiss 2014, 133

²⁷⁰ Cody, Edward, "New Anti-Japan Protests Erupt in China," *The Washington Post*, April 16, 2005, accessible at: <http://www.washingtonpost.com/wp-dyn/articles/A58567-2005Apr16.html>. According to Weiss, over this 3-week period, around 38 cities held anti-Japanese demonstrations, which included protest marches and signature campaigns. In addition, an estimated 280 organizations, 107 universities, 41 technical schools, and 28,230,000 Internet users signed petitions protesting Japan's UNSC bid. (Weiss 2014, 130-1)

²⁷¹ Mitchell, Justin, "Shops Shut as Thousands Vent Fury in Shenzhen," *Hong Kong The Standard in English*, April 2005 [FBIS Transcribed Text]

²⁷² Shirk 2007, 174

Minister Li Zhaoxing rejected this request, saying that the Japanese government “has done a series of things that have hurt the feelings of the Chinese people on the Taiwan issue, some international issues and especially the treatment of history.”²⁷³

On April 22, at the 50th anniversary of the Asian-African summit in Bandung, Indonesia, Prime Minister Koizumi formally expressed Japan’s “deep remorse and heartfelt apology” for the “damage and suffering” its “colonial rule and aggression” had caused “to the people of many countries, particularly to those of Asian nations.”²⁷⁴ Koizumi later met with Chinese President Hu Jintao, after which Hu reportedly conveyed “the hope that both sides can...take pragmatic actions to settle differences, overcome difficulties, and ensure the sound and stable development of China-Japan relations.”²⁷⁵

De-escalation of the 2004-05 Senkaku/Diaoyu episode

Although Chinese authorities continued to issue public condemnations of Japan, by the third week of April Beijing began a concerted effort to tamp down the anti-Japan protests.²⁷⁶ This began with the convening of the Politburo Standing Committee (PSC) for three meetings in late April, during which officials formed a special high-level subcommittee on Japan under the direction of the internal security chief, Luo Gan. A later meeting with 3,500 senior officials from the CCP Propaganda Department, the PLA, the Ministry of Education, and a number of other departments involved the foreign minister explaining why the protests should not be allowed to

²⁷³ Kahn, Joseph, “No Apology From China for Japan Protests,” *The New York Times*, April 18, 2005, accessible at: <http://www.nytimes.com/2005/04/18/world/asia/no-apology-from-china-for-japan-protests.html>

²⁷⁴ Nakashima, Ellen, “Koizumi, Hu to Meet at Weekend Summit” *The Washington Post*, April 23, 2005, available at: <http://www.washingtonpost.com/wp-dyn/articles/A8493-2005Apr22.html>

²⁷⁵ “Hu Jintao Meets with Japanese Prime Minister Koizumi,” *Ministry of Foreign Affairs of the People’s Republic of China website*, April 24, 2005, accessible at:

http://www.fmprc.gov.cn/mfa_eng/topics_665678/hjtfw_665840/t193911.shtml

²⁷⁶ According to Shirk, this was largely due to concerns about social stability, as a number of unrelated protests had flared at the same time in response to a range of domestic problems – from pollution at chemical plants to union representation and official corruption. (Shirk 2007, 175)

disrupt social stability or damage friendly relations with Japan.²⁷⁷

Following the PSC meetings, Chinese authorities took action on a number of fronts to tamp down nationalist citizen unrest. Academics and former diplomats went to university dormitories and onto websites to explain why China benefits from cooperation with Japan in an era of economic globalization, while senior economic officials spoke to the press about the economic damage that China would suffer due to boycotts of Japanese goods, many of which were manufactured in China. The Public Security Ministry also reminded young people that demonstrations required a license, while security organizations sent text messages alerting cell phone users that anti-Japan demonstrations were prohibited.²⁷⁸ In July 2005, government authorities raided the offices of the China Federation for Defending the Diaoyu Islands, sending a clear signal of Beijing's shifting stance toward *Bao Diao* activism.²⁷⁹

These actions, which were largely effective in curtailing further anti-Japan protests, coincided with Beijing's success in blocking Japan's UNSC bid. China scored a further diplomatic victory when Prime Minister Koizumi decided not to make any further demands for Chinese compensation or apologies for damage to Japanese property during the protests.²⁸⁰

On a different track, officials in Beijing and Tokyo made efforts through three years of negotiations to defuse tensions in the separate but related dispute over energy development in the East China Sea. In the fall of 2005, Japan proposed a plan for the joint development of four natural gas fields in the disputed maritime areas. After several rounds of negotiations, Beijing

²⁷⁷ Shirk 2007, 176

²⁷⁸ *Ibid.*

²⁷⁹ China's crackdown on voyages to the islands continued thereafter: in October 2007, four members of the *Bao Diao* group that had landed on the Senkaku/Diaoyu islands in 2004 made another attempted landing and were placed under house arrest after returning to China. (Fravel 2010, 153)

²⁸⁰ According to Weiss, China's firm stance helped to decrease regional support for Japan's candidacy, and the United States ultimately joined China in blocking a vote on the "G4 proposal" that Japan had developed with other countries. See Weiss 2014, 128, 157 for further details on China's diplomatic achievements in this episode.

and Tokyo reached a tentative agreement on joint development in June 2008, which involved the shelving of the Senkaku/Diaoyu sovereignty issue. In particular, the agreement suggested that Japanese companies could invest in China's development of the gas fields, allowing Japan to share the profits. The 2008 agreement prompted some nationalist backlash – with Chinese Internet activists accusing Beijing of making too many concessions and conservatives in Japan worrying it was a sellout – but not enough to force negotiators back to the table. As Bush notes, the most significant opposition was from commercial entities, which reportedly proceeded with drilling activities by early 2009.²⁸¹

In summary, anti-Japan activism related to the islands (in combination with other largely symbolic issues) defused by early May 2005. Negotiations to manage tensions in the East China Sea began in the fall. To deal with broader historical issues, President Hu Jintao and Premier Wen Jiabao embarked on a longer-term strategy to focus on the incoming Japanese prime minister following Koizumi. Chinese diplomats, together with South Korean counterparts, organized a group of Japanese business leaders and media figures to discourage visits by Japanese politicians to the Yasukuni shrine or to consider enshrining the convicted war criminals at Yasukuni to a different site. These efforts may have had some impact: when Prime Minister Abe entered office in October 2006, he made a point to visit Beijing first (rather than Washington, which was customary) and pledged not to visit Yasukuni “for the time being.”²⁸² Thus, Sino-Japanese relations largely returned to normal by 2006. Negotiations that continued on maritime exploration in the East China Sea remained at working levels and out of the political spotlight until 2008.

²⁸¹ Bush 2010, 79-80

²⁸² Shirk 2007, 177-8, citing *Yomiuri Shimbun*, October 6, 2006

Domestic groups involved in the 2004-05 episode

Based on the typology detailed in Chapter 2, one can identify three domestic group types that played key roles in the 2004-05 episode of the Senkaku/Diaoyu dispute: *collective nationalists* (including China's *Bao Diao* movement and the Japan Youth Federation); *collective internationalists* (including Chinese government officials working to restore relations with Japan); and *private internationalists* (including business groups in Japan). Private energy interests engaged in energy development activities during the time of this episode did not become directly involved in contention over the islands. Their activities contributed to tensions in this episode but were handled in intentionally separate, less politicized channels. However, private energy interests constitute one group that could potentially fall into the "private nationalist" category if they were to begin to support nationalist activities to further their own parochial aims. The role of energy interests is therefore worth watching closely in future flare-ups of this dispute.

Collective nationalists

Collective nationalists, who favor hardline stances in this dispute in pursuit of collective benefits, were more active in China than Japan in this episode. Their activities early in the episode help to explain the drivers of escalation.

China's Bao Diao (Protect the Diaoyu) movement

Chinese activist groups played a key role, initiating fresh tensions over the islands through the *Bao Diao* group landing on Uotsuri Island in March 2004 and keeping tensions high until the late-April 2005 through participating in protests and petitions. Activists focused on the island dispute, particularly the Federation for Defending the Diaoyu Islands, also demonstrated

their willingness to bandwagon with other nationalist causes, particularly the movement to block Japan's bid to join the UN Security Council in April 2005. As a result, what began with activism focused on the Senkaku/Diaoyu sovereignty issue evolved into more general anti-Japan protests focused on a range of issues.

While Pro-Diaoyu groups on the mainland in the mid-2000s were mostly focused on defending China's claims to the islands for symbolic reasons, they found common ground with other groups who were motivated by other issues tied to historical grievances involving Japan. This included Japan's UNSC bid: one online petition signed by more than forty million people in the months leading up to the April 2005 protests urged the Chinese government to reject Japan's application to become a permanent member of the United Nations Security Council until it adequately acknowledged its wartime conduct.²⁸³ In the midst of the anti-Japan protests largely focused on blocking Japan's UNSC proposal, other demonstrators shouted slogans concerning different issues, including "Give us back the Diaoyu Islands" and "Oppose Japan's tampering with history."²⁸⁴ Chinese nationalist groups at that time were particularly incensed by Koizumi's repeated visits to the Yasukuni Shrine, which they viewed as a demonstration of Japan's impenitence. As one student noted, if the next Japanese prime minister continued to visit the shrine, "relations will be frozen. It will be very dangerous. China will make a big policy change because it will be clear there is no sincerity on Japan's side."²⁸⁵ This suggests that the nationalist groups participating in the April 2005 protests, while focused on a range of issues, were united by the symbolic aim of pressing Japan for a more "sincere" stance toward its historical record.

²⁸³ Shirk 2007, 173

²⁸⁴ Weiss 2014, 147-8; Mitchell, Justin, "Shops Shut as Thousands Vent Fury in Shenzhen," *Hong Kong The Standard in English*, April 2005 [FBIS Transcribed Text]

²⁸⁵ Shirk 2007, 148, citing an interview conducted by the author

Japan's *Nihon Seinensha* (Japan Youth Federation)

Unlike the 1996 episode, Japanese civic groups played a fairly minor role in this episode. The Japan Youth Federation set out on a mission to Uotsuri Island in April 2004 (but did not make a landing), and a right-wing activist rammed a bus into the Chinese consulate in Osaka later that month. The aims and general activities of nationalist groups remained largely the same at the time of this episode as they had been a decade earlier. As Daiki Shibuichi notes in a 2005 article, Japan's right-wing activists are "mostly small groups with several dozen members who demonstrate in the street using black vans with loudspeakers to propagate their ideas...Most rightist politicians and pressure groups keep right-wing activists at a distance because the activist groups often overlap with the yakuza organized crime organization."²⁸⁶ Shibuichi further notes that the "authentic" variants of these groups emphasize "traditional and vernacular symbols and values such as the Yasukuni Shrine, Shinto, the emperor, and Japanese classical literature."²⁸⁷ In short, Japan's right-wing nationalist groups, including the Japan Youth Federation, continued to have largely symbolic aims and periodically attempted to stoke the Senkaku/Diaoyu dispute as a means to achieve their goals.

The marginal role of right-wing activists in this episode likely stemmed from Tokyo's efforts in the early 2000s to prevent landings on the islands. Specifically, in April 2002, the Japanese government entered into a lease for the three islands that remained in the hands of private owners at that time. This put the Japanese government in direct control of all five disputed islands, enabling it to prevent the sale of the islands to activist groups and to block activist landings. In 2004, the Japan Coast Guard also began regular patrols around the islands. One year later, the government assumed official control of the lighthouse that had been built by

²⁸⁶ Shibuichi 2005, 201

²⁸⁷ Shibuichi 2005, 202

the *Nihon Seinensha*, thereby taking over responsibility for maintenance. Collectively, these actions removed both the rationale and capacity for activist groups to land on the islands. The effectiveness of these measures is evident in the low level of activist activity around the islands, at least among Japanese groups, until 2012, when Tokyo became more lenient about landings in the midst of a later episode.²⁸⁸

Overall, Japanese civic groups in this episode demonstrated preferences that were hardline/nationalist in nature (supporting higher levels of regional conflict) and sought symbolic, collective goals related to restoring Japan's traditional values and status in the region. Yet their role was marginal, probably because of Tokyo's efforts in the early 2000's to block activist activity around the islands.

Collective internationalists

Collective internationalist influence was evident the de-escalation phase, specifically through actions taken by Chinese leaders to rein in protests and restore relations with Japan. Notably, the actions of these groups aligned with the interests of externally-oriented businesses, suggesting the implicit influence of private internationalists as well.

The cooperative preferences of collective internationalist actors within the Chinese government were evident in the Politburo Standing Committee's (PSC) guidance to tamp down anti-Japan protests starting in late April 2005. Specifically, the PSC delegated senior government officials to explain to various groups why the protests should not be allowed to damage relations with Japan, why China benefits from cooperation with Japan, and why China would ultimately suffer from boycotts of Japanese goods manufactured in China.²⁸⁹ In the de-escalation phase of

²⁸⁸ Fravel 2010, 152-3. See also Smith 2015, 216, Table 6.2

²⁸⁹ Shirk 2007, 176

this episode, the Chinese government, with cooperation from South Korea, made efforts to reach out to business groups in Japan to build a movement to pressure Tokyo to change its approach to historical issues. They found a receptive audience in some pockets of the business community in Japan that were worried about the impact of political tensions on economic ties.

Private internationalists

Business groups in Japan

Segments of the business community in Japan, most likely those that rely on economic exchange with China for revenue generation, also played a role in dampening tensions in this episode through efforts to improve bilateral relations more generally. In June 2005, for instance, the chairman of the *Keidanren* (Japan Business Federation), Okuda Hiroshi, openly expressed concerns about Prime Minister Koizumi's visits to the Yasukuni Shrine and urged him to reconsider.²⁹⁰ The following year, in May 2006, Kitashiro Kakutaro, the head of the *Keizai doyukai* (Japan Association of Corporate Executives), publicly pressed Koizumi to skip his visits to Yasukuni, stating in a news conference that, "Prime Minister Koizumi's visits to Yasukuni Shrine could spread negative views about Japan (in China) and cause adverse effects on Japanese companies' activities there."²⁹¹

Despite this evidence of concern among the business community regarding deteriorating Japan-China relations in the mid-2000s, economic exchange between the two countries remained robust during this period. A study by Davis and Meunier examining the impact of Japan-China political tensions during the Koizumi years on aggregate trends in trade and foreign direct

²⁹⁰ Smith 2014, 52

²⁹¹ Davis and Meunier 2011, 640, citing *Asahi Shimbun*, May 10, 2006. Koizumi famously retorted: "Politics is different from business." (Smith 2014, 53, citing *Nikkei Shimbun*, May 10, 2006)

investment found “no observable evidence that political tensions harmed economic relations.”²⁹² On the contrary, the study found that “during the period of the Koizumi administration, when political tensions were at their worst, China was taking a growing share of Japan’s FDI. In 2001, Japanese FDI to China was 3.3% of total FDI, and by 2006 it had doubled to 6.7%.”²⁹³ Trade relations were similarly unaffected: China became Japan’s number one trading partner in January 2005.²⁹⁴ Two-way trade grew from \$85.5 billion in 2000 to \$267.0 billion in 2005, while Japanese cumulative foreign direct investment grew from \$15.1 billion in 2000 to \$36.3 billion in 2005.²⁹⁵

Overall, these figures indicate that political and economic relations proceeded in largely separate channels in this episode. Yet concerns were on the rise regarding the impact of anti-Japan sentiment on the ability of Japanese firms to conduct business safely and profitably in China. As China expert Masahiro Miyazaki noted in a press interview on the April 2005 protests:

“As (Japan-China) problems surface repeatedly, the immense [mob-psychology] momentum may become uncontrollable by authorities and could explode into torching of Japanese businesses. Japanese firms have entered Chinese markets aggressively in anticipation of Chinese economic growth, but recent incidents will probably cause some firms to rethink their strategies for China.”²⁹⁶

Japanese firms with extensive operations in China, such as Asahi Brewery and Honda Motors, were concerned about the impact of rising anti-Japan sentiment on their businesses. Asahi Brewery even took the initiative to issue a public statement distancing the company from an advisor to the firm who had expressed support for Prime Minister Koizumi’s visits to the

²⁹² Davis and Meunier 2011, 629

²⁹³ *Ibid.*, 640

²⁹⁴ Weiss 2014, 130

²⁹⁵ Bush 2010, 16.

²⁹⁶ “Boycott of Japanese Goods Spreads Throughout China,” *Tokyo Shimbun*, April 2005 [FBIS Translated Text]

Yasukuni Shrine.²⁹⁷ Even if the data indicates that economic ties proceeded smoothly during this episode, these concerns among some in the business community that political tensions would affect economic ties may have had an impact in shaping leadership decisions. Koizumi went ahead with two more visits to the Yasukuni Shrine following this episode, one in October 2005 and another in August 2006. But he also backed off of Japan's initial request for a Chinese apology and compensation for damage during the April 2005 protests.²⁹⁸ It is likely that the interests of these more vocal members of the business community, as well Koizumi's own interest in keeping economic ties strong, factored into his decision.

"Winners" from reform in the Chinese military

The PLA played a role in increasing general tensions in bilateral relations during the period of this episode, though its actions were more closely related to energy development activities in the East China Sea. Specifically, four armed naval ships were dispatched to waters near the Senkaku/Diaoyu islands in October 2004, and a Chinese submarine was found just south of Okinawa the following month.

The degree to which these activities represented independent pressure by the PLA for the Chinese government to take a harder line on the island dispute is questionable, however. Bush notes that the PLA's modernization, in general, has been focused mostly on Taiwan, which, while related to Japan policy, implies that East China Sea exercises were not all conducted with Senkaku/Diaoyu contingencies in mind. In fact, an analysis of the 2004 submarine incursion conducted by Japanese experts assessed that the PLAN, in this incident, was preparing for a

²⁹⁷ Asahi Brewery's public statement declared that the advisor "is an individual collaborator of the association, but this corporation is not involved." It later added, "We will monitor the situation carefully and hope to continue our business operations in China." (*Ibid.*)

²⁹⁸ Weiss 2014, 154

possible war with Taiwan and the United States in response to Taiwanese president Chen Sui-bian's moves in the direction of de jure independence. As a part of its strategy, the experts contended that China would need to obstruct U.S. carrier battle-groups from joining the conflict. Such an operation would require knowledge of the ocean floor and submarines.²⁹⁹

Tensions related to the legal dispute over exclusive economic zones in the East China Sea became more militarized in 2004-05 and were certainly related to the Senkaku/Diaoyu dispute. Yet, both governments had been careful to handle energy development issues through less politicized, working-level channels. As Shirk notes, with reference to East China Sea maritime issues, "the two governments would like to head off a military confrontation over the oil and gas fields through quiet negotiations."³⁰⁰ This stands in contrast to flare-ups over the islands, which tend to command immediate attention at the highest levels of both governments and involve nationalist-charged rhetoric defending each country's claims in the media spotlight. Bush characterizes the formulation of China's negotiating positions on East China Sea resource development as "bottom-up" interagency coordination.³⁰¹ The sovereignty of the Senkaku/Diaoyu islands, in contrast, is considered a "hot button" issue that is handled by the Politburo Standing Committee, where most members do not have foreign policy expertise and focus more on the domestic political dimensions of the dispute.³⁰²

Also casting doubt on the degree to which the PLA acted as an independent source of pressure for a harder line in this episode are Fravel's observations on media coverage. He points to general consistencies in Chinese press reporting on the Senkaku/Diaoyu dispute between military and civilian sources as evidence "against the argument that there are divisions between

²⁹⁹ Bush 2010, 19, 220, citing Japanese media sources (FBIS)

³⁰⁰ Shirk 2007, 147

³⁰¹ Bush 2010, 143-4

³⁰² Shirk 2007, 44

China's military and civilian leaders over Japan policy," noting:

"With just three exceptions, the *Liberation Army Daily* has published no original articles on the dispute, focusing instead on reporting government statements and press conferences. Most of the reporting on the Senkakus is also buried on the inside of the paper, not on the front page...Overall, the goal is to minimize attention to the conflict while demonstrating China's 'resolute' stance on the question of sovereignty when an event occurs that appears to question or challenge China's claim."³⁰³

Lastly, the PLA was well taken care of at that time in terms of its general budget. In the late-1990s, the PLA and the leadership, which had been increasingly concerned with the military's off-the-books revenues from its private business activities, worked out a general deal. As a Chinese general explained with reference to this deal, a budgetary mechanism would ensure the PLA would receive a fixed portion of the GDP. During periods of rapid GDP growth, such as the 1990s, PLA allocations would increase at the rate of general economic growth. This would allow the PLA to get more money through the budget while not altering its overall priority in the country's economy. The Chinese military agreed, in return, to divest itself of a large portion of its off-the-books enterprises.³⁰⁴ The amount of the PLA's portion was reportedly somewhere between 1.2 and 1.4 percent of GDP, half of what the PLA asked for but still enough to generate double-digit growth in defense expenditures for all but one year between 1990 and 2011.³⁰⁵ As a result, the Chinese military, especially those services that benefitted the most from modernization efforts (including the navy, air force, and missile services), continued to have vested interests in the success of economic reform-led development. They were therefore likely to support keeping levels of conflict with key economic partners like Japan contained at the time of the 2004-05 episode.

³⁰³ Fravel 2010, 154

³⁰⁴ Lampton 2014, 181–2, citing the author's own conversation with a PLA general

³⁰⁵ *Ibid.*

In summary, the PLA's activities in the East China Sea increased general tensions in Japan-China relations during the period of this flare-up, but that does not imply that the PLA independently pushed for a tougher line on the sovereignty issue in this episode. It is also possible that PLA's mainstream had interests that were consistent with the leadership – preparing for Taiwan contingencies and protecting economic interests in the East China Sea while avoiding actions that would militarize the island dispute (through providing PLAN escorts for activists attempting to make landings, for instance) in order to contain tensions with a key economic partner.

Private nationalists: Not active in this episode, but possibly mobilized in the future

Private energy interests engaged in energy development activities in the East China Sea at the time of this episode could have supported the activities of collective nationalist groups focused on more symbolic sovereignty issues. No evidence suggests that this type of cooperation took place in this episode. However, contention over energy development continued for years after the sovereignty dispute was shelved in 2005. Energy development activities contributed to overall tensions but were handled through separate, working level channels by both governments. This is an area worth watching, as private energy interests in the future might decide to cooperate with collective nationalist groups, thereby making it more difficult for governments to deflect nationalist pressure in the de-escalation stage.

Neutral players: Japanese Coast Guard and Self Defense Forces

At first glance, it might appear that the Japanese Self Defense Forces (SDF) and Japanese Coast Guard (JCG) pressed for a tough line in this episode. The JCG detained the Chinese

activists after their March 2004 landing on Uotsuri Island. The Japan Defense Agency (JDA) later issued a report in the midst of heightened tensions in November 2004 that included contingencies for dealing with Chinese attacks on the Senkaku Islands. Around the same time, Japan's Maritime Self Defense Forces (MSDF) tracked the Chinese submarine found in Japanese waters. And the Japanese Coast Guard took possession of the Uotsuri Island lighthouse in February 2005.

These actions are consistent with a general rise in political support for a more active Japanese military and coast guard throughout the Koizumi administration, however.³⁰⁶ In particular, the political leadership favored the use of Japanese military and coast guard assets to monitor energy exploration efforts within Japan's claimed EEZ in the East China Sea. For instance, planes and warships from Japan's SDF actively monitored Chinese exploration and drilling activities in the Chunxiao gas field in 2004-2005. According to Bush, the number of times Japan's Air Self-Defense Force planes scrambled in response to possible violations of territorial airspace rose from 141 in fiscal year 2004 to 229 in fiscal year 2005. A later analysis attributed the increase to more scrambles against Chinese jet fighters.³⁰⁷ The Japanese government's approval of increased coast guard patrols around the Senkaku Islands in 2004 provides further evidence of this shifting stance.

Despite the rising profile of the Self Defense Forces (SDF) and JCG by the mid-2000s, there is no indication that they pressured the leadership to take a harder line with China during

³⁰⁶ According to Samuels, the Japanese Coast Guard, in particular, benefitted from this shift. One senior JDA official claimed that Prime Minister Koizumi was unable to increase the defense budget due to political opposition "so he expanded the roles and missions of the Coast Guard instead." (*Ibid.*, 79) Samuels notes: "With widespread support, including from defense-related Diet politicians, the Coast Guard has developed an impressive fleet with as much as 65 percent of the total tonnage of China's surface fleet...In 2005, when JDA budgets were cut, the Coast Guard equipment budget was *increased* to an average of fifty billion per year for the next seven years, with funds earmarked for modernization, including twenty-one new boats and seven new jets, as well as replacement of older boats and planes." (*Ibid.*, emphasis included in original)

³⁰⁷ Bush 2010, 78

the 2004-05 episode of this dispute. Those who guided the JCG's development continued to emphasize its law enforcement, rather than military, function.³⁰⁸ Increasing support for constitutional revision to expand the range of acceptable activities for the Japanese military during that period came more from politicians than from within the SDF.³⁰⁹ In short, the Japanese SDF and coast guard played a strong role in this episode but were largely following the lead of the political leadership, which was eager to carve a more active role for these institutions in Japan's foreign policy. These groups therefore supported Koizumi's general foreign policy line in the dispute: staking out a tougher, but ultimately cooperative policy toward China.

The table below summarizes domestic groups involved the 2004-05 episode.

Table 4.1 Summary of domestic group types in the 2004-05 Senkaku/Diaoyu episode

	Seek private benefits	Seek collective benefits
Prefer cooperative policy stances (internationalists)	<i>Private internationalists</i> - Japanese business federations (<i>Keidanren, Keizai Doyukai</i>) - Winners from reform in Chinese military	<i>Collective internationalists</i> - Chinese leaders pursuing friendly relations with Japan
Prefer hardline policy stances (nationalists)	<i>Private nationalists</i> * potentially in this category, though not in this episode: private energy interests in East China Sea	<i>Collective nationalists</i> - Chinese <i>Bao Diao</i> movement - Japan Youth Federation and right-wing groups (played marginal role in this episode)

³⁰⁸ A former director general of the Japan Coast Guard claimed in 2006 that JCG improvements were the result of an overdue modernization, "changing an analog JCG into a digital one." (Samuels 2007, 78)

³⁰⁹ *Ibid.*, 80-81.

Explaining escalation

The empirical record of this episode affirms predictions of escalation due to advantages of collective nationalist groups in the short term. In particular, China's *Bao Diao* movement was very active in the escalation phase - organizing island landings, supporting petitions, and participating with other nationalist groups in widespread anti-Japan protests. Japan's collective nationalist groups, while playing less of a central role than Chinese activists in this episode, were also active in this phase. Specifically, the Japan Youth Federation made an attempted landing on Uotsuri Island in April 2004, and a right wing activist drove a bus into the Chinese consulate in Osaka that same month. Notably, these types of actions attract significant attention from the leadership and media outlets but cost the groups little in material terms. However, the attention they generate is fleeting in nature, and tends to fade over time if levels of support, organization, and "shock value" (from repeated dramatic events, for instance) cannot be sustained.

The record of this episode also supports the second predicted advantage of collective nationalists in the escalatory phase: the tendency for private internationalists to not become involved in dispute episodes so long as their economic interests are not threatened. This is because economic ties tend to not be affected at low to medium levels of disputes intensity; business as usual continues. Indeed, as Davis and Meunier's study (2011) found, high levels of Japan-China tensions during the Koizumi years did not harm trade or investment ties.³¹⁰ Consistent with this prediction, private internationalist interests were absent during the escalation phase of this episode between March 2004 and April 2005, meaning that collective nationalist groups did not need to contend with competing forces in the short term.

³¹⁰ Davis and Meunier 2011, 629

The record of this episode also aligns with the predicted response of leaders to short-term collective nationalist advantages: the tendency to piggy-back off of nationalist group activities to seek their own short-term gains. In the 1996 episode, leadership decisions to escalate beyond standard responses to nationalist group activity stemmed largely from domestic vulnerability on the Japanese side: the ruling LDP sought support from nationalist constituents to succeed in upcoming Lower House elections. In 2004-05, however, the impetus behind further escalation came from the Chinese side. In contrast to 1996, when Beijing made intense efforts to repress protest activity on the mainland, anti-Japan activists in 2004-05 were allowed to organize missions to the islands as well as protests outside the Japanese embassy in Beijing that later spread to other cities. Chinese leaders, particularly in the early stages of the episode, further amplified nationalist sentiment through statements like the one made by Chinese Vice Foreign Minister Dai Bingguo shortly after the March 2004 *Bao Diao* landing.³¹¹

What prompted the decision of the Chinese leadership to heighten tensions in the dispute? Krista Wiegand and Jessica Weiss argue that Beijing's hardline rhetoric and lenient stance toward anti-Japan protests in this episode reflected its strategy to increase pressure on Japan to offer concessions on a number of other contentious bilateral issues, including the Prime Minister's ongoing visits to the Yasukuni Shrine and Japan's active bid for a permanent United Nations Security Council Seat.³¹² At least two observations from the 2004-05 episode provide support for this interpretation of bilateral "linkage" as the main motive for escalation. First, Chinese officials both tacitly and explicitly linked the island dispute to other bilateral issues in

³¹¹ Wiegand 2011, 135

³¹² Wiegand 2011, 134-38; Weiss 2014, chap. 6

official statements and bilateral meetings early in the episode.³¹³ Second, de-escalation coincided with Beijing's success in blocking Japan's UNSC bid; Beijing seemed to have gotten what it wanted out of escalation.³¹⁴

In summary, all three predicted elements of the escalatory phase aligned with the empirical record of this episode: collective nationalists were highly active in the escalatory phase; private internationalists were inactive; and leaders in China used the nationalist flare-up opportunistically to create bilateral bargaining leverage on a range of contentious issues with Tokyo.

Explaining de-escalation

The empirical record of this episode also aligns with my theory's predictions regarding de-escalation. First, internationalist groups in this episode - including members of internationalist coalitions within the Chinese leadership and Japanese business federations - used various channels within the government (such as China's Politburo Standing Committee) and society (such as news conferences organized by the *Keizai Doyukai*) to press for de-escalation and a return to friendly bilateral relations. These actions occurred once anti-Japan protests in China reached a high enough level to spark concerns about domestic stability (in China) and disrupted economic ties (in both Japan and China) due to boycotts of Japanese businesses and damage to Japanese properties in China.

³¹³ See, for instance, Chinese Ambassador Wu's March 25 statement in Tokyo, as well as the readout from the April 3 meeting between Chinese Premier Wen Jiabao and Japanese Foreign Minister Kawaguchi Yoriko, which reportedly involved Wen "reiterating the Chinese claim to the islands, urging Japanese leaders to halt visits to the Yasukuni Shrine, and indicating that continuing visits not only hurt the feelings of the Chinese people but could also damage future bilateral relations overall." (Wiegand 2011, 135)

³¹⁴ As Weiss notes, China curtailed protests after it made headway on the UNSC issue (with the United States agreeing to join China in blocking the G4 proposal) and Japan made concessions in other symbolic areas. (Weiss 2014, 128)

Collective nationalists, on the other hand, had limited means to push back against de-escalation. Statements by supporters of anti-Japan petitions and protests in April 2005 suggest that not all participants were equally committed to mobilizing over the long term. Davis and Meunier quote an official of a Japanese financial investment firm heavily involved in business with China as saying China's boycott calls were famous for having no effect.³¹⁵ As one student remarked, "China is in an embarrassing situation. We can't live without Japanese products."³¹⁶ One Internet activist said that, when posting online opinions regarding Japan, "you have to begin by saying how much you hate Japan, otherwise the (Chinese) Web site manager will usher you off."³¹⁷

This suggests that a great deal of social pressure was involved in generating support for anti-Japan petitions and protests and that many participants only half-heartedly supported the efforts. High levels of petition and protest participation in the short, but not long, term make sense in this regard – it costs fairly little (in terms of time and risk of official censure) to sign a petition; going out into the streets for multiple days in a row is another matter. As one participant in the April 2005 protests in Shanghai noted on his blog, "this is Shanghai. Most of those at the protest have benefited enormously from the current regime's policies and recent economic growth (ironically fueled largely by loans and trade with Japan)."³¹⁸ Thus even though many were willing to join protests for the first three weekends, it seems the collective nationalist groups might have had difficulty maintaining support over a longer period, even if the Chinese authorities had not begun repressive measures by late April 2005.

³¹⁵ Davis and Meunier 2011, 642

³¹⁶ Shirk 2007, 152, citing interviews conducted by the author

³¹⁷ *Ibid.*

³¹⁸ "Mitch's" blog, *Shanghai Slide*, accessible at: <http://shanghaislide.stacktrace.com/2005/04/anti-japan-protest.html>

The rising involvement of internationalists and waning capacity of collective nationalists to mobilize over the course of this episode suggests that the Chinese leadership was taking a fairly safe gamble in tolerating, and later repressing, anti-Japan protests in this episode. Mobilization advantages shifted from collective nationalists to private interest-backed internationalists over time, making nationalist backlash against de-escalation unlikely.

The ability for leaders to appease collective nationalists with symbolic concessions constituted an added advantage for private internationalists in this episode. This was evident in the degree to which groups committed to causes other than blocking the UNSC bid were placated by concessions in that area. According to Weiss' analysis, three concessions, in particular, made it relatively easy for Chinese authorities to get anti-Japan protestors off of the streets: China's effectiveness in diminishing regional support for Japan's UNSC candidacy; Prime Minister Koizumi's "historic" apology in front of a multi-national audience in Bandung, Indonesia; and Koizumi's backing down on previous demands for China to apologize and provide compensation for protest damages. Weiss argues that "diplomatic success (in these areas) enabled the Chinese government to curtail anti-Japanese protests with relative ease."³¹⁹ Yet, notably, these concessions had little to do with the Senkaku/Diaoyu dispute. The fact that even *Bao Diao* protestors could be appeased by these actions suggests that leaders had some flexibility in placating symbolic interests – so long as symbolic interests in "protecting the national honor" were met in some way, activists focused on the Senkaku/Diaoyu dispute demonstrated a willingness to back down.

In summary, my predictions concerning drivers of escalation and de-escalation were both validated in this episode. Consistent with Hypothesis One, escalation occurred because collective

³¹⁹ Weiss 2014, 128

nationalists enjoyed short-term mobilization advantages that created incentives for leaders to piggyback off of nationalist activities. Consistent with Hypothesis Two, de-escalation corresponded with private internationalist influence increasing, and collective nationalist influence waning over the long term. De-escalation was also facilitated by leadership efforts to placate collective nationalists through symbolic concessions related to other issues. No evidence indicates that commercial interests focused on energy development in the East China Sea made an effort to formally cooperate with collective nationalist groups during this period, despite possible opportunities to do so. This “missed opportunity” (keeping private nationalist interests out of the mix) was also a factor facilitating de-escalation.

Alternative arguments

Structural realism

The years preceding this episode involved significant growth in China’s military capabilities. As one indicator of the extent of China’s rise over this period, military expenditures more than doubled in the time between the two dispute episodes, increasing from \$27.8 billion in 1996 to \$72.4 billion in 2004.³²⁰ China’s economic position *vis a vis* Japan had also improved considerably since the mid-1990s, with both countries becoming more symmetrically dependent.³²¹

According to structural realism, the fast pace of China’s capability increases should correlate with either steady dispute trends (i.e., no escalation, as China either bides its time for the right moment to make a power play or convincingly signals its acceptance of the status quo

³²⁰ SIPRI Military Expenditure Database (expenditure by country, 1949-2015). Data accessible at: <https://www.sipri.org/databases/milex>. Note: Some years are SIPRI estimates.

³²¹ Koo 2009a, 128.

to other powers in the region) or dramatic escalation (in an effort to alter the existing regional order). In other words, escalation, if it occurs, is not motivated by small wins but rather larger strategic moves by countries to position themselves more favorably within the regional order.

The empirical record of this dispute suggests that this was not the case. Escalation occurred not because China was attempting alter regional power relations, but because nationalist groups agitated and leaders in China decided to take advantage of it for short-term gains. Once those gains were achieved (specifically, Japan dropping its UNSC reform bid and softening his stance on historical issues), Chinese leaders took quick action to de-escalate.

It remains possible that *both* structural realism and the theory of domestic interest configuration are correct to a certain degree. For instance, some in Japan viewed China's dispatch of a Han submarine to waters near the Senkaku/Diaoyu islands in November 2004 as a means to signal China's growing naval power.³²² This is not inconceivable; China was presumably aware of and interested in making its increasing capabilities visible in this episode. Yet, the pattern of escalation and de-escalation in the island dispute casts doubt on the view that escalation was pursued to impose lasting change in the region. One must also ask: If China were attempting to make a "power play" in this episode, why would it repress protests after the UNSC bid was dropped and not after it achieved clear gains in the maritime space? Why would it settle for a joint development scheme in the East China Sea 2008 and not press for more? China seemed keen to display its increasing capabilities in this episode. However, a push for regional predominance did not appear to be the main motive for escalation. Smaller diplomatic wins, in the context of rallied but containable nationalism, were the main prizes pursued in this case.

³²² Wiegand 2011, 136

Commercial peace

The commercial peace argument contends that disputes should be pacified as mutual economic ties increase. As noted above, this was a time of significant solidifying and increasing of economic interdependence, with China becoming Japan's number one trade partner in the middle of this episode in January 2005, and Japanese FDI to China rising from 3.3% of total FDI in 2001 to 6.7% in 2006.³²³ Yet, instead of pacifying relations in the midst of these increased levels of exchange, in this episode we saw the dispute escalate and leaders taking advantage of rallied nationalism to pursue short-term gains.

The commercial peace helps to explain the general motivations of leaders in China in quelling bilateral tensions by late April 2005: they recognized that further damage to Japan-China ties might harm economic relations as well as domestic stability. But this argument cannot explain why these leaders, only months before, took deliberate actions to heighten tensions in this dispute. Nor can it explain how leaders avoided nationalist backlash after fomenting nationalist sentiment only months before.

Conclusion: Domestic interests and the Senkaku/Diaoyu dispute

Despite some noted differences between the 1996 and 2004-05 Senkaku/Diaoyu episodes - with Japanese nationalist groups playing a central role in 1996 but not 2004-05, for instance - both flare-ups followed the almost ritualized pattern referred to in the introduction. Episodes were initiated by nationalist group activities and later escalated further due to leadership efforts to secure short-term (domestic or bilateral) gains. Predictably, with the passage

³²³ Davis and Meunier 2011, 640

of time, both sides made efforts to de-escalate, exhibiting the shared desire to avoid escalatory spirals that might cause serious damage to economic ties and regional stability.

In each episode, consistently high levels of economic interdependence and nationalism tied to historical grievances in the region played a role in bracketing dispute activity between war and settlement. Theories focused on the “commercial peace” and ideational factors are therefore far from irrelevant in this story. But they cannot explain the full picture. Specifically, they cannot explain leadership decisions to repeatedly escalate nationalist-charged disputes with countries they rely upon for economic growth. Nor can they explain the ability of leaders to de-escalate these disputes without invoking strong nationalist backlash. To provide a more complete explanation for this pattern of vacillation between war and peace, I introduce a theory that focuses on the unique configuration of domestic interests that has prevailed within countries in the region since World War II - with internationalist groups favoring a cooperative regional order backed by private interests and nationalist groups favoring hardline stances in bilateral disputes seeking collective aims - as a key driver of dispute dynamics.

Isolating domestic drivers of escalation is helpful in demonstrating the degree to which escalatory behavior, at least in these cases, has not represented a “power play” by one state to assert regional predominance over another. Instead, the interaction of “bottom up” domestic group actions and leadership “top down” actions to take advantage of nationalist outbursts for short-term gains explains escalation. Rather than escalating to alter regional dynamics, leaders latch onto nationalist group activities in pursuit of short-term, limited goals that do not alter the status quo of Northeast Asia’s power arrangements. Establishing these motives for escalation helps to rule out the possibility that dispute dynamics in 1996 and 2004-05 could be explained by theories associated with structural realism. Power transition struggles may have been on the

horizon in these episodes, but it is significant to note that they had not yet taken effect by the mid-2000s despite tectonic shifts in material capabilities underway in the region by then. Leaders were not “lying low,” waiting for the right moment to shift the regional balance of power. Nor were they making major moves to shift the regional order in their favor. They were essentially playing a smaller game, seeking short-term gains within well-established boundaries.

Yet this explanation for dispute dynamics, however helpful, is still incomplete. It does not explain how leaders manage to de-escalate tensions in nationalist-charged environments. In my theory, the central condition that keeps de-escalation reliable and relations defaulting to cooperative modes is the isolation of private interests from nationalist activities. Post-World War II Northeast Asia has been unique in its interest configuration. Previous eras saw parochial interests in business and the military using nationalism to rally the masses in support of ultimately self-serving causes, with disastrous consequences for the region.³²⁴ Ironically, collective interests tied to contentious historical issues in East Asia today play a role in both inflaming conflict (“cold politics” have endured alongside “hot economics” for decades) while also keeping the peace. So long as they have remained symbolic in nature and have not been backed by private interests, they have had difficulties sustaining mobilization over the long term. Nationalist groups have also been willing to back down following symbolic, and ultimately reversible, concessions. In summary, collective nationalist interests tied to historical memory are politically relevant - sending the region into diplomatic tailspins at fairly regular intervals. But they have ultimately been incapable of determining regional outcomes. Cooperation, peace and prosperity - not score-settling through militarized conflict over disputed territory - have been the defining features of the region for the past several decades.

³²⁴ See Snyder (1991) for elaboration on the critical role nationalism played in advancing parochial interests in imperial Japan.

This generally peaceful pattern should not be taken for granted, however. Just as imperial era interests declined with rise of a global economy in the past century, the present day interest configuration in Northeast Asia could change if antecedent conditions supporting the post-World War II interest configuration change. A sustained recession or movement toward a more closed regional economic order could bring about dynamics reminiscent of previous eras, with economic or military groups backing hardline nationalist activities to broaden support for their aims. Under such circumstances, with private interests seeking material gains using nationalist-charged escalation to boost their own leverage, leaders might struggle to keep periodic dispute flare-ups in check.

PART III - Korea-Japan

Domestic Interests and The Dokdo/Takeshima Dispute

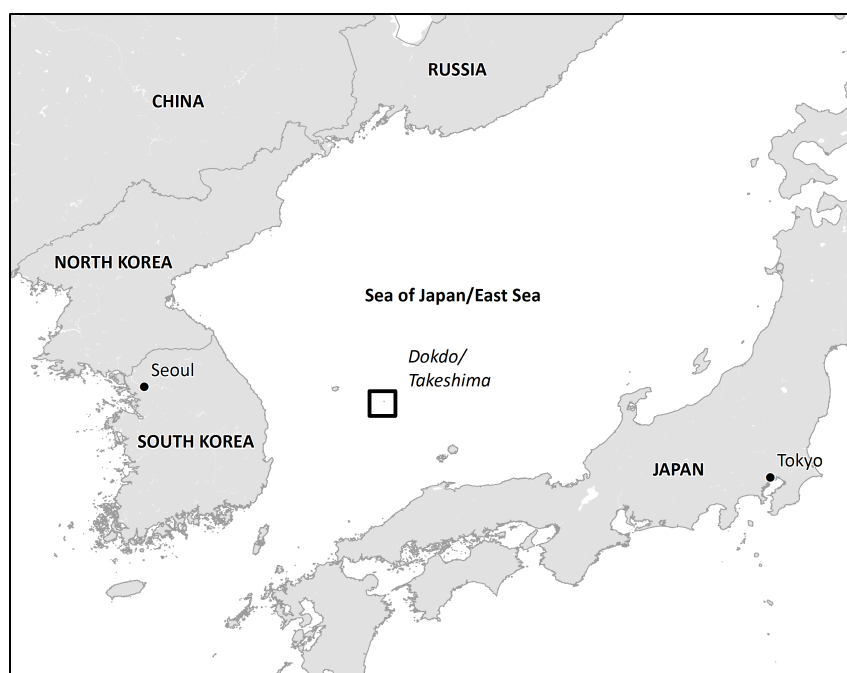
“Here are Japan and South Korea, the world’s third and 14th largest economies, vibrant democracies, and dynamic economies facing a common threat in unpredictable North Korea and increasingly assertive China, and they are calling each other names and threatening to go ballistic over some pieces of jutting rocks in the middle of nowhere. I mean, it just does not make sense. Which is exactly the point. Dokdo is not really about logic or reason...Dokdo is about emotions.”

- Jason Lim, *Korea Times*, August 24, 2012³²⁵

“The quarrel may seem petty...but given the damage that it is doing to bilateral relations between two prominent U.S. allies, it is a worrisome situation.”

- Ted Galen Carpenter, with reference to the Dokdo/Takeshima dispute, February 23, 2015³²⁶

Figure 5.1 Map of Dokdo/Takeshima Islands



Kelsey Rydland, Northwestern University Libraries

³²⁵ Lim, Jason, “What US doesn’t get about Dokdo,” *The Korea Times*, August 24, 2012, accessible at: https://koreatimes.co.kr/www/opinion/2017/03/352_118169.html

³²⁶ Carpenter, Ted Galen, “The Island Dispute No One is Talking About,” *The National Interest*, February 23, 2015, accessible at: <http://nationalinterest.org/feature/the-island-dispute-no-one-talking-about-12297>

Remote rocks and the potential for escalatory spirals among quasi-allies

The Dokdo/Takeshima islands, known as “Dokdo” in Korea and “Takeshima” in Japan, are a set of rocky outcroppings located in the East Sea/Sea of Japan, approximately 90 kilometers southeast of South Korea’s Ulleungdo island and roughly 160 kilometers northwest of Japan’s Oki Islands. There were no inhabitants prior to South Korea’s stationing of a Coast Guard presence there in 1954.³²⁷ In addition to the Coast Guard detachment, two South Korean civilians currently inhabit the islets on a seasonal basis.³²⁸

Active contention over the islets dates back to the years following World War II, during which treaty negotiations between the Allies and Japan resulted in a formal declaration of Japan’s renunciation of right, title and claim to Korea while leaving the sovereignty status of Dokdo/Takeshima undefined.³²⁹ South Korea took effective control of the islets in 1952, claiming that the islets should have been included in the Japan’s general surrender of its imperial territories in the 1951 San Francisco Peace Treaty. Since then, South Korea has gathered evidence of its jurisdiction dating back to the Shilla Dynasty in 512 AD.³³⁰ Japan countered that the islets were formally incorporated as *terra nullius* (“land of no one”) into the Shimane Prefecture in 1905, following its victory in the Russo-Japanese War. To back its claims, Tokyo has also engaged in historical evidence gathering, asserting that its rights to the islands date to the seventeenth century when its fishermen used the islets as a docking port and fishing ground.

The dispute has taken on intense symbolic significance among the general South Korean public, which views Japan’s 1905 incorporation of the islets as an early manifestation of its plans

³²⁷ Day, 1987, 337

³²⁸ Bowman 2013, 434

³²⁹ For further details on negotiations leading up to the 1951 San Francisco Peace Treaty and their impact on the Dokdo/Takeshima dispute, see Koo 2009a, Chapter 4 and Hara 2001.

³³⁰ See Koo 2009a, 64

to colonize the peninsula.³³¹ As Wiegand notes, “the Dokdo islets act as a symbol of Korea’s continued dissatisfaction with Japanese (lack of) sufficient recognition, apology, and compensation for colonial and wartime atrocities.”³³² In Japan, the dispute holds symbolic significance for right-wing nationalist groups who seek to restore national pride and make Japan a “normal country.”³³³ Yet, until recently, the general Japanese public has not been as deeply engaged as South Koreans with the Dokdo/Takeshima issue.³³⁴ From the perspective of leaders in Tokyo, the dispute is intertwined with Japan’s other island disputes with China over the Senkaku/Diaoyu Islands and Russia over the Northern Territories. They therefore hesitate to make concessions in one dispute that could have implications for the others.

This is not to say that the islets have no material value. In fact, the islands are surrounded by rich fishing grounds and possible gas deposits and therefore have some material value.³³⁵ Fishing communities, particularly in Japan’s Shimane Prefecture, have taken an active interest in this dispute due to its implications for their commercial activity in the waters surrounding the islands. But these stakes are minor when compared with much larger issues that would seem to compel cooperation between these two countries, at least according to predictions of prominent theories in the literature on International Relations.

For instance, in the midst of China’s rise, structural realism would predict that Japan and South Korea - along with their common ally, the United States - would cooperate to form a

³³¹ As Koo attests, “South Korea’s claim to the islands has emotional content far beyond any material significance because giving way on the island issue to Japan would be considered as once again compromising the sovereignty over the whole Korean peninsula.” (Koo 2009a, 64-5)

³³² Wiegand 2015, 9.

³³³ See, for instance, Bowman’s description of “nationalist Japanese political elements” in Prime Minister Shinzo Abe’s (second) administration, who “reject Japan’s ‘apology diplomacy’ for wartime atrocities and seek to revise history textbooks and present Japan’s militaristic era in a more positive light.” (Bowman 2013, 440). Bukh contends that the Dokdo/Takeshima issue became more broadly important as a part of Japan’s national identity discourse in the mid-2000s. (Bukh 2013, 181–82)

³³⁴ As Nakajima asserted in a 2007 working paper, “In Japan, Takeshima/Dokdo has been viewed as a tiny island that very few people care about except for local authorities and the fishery industry in Shimane Prefecture. In South Korea, on the other hand, the issue has been regarded as a problem of national pride strongly related to Japan’s past colonialism.” (Nakajima 2007, 1) See also: Mazarr, Michael J., “The Angry Pacific: Why the United States is not ready for conflict in Asia,” *Foreign Policy*, November 2, 2012, accessible at <http://foreignpolicy.com/2012/11/02/the-angry-pacific/>.

³³⁵ Bowman 2013, 449

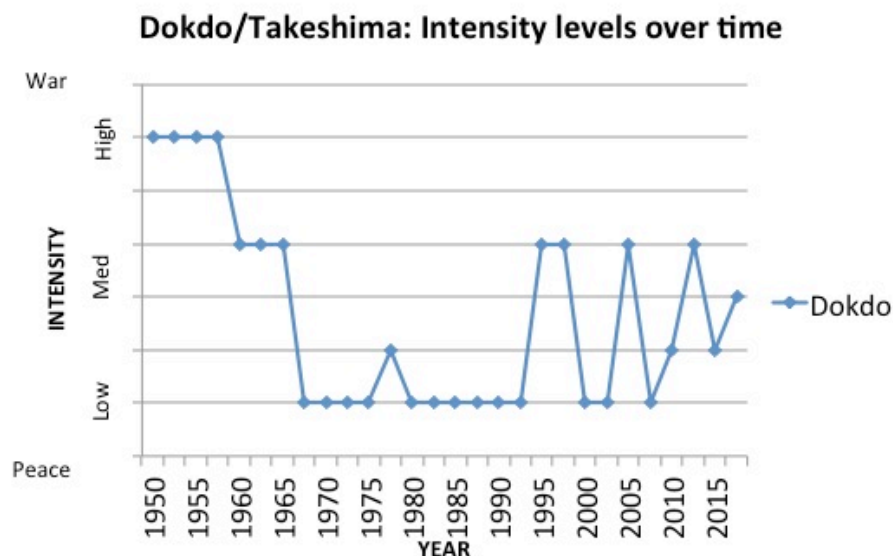
coalition to balance China. Repeated provocations related to North Korea's nuclear and missile development in recent decades generate an added security incentive for Japan and South Korea to cooperate to check Pyongyang's intransigence and maintain regional stability. In the midst of rising economic exchange (since the normalization of relations in 1965, both countries have consistently been in one another's top five trading partner rankings³³⁶), the "commercial peace" argument would predict the downgrading of relatively minor disputes that threaten regional stability - protecting the "bottom line" of steady and growing economic ties should be paramount.

According to these two theories, cooperation is over-determined in this relationship - stemming from security as well as economic imperatives. Indeed, Japan and South Korea do cooperate in many areas - engaging in political, economic, cultural, and even (to a limited degree) security exchanges.³³⁷ Even so, the dynamics of the Dokdo/Takeshima dispute remain puzzling. Settling or, at a minimum, avoiding escalation in this dispute would serve to build trust and deepen cooperation between Japan and South Korea, thereby enhancing security against regional threats and safeguarding stable economic ties. Instead, as Figure 5.2, below, illustrates, the dispute has repeatedly escalated, then de-escalated, between the boundaries of war and settlement, in recent decades.

³³⁶ See Direction of Trade Statistics, IMF

³³⁷ For a comprehensive statement of areas of existing Japan-South Korea cooperation and mutual commitments to extending this cooperation, see the "Japan-South Korea Joint Declaration: A New Japan-Republic of Korea Partnership towards the Twenty-first Century," issued at the summit meeting between South Korean President Kim Dae Jung and Japanese Prime Minister Obuchi Keizo in October 1998. (Available in English at: <http://www.mofa.go.jp/region/asia-paci/korea/joint9810.html>)

Figure 5.2 Dokdo/Takeshima Dispute - Intensity levels over time



These patterns merit close attention for theoretical and policy purposes. Theoretically, they defy the predictions of structural realism and the commercial peace, as noted above. Existing work on nationalism and historical memory in the region helps to identify some of the factors driving escalation in this dispute, with nationalist actors on both sides rallying to defend their competing versions of events during the colonial era and World War II. Yet this work does not explain how leaders have managed to de-escalate tensions in the midst of rallied nationalism, contrary to predictions of nationalism's hand-tying effects in the midst of international crises.

In summary, leading theories in International Relations shed some light on Dokdo/Takeshima dispute patterns but are ultimately insufficient in explaining the dynamic of oscillating intensity levels between war and peace illustrated in Figure 2. Exploring the dynamics of escalation and de-escalation in this dispute will therefore help to deepen theoretical understandings of the relationship between economic interdependence, nationalism, and interstate conflict, issues of increasing importance in Northeast Asia and beyond. It will also help to

clarify the strengths and limitations of realism in predicting balancing dynamics among countries struggling with deep-seated historical animosities.

Getting a better understanding of these patterns is also important from a policy perspective, for at least three reasons. First, although most observers of the Dokdo/Takeshima dispute do not see militarization as likely,³³⁸ even limited escalation brings the risk of accidents and miscalculations with the potential to precipitate more serious crises. For instance, following the 2004-06 episode, a Japanese Foreign Ministry official stated: “In a situation in which Korean coast guard ships and Japanese research ships might encounter one another in that area, the events could become out of the control of both parties.”³³⁹ In other words, during periods in which South Korea and Japanese vessels operate in close proximity in the waters surrounding Dokdo/Takeshima, the outbreak of militarized hostilities cannot be ruled out.

Second, periodic contention over Dokdo/Takeshima has hindered Japan-South Korea cooperation in preventing North Korea’s development of nuclear weapons and missiles, a strategic aim that both countries share. For instance, Bruce Klingner points to anti-submarine warfare and mine warfare as one area where trilateral (U.S.-Japan-South Korea) coordination is critical in countering the North Korean submarine threat. Yet, nationalist sentiment tied to the Dokdo/Takeshima dispute in the past has hindered this type of cooperation.³⁴⁰ Deficiencies in

³³⁸ For instance, Min-gyo Koo notes, “to be sure, South Korea and Japan have too much at stake to use military means to settle their differences over the islands.” (Koo 2009a, 96-7)

³³⁹ Nakajima 2007, 5, citing a personal interview with an anonymous high-ranking official from Japan’s foreign ministry on April 22, 2006.

³⁴⁰ Klingner, Bruce, “Washington Should Urge Greater South Korean-Japanese Military and Diplomatic Cooperation,” *The Heritage Foundation*, September 24, 2012, accessible at: <http://www.heritage.org/asia/report/washington-should-urge-greater-south-korean-japanese-military-and-diplomatic>. Initiatives like the General Security of Military Information Agreement (GSOMIA), eventually signed but postponed in the midst of a Dokdo/Takeshima flare-up in the summer of 2012, have also been hindered by dispute tensions. For further details on the 2012 GSOMIA cancellation see: Cossa, Ralph A, “Japan-South Korea Relations: Time to Open Both Eyes,” *Council on Foreign Relations*, July 2012, accessible at: <http://www.cfr.org/south-korea/japan-south-korea-relations-time-open-both-eyes/p28736>.

South Korea-Japan cooperation in this area are a deep concern to the United States, which has faced difficulties planning for contingencies on the Peninsula because it cannot predict how Seoul and Tokyo will coordinate in response to North Korean provocations.³⁴¹

Third, the dispute contributes to strategic uncertainties in the region in the context of China's rising military and economic capabilities. The 2004-06 episode, for instance, prompted speculation among East Asia experts that South Korea might be moving closer to China, while the United States and Japan drew more closely together.³⁴² This type of uncertainty is also an increasing concern for the United States, as developing a China strategy is difficult without a firm sense of where allies stand and whether they are likely to shift in the future.

In summary, even absent militarized hostilities, the stakes of the Dokdo/Takeshima dispute have risen in the context of China's rise and North Korea's heightened intransigence under the leadership of Kim Jong-un. The possibility that events could spiral beyond the control of leaders in Tokyo and Seoul cannot be ruled out. Developing a clear understanding of the factors that have driven escalation and enabled governments to contain dispute tensions in the past, as well as the conditions that might make continued containment more difficult, is therefore critical for policymakers aiming to pacify and stabilize regional dynamics.

In the two Korea-Japan chapters that follow, I examine two episodes of the Dokdo/Takeshima dispute: 1996-99 and 2004-06. Each episode is treated as a distinct case with within-case diachronic variation (escalation, then de-escalation). For each case, I aim to address two questions, similar to those that were posed in the Senkaku/Diaoyu cases: 1) what explains frequent dispute escalation in the midst of high levels of economic interdependence and when

³⁴¹ Pollman 2015, 5, provides further discussion of U.S. concerns in this area.

³⁴² See, for instance, the comment by East Asia scholar Min Gyo Koo, quoted in Burrell, Charles, "'Dokdo Riders' on world tour for rocks: Korean students promote rights 2 disputed islands," *SFGate*, April 1, 2006, accessible at: <http://www.sfgate.com/politics/article/BAY-AREA-Dokdo-Riders-on-world-tour-for-rocks-2500910.php>

incentives exist to balance common rivals (contrary to the expectations of structural realism and the commercial peace)? and 2) how has de-escalation been possible in the midst of pitched nationalism (contrary to expectations that nationalism ties the hands of leaders in inter-state disputes)? In a later concluding chapter, I will address a third question: what might change these patterns, making de-escalation more difficult and militarization more likely?

Chapter 5:

The 1996-99 Episode of the Dokdo/Takeshima Dispute

The 1996-99 episode of the Dokdo/Takeshima dispute displayed a pattern similar to the episodes of the Senkaku/Diaoyu disputes examined in the previous chapters. The episode began with the South Korean government's announcement of wharf construction on Dokdo/Takeshima, prompting Tokyo to issue high-level official statements condemning the action and reaffirming Japan's claims to the islets. This, in turn, incited large anti-Japan protests in South Korea and counter-actions by nationalist groups in Japan. The episode took on a military dimension with the onset of "seizure diplomacy" in the summer of 1997, which involved Japanese seizures of South Korean fishing boats within its declared exclusive economic zone (EEZ). External events like the 1997 Asian financial crisis and North Korea's missile test in July 1998 eventually induced South Korean and Japanese leaders to take steps to cool tensions over the sovereignty issue.

This episode also differed in important ways from the Senkaku/Diaoyu episodes reviewed in the previous chapters. Most significantly, the 1996-99 Dokdo/Takeshima episode involved the intermingling of bilateral fishery negotiations and UNCLOS developments with contention over the more symbolic sovereignty issue in this episode. The most important implication of this intermingling of symbolic and material maritime concerns was the introduction of new "private nationalist" groups to the mix of interests involved in this episode:

specifically, fishing industry groups in South Korea and Japan. The involvement of these private nationalist groups had the effect of making de-escalation more difficult, which is consistent with the theory of domestic interest configuration. Despite the involvement of private nationalists, leaders in South Korea and Japan were still able to avoid militarization because they were able to identify material side-payments to the fishing groups - short of full resolution of the sovereignty issue - in exchange for backing down. As such, the involvement of private nationalists in this episode complicated de-escalation processes, but leaders ultimately found means to avoid militarization and contain nationalism by separating private interests from the nationalists through material side-payments.

In this chapter, I demonstrate the degree to which the theory of domestic interest configuration provides a better explanation for dispute dynamics of escalation and de-escalation than existing theories associated with structural realism and the commercial peace. Specifically, I argue that the predominant interest configuration across Northeast Asia in the post World War II era that was detailed in Chapter 2 - with internationalist coalitions (favoring open economic strategies and cooperative foreign policy stances) backed by powerful private interests in business, and nationalists (favoring hardline foreign policy stances) mostly interested in collective benefits, explains the cyclical nature of escalation and de-escalation. Although interest groups with private interests, in particular the fishing industry, allied momentarily with the nationalist agenda, their pursuit of discrete private gains allowed the internationalists to offer material inducements for backing down, thereby facilitating de-escalation without nationalist backlash.

Escalation of the 1996-99 Dokdo/Takeshima episode

The South Korean government's announcement in early February that it would build a

wharf on Dokdo sparked a fresh cycle of contention in the Dokdo/Takeshima dispute.³⁴³

Tokyo protested the wharf announcement at an unusually high level, with Foreign Minister Ikeda Yukihiko proclaiming on February 9, “Takeshima is Japan’s proprietary territory historically and legally in international law.” Regarding the wharf, Ikeda stated that the construction “infringes upon the sovereignty over our territory and can not be neglected.”³⁴⁴ Two days later, on February 11, South Korean President Kim Young Sam’s spokesman declared, “Recently Japan angered our nation by making a groundless claim that Dokdo is its territory, which is obviously the territory of the Republic of Korea in terms of history and international law.”³⁴⁵

Soon thereafter, South Korean President Kim Young Sam became directly involved, publicizing a phone call he made to the head of the 26 coastguards on the islands and proclaiming his commitment to defending Dokdo/Takeshima on national television. In Japan, nationalist groups deployed their sound trucks on the streets of Tokyo to denounce South Korea’s actions.³⁴⁶ In South Korea, a broad grouping of students, veteran organizations, and political figures joined forces in a series of large anti-Japanese demonstrations that involved the burning of Japanese flags and effigies.³⁴⁷

³⁴³ A *Washington Post* article from mid-February 1996 provides further details on the wharf, noting: “South Korea plans to spend about \$20 million to build a 250-foot pier on one of the islands to allow ships to tie up in rough seas and to unload food and supplies.” Jordan, Mary and Kevin Sullivan, “S. Korea Challenges Japan Over Islands,” February 13, 1996, *The Washington Post*, accessible at: https://www.washingtonpost.com/archive/politics/1996/02/13/s-korea-challenges-japan-over-islands/94e2576f-33f3-4399-8ad8-822328d77c2a/?utm_term=.58985a2751d8

³⁴⁴ Nakajima 2007, 17. See also: see also: “Press Conference by the Press Secretary 13 February 1996,” *Ministry of Foreign Affairs of Japan*, February 13, 1996, accessible at: <http://www.mofa.go.jp/announce/press/1996/2/213.html#>

³⁴⁵ Choi 2005, 477

³⁴⁶ Green 2003, 131

³⁴⁷ Koo 2009a, 86-7. See also: “World News Briefs; South Koreans protest Japan’s claims to islands,” *The New York Times*, Feb 12, 1996, accessible at: <http://www.nytimes.com/1996/02/12/world/world-news-briefs-south-koreans-protest-japan-s-claims-to-islands.html>; Jordan, Mary and Kevin Sullivan, “S. Korea Challenges Japan Over Islands,” *The Washington Post*, Feb 13, 1996, accessible at: <http://www.washingtonpost.com/archive/politics/1996/02/13/s-korea-challenges-japan-over-islands/94e2576f-33f3-4399-8ad8-822328d77c2a/>

The episode took on a military dimension on February 13, when South Korea announced it would reinstate previously canceled quarterly exercises around the islands.³⁴⁸ South Korea's defense ministry also increased the number of police forces on the islands from 26 to 34. At around the same time, President Kim directed his cabinet to develop Dokdo/Takeshima as a tourist site that could accommodate inhabitants for extended periods.³⁴⁹

On February 20 and 21, the governments of Japan and South Korea, respectively, declared their exclusive economic zones, though neither specified where their baselines would be located in relation to the disputed islands.³⁵⁰ A few days later, on February 27, around 400 members of Shimane Prefecture fishing cooperatives organized a rally to press Tokyo to declare an EEZ that included Dokdo/Takeshima.³⁵¹ Fifty-seven members from Japan's New Progress Party also staged a rally, claiming that South Korea's wharf construction and police activities on Dokdo/Takeshima violated Japan's sovereignty.³⁵²

On March 1, a national holiday in South Korea observing the March 1 independence movement against Japanese colonial rule, more anti-Japan rallies were held in South Korea. Other South Korean groups staged events on or near Dokdo/Takeshima on March 1, including 93 literary men who issued a statement calling for greater repentance from Japan for its colonial era actions while on board a boat near Dokdo/Takeshima and the members of nine civic groups and

³⁴⁸ Green 2003, 131. See also: Jordan, Mary and Kevin Sullivan, "S. Korea Challenges Japan Over Islands," *The Washington Post*, Feb 13, 1996.

³⁴⁹ Koo 2009a, 87

³⁵⁰ Bong 2002, 124. EEZ delimitation was an element of UNCLOS III, which came into effect in November 1994 and allowed countries to claim 200 nautical mile EEZs, in which states were granted rights to explore, exploit, conserve, and manage natural resources and fish stocks. See full text of UNCLOS agreements at: See text of UNCLOS agreements at: http://www.un.org/depts/los/convention_agreements/texts/unclos/part5.htm. After coming into force in December 1994, UNCLOS III granted signatory countries, including Japan and South Korea, two years to establish their EEZs.

³⁵¹ Koo 2009a, 87. In early 1996, the Shimane Prefecture Council also presented a written opinion to Tokyo conveying the same request. (Choi 2005, 475)

³⁵² Koo 2009a, 87

Ulleungdo residents who landed on Dokdo/Takeshima and pledged to defend it from the Japanese.³⁵³

In July 1996, a member of Japan's *Okoku Kenseito* (Imperial constitutional government party) drove his car into the gate at the Korean Embassy in Tokyo in an apparent protest against Korea's effective control of Dokdo/Takeshima.³⁵⁴ In August, bilateral negotiations opened at the working level on the establishment of Korean and Japanese EEZ baselines and the renewal of a 1965 Japan-Korea fishing agreement. The talks disbanded without significant progress.³⁵⁵

Developments in Japan's domestic politics kept the Dokdo/Takeshima issue in the spotlight in the fall of 1996. On September 28, Japan's ruling Liberal Democratic Party (LDP) included the assertion of Japan's claims to Dokdo/Takeshima as an element of its official campaign platform in advance of Lower House elections, scheduled for October 20. South Korea's foreign ministry protested this move, issuing a statement declaring that it would not tolerate the LDP's election stance on Dokdo/Takeshima.³⁵⁶ The LDP won a significant victory in the Lower House elections, allowing it to build a single-party cabinet for the first time since the party lost its dominant position in 1993.

By the following spring, in the absence of concrete progress in fishery talks, Japan's fishing industry and its sympathizers within the LDP stepped up pressure on Prime Minister Hashimoto to toughen Japan's stance with South Korea. In particular, they demanded that Hashimoto's cabinet issue an ultimatum to Seoul indicating that Japan would unilaterally revoke the existing fishery accord unless both sides reached an agreement by the end of the summer. In

³⁵³ Choi 2005, 472

³⁵⁴ "Japan: Police Say Car Driven Into ROK Embassy in Tokyo," *Tokyo Kyodo in English*, 12 July, 1996 [FBIS Transcribed Text]; Choi 2005, 476

³⁵⁵ "Tokyo, Seoul Agree on Early Settlement of 200-Mile Zone," *Tokyo Kyodo in English*, 13 August, 1996 [FBIS Transcribed Text]

³⁵⁶ Choi 2005, 480-81

the meantime, they pressed the Prime Minister's office to set up a temporary fishing zone in the waters surrounding Dokdo/Takeshima to spur progress in the talks. Shortly thereafter, the Hashimoto cabinet and the LDP agreed on an internal deadline of July 20 for the conclusion of the fishery talks.³⁵⁷

In June 1997, in response to increasing pressure from domestic constituents for progress on the fishery negotiations, Japan began seizing South Korean fishing boats within its declared 200 nautical mile EEZ. President Kim demanded the release of vessels and their crew while tens of thousands of South Koreans held street protests.³⁵⁸ In mid-July, South Korea's National Federation of Fisheries Cooperatives (NFFC) organized a rally joined by around 1,000 fishermen in downtown Seoul to protest Japan's seizure of more South Korean fishing vessels. A federation of sailors' trade unions associated with South Korea's Federation of Korean Trade Unions (FKTU) organized a separate protest in Seoul in response to the seizures.³⁵⁹ South Korean Foreign Minister Yoo Yong-ha later stated in a press conference that South Korea would not accept Japan's unilateral establishment of its EEZ and would not resume fishing negotiations until the EEZ was revoked.³⁶⁰

The LDP's Special Committee for International Fisheries, chaired by Sato Koko, pressed Tokyo to maintain a firm stance. Specifically, Sato's committee delivered a statement to Japan's foreign ministry requesting that Japan nullify the current fishery accord if the South Korean

³⁵⁷ Bong 2002, 129-30; Koo 2009a, 88

³⁵⁸ Bong 2002, 134; Koo 2009a, 89

³⁵⁹ In conjunction with the protest, the FKTU released a statement representing 70,000 union members, also sent to the Japanese Embassy in Seoul, which claimed that Tokyo's seizure of South Korean fishing vessels is illegal. ("Connectivity 7.16.97", Aprenet, July 16, 1997, <http://nautilus.org/aprenet/connectivity-7-16-97/>, citing press reports: *Korea Herald*, "Japan denounced over fishing dispute," 07/15/97)

³⁶⁰ *Ibid.*, citing *Chosun Ilbo*, "Minister Yoo Rejects Japan's Demands on EEZ," 07/15/97

government did not make significant efforts to agree to revisions at a ministerial meeting scheduled to take place in Kuala Lumpur in September.³⁶¹

During a 25 September Ministerial meeting in Seoul, recently appointed Foreign Minister Obuchi Keizo, who had a history of close relations with South Korea,³⁶² explained that Tokyo did not want to eliminate the existing agreement but was unable to resist pressure from factions within the LDP. Obuchi then attempted to establish a new negotiation deadline in November, noting that it was the period when he expected to sign the Japan-China agreement. Seoul balked in response to this new deadline. The 10th round of working level fishery talks in October ended abruptly without scheduling the next meeting. In the midst of this stalemate, Japan returned to “seizure diplomacy,” seizing a Korean fishing boat within Japan’s declared EEZ on October 31. The South Korean public held a renewed round of anti-Japan protests in response.³⁶³

De-escalation of the 1996-99 Dokdo/Takeshima episode

The Asian financial crisis, triggered by the Thai baht devaluation in July 1997, reached Northeast Asia in November,³⁶⁴ prompting a near economic collapse in South Korea and a sudden need for emergency loans.³⁶⁵ This situation significantly shifted the context within which Korea-Japan fishery negotiations and contention over Dokdo/Takeshima played out, making

³⁶¹ Bong 2002, 130

³⁶² Obuchi was previously the Vice President of the ROK-Japanese Congressional Association.

³⁶³ Bong 2002, 133-34

³⁶⁴ For a timeline of the Asian financial crisis see, “the crash: timeline of the panic,” *Frontline*, *PBS.org*, accessible at: <http://www.pbs.org/wgbh/pages/frontline/shows/crash/etc/cron.html>

³⁶⁵ The *New York Times* reported on December 1, 1997, “In recent weeks South Korea has faced a plummeting currency and stock prices and a cascade of corporate bankruptcies, and the bad news did not end with the announcement about possible help: By midafternoon (on December 1), the stock market’s leading index was down 10.18 points, or 2.5 percent, to 397.68, its lowest level in more than 10 years and less than half the level of two years ago. The South Korean currency, the won, was also falling, to 1,175.5 won to the dollar, an all-time low. It was about 1,163 to the dollar on Friday. American officials have worried that problems here could spill over to Japan, one of South Korea’s major trading partners and lenders. Problems in Japan, the world’s second-largest economy, could potentially widen the United States trade deficit.” (Pollack, Andrew, “South Korea Says I.M.F. Has Agreed to Huge Bailout,” *The New York Times*, December 1, 1997, accessible at: <http://www.nytimes.com/1997/12/01/world/south-korea-says-imf-has-agreed-to-huge-bailout.html>)

South Korea more wary of maintaining a hard line with Tokyo. The first clear manifestation of the Kim Young-sam administration's new attitude was Seoul's decision to downplay the opening ceremony celebrating the completion of the Dokdo/Takeshima wharf facility on November 6, 1997. South Korea decided to move the ceremony from Dokdo/Takeshima to nearby Ulleungdo Island and downgraded the level of official attendance, sending the deputy minister for maritime affairs and fisheries instead of the minister.³⁶⁶

Civic groups criticized President Kim for taking this cautious position,³⁶⁷ but Kim was more concerned with gaining Japan's cooperation with the financial crisis at that time than sustaining pressure in the Dokdo/Takeshima dispute.³⁶⁸ Specifically, Seoul sought direct bilateral aid from Tokyo (and Washington) to in order to avoid the national embarrassment and stringent terms that accompany assistance from the International Monetary Fund (IMF). South Korean Finance Minister Lim Chang Ryul stated in a mid-November press conference: "Japanese financial institutions are calling back loans instead of rolling them over," adding that South Korea sought to establish a system in which the central banks of Korea and Japan would back up these loans and that "Japanese help is vital."³⁶⁹ Ultimately, Japan and Washington committed to providing assistance only as an element of an IMF package.³⁷⁰ South Korea made an official request for IMF support on November 21, 1997.³⁷¹ On December 3, the IMF approved a \$55 billion bailout package for South Korea, the largest in history. This package

³⁶⁶ Choi 2005, 473

³⁶⁷ As Choi notes, Korean civic groups claimed that Seoul had provided hope for Japanese claims by downgrading the event. (*Ibid.*)

³⁶⁸ Wiegand 2015, 13

³⁶⁹ Holley, David, "S. Korea Seeks \$60-Billion IMF Bailout," *Los Angeles Times*, November 21, 1997, accessible at: <http://articles.latimes.com/print/1997/nov/21/news/mn-56035>

³⁷⁰ Green 2003, 138

³⁷¹ At that time, South Korea was the world's 11th largest economy and the most developed country to ever need a bailout from the IMF. (Holley, David, "S. Korea Seeks \$60-Billion IMF Bailout," *Los Angeles Times*, November 21, 1997, accessible at: <http://articles.latimes.com/print/1997/nov/21/news/mn-56035>.)

included \$21 billion from the IMF, \$10 billion from the World Bank, \$4 billion from the Asian Development Bank, and \$20 billion from G-7 countries, \$10 billion of which Japan committed to providing.³⁷²

The election of opposition candidate Kim Dae Jung to the presidency of South Korea on December 18, 1997 further altered bilateral dynamics. Partly due to pressure generated by the financial crisis and partly due to his aspiration to chart a new direction in North-South relations,³⁷³ President-elect Kim pledged to make stronger relations with Japan a foreign policy priority.³⁷⁴ Japan responded positively to Kim Dae Jung's election and conciliatory tone³⁷⁵ but did not fully ease pressure on South Korea in the fishery negotiations. On January 23, Prime Minister Hashimoto announced Japan's unilateral cancellation of the 1965 fishery accord. The South Korean Foreign Ministry said this action was regretful and criticized Hashimoto's administration for caving to pressure from the LDP's maritime (*susanzoku*) faction.³⁷⁶ Anti-Japanese rallies spread throughout Seoul, including fishermen and civic activists demanding that Japan cancel its abrogation.³⁷⁷

³⁷² Pollack, Andrew, "Crisis in South Korea: The Bailout; Package of Loans Worth \$55 Billion is Set for Korea," *The New York Times*, December 4, 1997, accessible at: <http://www.nytimes.com/1997/12/04/business/crisis-south-korea-bailout-package-loans-worth-55-billion-set-for-korea.html>. Despite Tokyo's initial noncommittal stance to bilateral assistance, Japan did not hesitate to provide aid through the IMF. As Green notes, "many in the Japanese Ministry of Finance feared that if South Korea's financial system collapsed, Japan's banks could go down with it." (Green 2003, 137)

³⁷³ Kim Dae Jung planned to introduce a new, more cooperative approach to North Korea, known as the "Sunshine Policy," that would require Japan's active support. (Bong, 2002, 139) Kim Dae Jung formally announced this policy in February 1998. (Koo 2009a, 90)

³⁷⁴ President-elect Kim Dae Jung sent a special envoy to Japan in January 1998 with a pledge to pursue a more cooperative approach under his administration. (Green 2003, 131)

³⁷⁵ A *Yomiuri Shimbun* report on the day of Kim's election indicated that the expectation in Japan was that Japan-South Korea relations would be better than they were under the Kim Young-sam administration. ("Economic Reconstruction To Be Kim's Urgent Priority," *Yomiuri Shimbun*, 12/19/97, as cited in "Northeast Asia Peace and Security Network Daily Report," *The Nautilus Institute*, December 19, 1997, accessible at: <http://oldsite.nautilus.org/archives/////napsnet/dr/9712/DEC19.html#item6>)

³⁷⁶ Bong 2002, 137

³⁷⁷ "South Korea: Angry Fishermen Protest at Japanese Embassy," *AP News*, January 25, 1998, accessible at: "http://www.aparchive.com/metadata/SOUTH-KOREA-ANGRY-FISHERMEN-PROTEST-AT-JAPANESE-EMBASSY-

President Kim made a concerted effort to demonstrate to Tokyo that he was willing to take a more pragmatic stance toward fishery negotiations in order to improve the general bilateral relationship.³⁷⁸ In June, Seoul invited Sato Koko, the head of the LDP fisheries caucus who had advocated for a hardline in the fisheries negotiations, to Seoul for talks. It was Sato's first trip to Seoul, and President Kim Dae Jung and Prime Minister Kim Jong Pil made great efforts to ensure he was treated as an honored guest. Sato and the fisheries caucus began to soften their position following this trip.³⁷⁹

In addition to the financial crisis, which prompted Seoul's shift to a more cooperative stance, North Korea's test launch of the Taepo-dong missile on August 31 provided incentives for Japan to boost its cooperation with Seoul. Tokyo was particularly alarmed by the test, as it demonstrated that all of Japan was potentially vulnerable to a North Korean missile attack.³⁸⁰ Following the test, Japan's leadership became more amenable to cooperating with Seoul on North Korea issues.³⁸¹

Nonetheless, fishery negotiations had yet to be concluded. Kim Dae Jung and newly elected Japanese Prime Minister Obuchi (previously foreign minister) played a key role in moving the negotiations forward. At the end of the 6th round of talks in mid-September, South Korea and Japan dispatched special envoys (Kim Sun Kil, the South Korean Minister of Maritime and Fishery Affairs, and Sato Koko, the chairman of the LDP's Special Committee on

UPDATE/9cd9d0f802fd6b8ddabff154484c366f?query=japan¤t=17&orderBy=Relevance&hits=21&referrer=search&search=%2Fsearch%3Fquery%3Djapan%26allFilters%3DKim%2520Dae%3APeople%2CNHK%3ASource&allFilters=Kim+Dae%3APeople%2CNHK%3ASource&productType=IncludedProducts&page=1&b=4c366f"

³⁷⁸ Bong 2002, 143

³⁷⁹ Green 2003, 132

³⁸⁰ The first stage of North Korea's missile landed in the water prior to reaching Japan, but the remainder flew over Japan and landed in the Pacific Ocean. For further details on the test, see WuDunn, Sheryl, "North Korea Fires Missile Over Japanese Territory," *The New York Times*, September 1, 1998, accessible at: <http://www.nytimes.com/1998/09/01/world/north-korea-fires-missile-over-japanese-territory.html>

³⁸¹ Bong 2002, 140-41

International Fishery Issues) to push through the final negotiations. Prime Minister Obuchi invited the negotiating parties to his office on September 24 and worked with the two sides until the agreement was finalized early the next day.³⁸² In addition to setting the boundary between fishing areas, the agreement endorsed principles to regulate illegal fishing within EEZs and specify catch limits for both sides.³⁸³ Yet the agreement also left a number of areas vague, including the definition of the common water zone and the sovereignty status of Dokdo/Takeshima, which was included in that zone.³⁸⁴

The resolution of the fishery negotiations set the stage for a successful summit meeting between President Kim and Prime Minister Obuchi in October 1998. The most significant element of the visit was the October 8 joint declaration, in which Prime Minister Obuchi issued a formal apology based on a formula Kim Dae Jung had suggested. Specifically, the joint declaration indicated that Obuchi “regarded in a spirit of humility the fact of history that Japan caused, during a certain period in the past, tremendous damage and suffering to the people of the Republic of Korea through its colonial rule, and expressed his deep remorse and heartfelt apology for this fact.” President Kim, in turn, expressed that he “highly appreciated the role that Japan has played for the peace and prosperity of the international community through it [*sic.*] security policies, foremost its exclusively defense-oriented policy and three non-nuclear principles under the postwar Japanese Peace Constitution, its contributions to the global economy and its economic assistance to developing countries, and other means.”³⁸⁵

³⁸² Green 2003, 132

³⁸³ Green 2003, 133; Bong 2002, 149-150

³⁸⁴ “South Korea: Yonhap Details ROK, Japan Fisheries Agreement,” *Yonhap*, September 25, 1998 [FBIS Transcribed Text]

³⁸⁵ “Japan-Republic of Korea Joint Declaration: A New Japan-Republic of Korea Partnership towards the Twenty-first Century,” October 8, 1998, Japan’s translation accessible at: <http://www.mofa.go.jp/region/asia-paci/korea/joint9810.html>.

On economic matters, the Japanese government committed to provide South Korea with \$3 billion in loans via Japan's Export-Import Bank and to extend plans for repayment of South Korea's other loans.³⁸⁶ The two governments also signed the "Korea-Japan Economic Cooperation Agenda 21," which proposed joint development plans to boost existing economic ties as well as heavy Japanese manufacturing investments.³⁸⁷ The October 1998 summit was broadly viewed as a success among the publics of South Korea and Japan.³⁸⁸ The summit also provided a stark contrast to the much more contentious meeting between Chinese leader Jiang Zemin and Prime Minister Obuchi that took place in December.

Shortly after the summit, both foreign ministers signed the fishery agreement on November 28, and, in Japan, the Upper House of the Diet ratified the agreement on December 12. In South Korea, massive public rallies took place accusing President Kim of submissive diplomacy and demanding the revocation of the agreement. In response to the large protests led by opposition parties and the fishing industry, the Minister of Maritime and Fisheries Affairs ultimately resigned.³⁸⁹ A study estimated the annual loss from the new fisheries agreement to be around \$140 million. In order to compensate the South Korean fishing industry from these projected losses, Kim Dae Jung's government established a \$220 million rescue fund. The ROK National Assembly ultimately ratified the new agreement on January 6, 1999, bringing the 1996-99 Dokdo/Takeshima episode to a close.³⁹⁰ A broader social movement led by a group of

³⁸⁶ Bong 2002, 152

³⁸⁷ Rozman 2002, 13

³⁸⁸ Green 2003, 135-36. But there were also those who opposed the summit's main deliverables. In Japan's Diet, there was strong opposition to the formulation of Obuchi's apology, although ultimately only 19 Diet members signed a petition urging Tokyo to not include an apology in the declaration. (*Ibid.*, 135)

³⁸⁹ Bong 2002, 151

³⁹⁰ The new agreement formally shelved the sovereignty question. See: Bong 2002, 151; Koo 2009a, 91.

scholars later formed in the early 2000s to push for the accord's renegotiation,³⁹¹ but this movement took time to mobilize and did not prevent the sovereignty issue from being shelved in 1999 after both sides signed the fishing agreement.

Domestic groups involved in the 1996-99 episode

All four types of domestic groups in my typology were involved in this episode of the Dokdo/Takeshima dispute: *collective nationalists* (including many of the groups involved in protests in South Korea), *private and collective internationalists* ("logrolled" into internationalist coalitions that included both state and private economic actors), and *private nationalists* (specifically fishing industry interests that backed nationalist activities throughout the episode).

Collective nationalists

Collective nationalists were more active in South Korea than Japan during this episode. Their role was important in stirring nationalist sentiment that was later amplified by leadership actions.

South Korea's Dokdo movement

Accounts of civic nationalist activism during this episode generally refer to widespread protests and do not specify particular groups. For instance, press coverage of the early weeks of the dispute refer vaguely to "citizen groups," "protestors," and "demonstrations" that took place in response to Foreign Minister Ikeda's statement regarding the wharf construction on Dokdo.³⁹²

³⁹¹ See, for instance, Bukh's account of the rise of the "Protect Dokdo" movement in the early 2000s. (Bukh 2016, 192-197)

³⁹² See, for instance: "World News Briefs; South Koreans Protest Japan's Claims to Islands," *The New York Times*, February 12, 1996, accessible at: <http://www.nytimes.com/1996/02/12/world/world-news-briefs-south-koreans->

These accounts do not provide details on the specific aims of the groups involved, though they do suggest that they were united by a general sense of patriotism and nationalism rather than narrower material interests.

The demonstrations that took place after Japan's declaration of its EEZ in late February were more clearly associated with the symbolic aims of the Dokdo movement. For instance, protestors chose to gather on March 1, a day commemorating the March 1 movement against Japanese colonialism, and included 93 literary men who released a statement demanding greater repentance from Japan.³⁹³ The mission to Dokdo/Takeshima that took place at the same time also references Ulleungdo residents, who likely had private fishing interests in addition to symbolic interest in Dokdo. However, no reports indicate that the Ulleungdo participants articulated any demands pertaining to fishing rights, pledging only to defend the islands against the Japanese together with other civic groups.³⁹⁴

Civic groups also activated in response to Japan's boat seizures in the summer of 1997 through large anti-Japan rallies,³⁹⁵ yet no particular groups or demands were referenced in coverage of these protests.

One rally was held during the de-escalation phase, following Japan's unilateral abrogation of the fishery agreement on January 23, 1998. These demonstrations involved a combination of fisherman as well as activists. Accordingly, demands to scrap the agreement and

protest-japan-s-claims-to-islands.html; and Jordan, Mary and Kevin Sullivan, "S. Korea Challenges Japan Over Islands," *The Washington Post*, February 13, 1996, accessible at: https://www.washingtonpost.com/archive/politics/1996/02/13/s-korea-challenges-japan-over-islands/94e2576f-33f3-4399-8ad8-822328d77c2a/?utm_term=.58985a2751d8

³⁹³ Choi 2005, 472

³⁹⁴ *Ibid.*

³⁹⁵ Koo 208, 89

release seized fishing vessels were combined with references to “Japan’s evil spirits of imperialism.”³⁹⁶

In summary, nationalist groups active in this episode relied on periodic protests to rally anti-Japanese sentiment as their main tactic. They generally did not reference specific demands, aside from urging Seoul to defend Dokdo/Takeshima and pressing Tokyo to be more repentant. The activists occasionally joined forces with fishing groups. In these instances, demands pertaining to fishing rights were combined with broader expressions of displeasure with Japan’s attitude.

Japan’s far-right nationalist groups

Japan’s far-right nationalist groups, which are very active in the Senkaku/Diaoyu and Northern Territories/Kurile Islands disputes, did not play a major role in this episode. These groups generally share an interest in “recreat(ing) what they perceive to be the glory of Japan’s prewar past.”³⁹⁷ They view South Korea’s claims to Dokdo/Takeshima (as well as China’s claims to Senkaku/Diaoyu and Russia’s claims to the Northern Territories/Kurile Islands) as an affront to Japan’s national sovereignty and dignity and use tactics like blaring nationalistic messages from sound trucks through city streets to challenge these claims.

In this particular episode, the involvement of these groups was limited to the use of sound trucks in February 1996 to protest South Korea’s construction of a wharf on Dokdo/Takeshima

³⁹⁶ According to press reports, family member of Koreans killed during World War II were among the protestors, as well as “hundreds of fishermen.” (“South Korea: Angry Fishermen Protest at Japanese Embassy,” *AP News*, January 25, 1998, accessible at: <http://www.aparchive.com/metadata/SOUTH-KOREA-ANGRY-FISHERMEN-PROTEST-AT-JAPANESE-EMBASSY-UPDATE/9cd9d0f802fd6b8ddabff154484c366f?query=japan¤t=17&orderBy=Relevance&hits=21&referrer=search&search=%2Fsearch%3Fquery%3Djapan%26allFilters%3DKim%2520Dae%3APeople%2CNHK%3ASource&allFilters=Kim+Dae%3APeople%2CNHK%3ASource&productType=IncludedProducts&page=1&b=4c366f>).

³⁹⁷ Stronach 1995, 105

and the ramming of a car into the gate of the South Korean Embassy in Tokyo by a member of Japan's *Okoku Kenseito* (Imperial constitutional government party) in July 1996. These actions did not have any follow-on escalatory effects, (unlike the flag-planting actions of the *Nihon Seinensha* in the 1996 Senkaku/Diaoyu episode, which spurred further waves of activism). Their actions to rally on behalf of collective nationalist causes were isolated and limited to the escalatory phase of the episode.

Private - collective internationalist coalitions

Private internationalists played a less visible role than that of collective nationalists in this episode. They mostly exercised influence from within internationalist coalitions that also included collective internationalist leaders and government agencies, such as South Korean President Kim Dae Jung, Japanese Prime Minister Obuchi Keizo, and ministries of finance on both sides. The tacit influence of private internationalists in this episode was evident two respects: 1) they are central to the logrolled internationalist coalitions that predominated in the governments of Japan and South Korea in the decades following World War II and shaped the preferences of leaders and government officials for de-escalation prior to militarization; and 2) internationalist business actors in Japan and South Korea helped to create an environment of decreased bilateral tensions that facilitated de-escalation of the episode, particularly after the 1997 Asian financial crisis.

Private internationalist interests embedded within ruling internationalist coalitions in Japan and South Korea

Collective internationalist leaders like Japan's Yoshida Shigeru and South Korea's Park Chung-hee served as political entrepreneurs in the 1950s and 60s, respectively, patching together

internationalist coalitions to support export-led development strategies and foster economic growth for the good of the entire country.³⁹⁸ While the timing and processes of development in Japan and South Korea differed,³⁹⁹ leaders in both countries similarly aimed for rapid economic growth within a cooperative, stable regional environment.

In Japan, this involved a coalition-building strategy to secure domestic support for these goals that included: 1) the cultivation of new domestic “winners” from economic reform, including globally competitive firms in the machine tools, consumer electronics, automobiles and robotics industries;⁴⁰⁰ and 2) providing incentives to potential “losers” from reform - including small businesses and agriculture - to support the development program. Processes of economic growth and redistribution threaded together a diverse range of constituents that shared interests, both collective and private, in the success of export-driven development. In business and industry, revenues generated from high levels of economic growth in Japan’s externally-oriented sectors were used to subsidize less competitive sectors and protect them from market forces. Japan’s least competitive sectors included construction, distribution, financial services, air transport, road freight, food, agriculture, and small businesses.⁴⁰¹ As Pempel asserts with regard to Japan, “High growth by large globally competitive firms generated sufficient treasury income to allow the ruling politicians to dole out extensive portions of pork and protection, both

³⁹⁸ Solingen characterizes President Park’s South Korea as “one of the strongest internationalist coalitions in the industrializing world.” (Solingen 1998, 217)

³⁹⁹ Japan’s industrial development began several decades before South Korea’s and involved different dynamics and advantages. As Alice Amsden contends “Japan’s penetration of world markets before World War II differed from that of latter-day learners insofar as Japan’s economy was *sui generis*...By contrast, Korea was one of a large set of postcolonial exporters with similar factor endowments.” (Amsden 1989, 62–3) John Lie highlights some of the advantages that South Korea attained from following Japan, including acquiring old machinery and taking over lower technology and labor intensive production. “In short,” Lie notes, “South Korean industry dressed itself in Japanese corporate hand-me-downs.” (Lie 1998, 60)

⁴⁰⁰ Pempel 2006, 43

⁴⁰¹ *Ibid.*, 44

for smaller businesses and for the rural areas.”⁴⁰² By the time growth rates in Japan slowed in the 1990s, these economic policies had become entrenched and proved resistant to change until late in the Koizumi era.⁴⁰³

In South Korea, internationalist coalition-building processes under President Park’s military regime (1961 -1979) involved some similar processes of creating new “winners” while placating, and often repressing, potential opponents of reform. Also similar to Japan: many of the institutional and societal foundations for export-oriented growth established in the early stages of South Korea’s industrialization have persisted to the present day. Following an initially inward-directed economic phase in the early months of his rule,⁴⁰⁴ Park’s first step toward an export-oriented strategy involved expanding the infrastructural capacity of the economic bureaucracy. He established collective internationalist institutions like the Economic Planning Board (EPB)⁴⁰⁵ and the Presidential Secretariat, through which he designed and implemented growth-oriented initiatives.⁴⁰⁶ These economic bodies were populated with young technocrats and military administrators who were thereafter united in their allegiance to the new regime.⁴⁰⁷ The state also

⁴⁰² *Ibid.*

⁴⁰³ Pempel further notes: “With potential losers so well networked into the national political system and with bureaucratic and interest-group power structured to prevent the imposition of policies that might cause severe disadvantages to any privileged constituency, the result was a well-entrenched and collective resistance to any hard choices against vested interests, no matter how beneficial particular choices might have been for the national economy as a whole.” (*Ibid.*, 46) On the Japanese post-war system, see also: Cheung 2013, Curtis 1999, Johnson 1982.

⁴⁰⁴ Park’s internationalist turn was preceded by a period of inward-looking economic policies. (Lie 1998, 55-56) As Solingen notes, inward-looking policies involving import licenses, high tariffs, and a multiple exchange rate “lasted until 1963, when an inflationary and balance-of-payments crisis favored the introduction of an export-led strategy.” (Solingen 1998, 223) In Lie’s words, “Export-oriented industrialization was not planned; opportunities came and were seized.” (Lie 1998, 44)

⁴⁰⁵ Also referred to as “Korea’s MITI,” after Japan’s Ministry of International Trade and Industry. (Cumings 1997, 314) As Chalmers Johnson noted in his seminal book on MITI, “The particular speed, form, and consequences of Japanese economic growth are not intelligible without reference to the contributions of MITI.” (Johnson 1982, vii)

⁴⁰⁶ Lie 1998, 72

⁴⁰⁷ As a part of its efforts to consolidate control over the bureaucracy, Park’s regime dismissed over 30,000 civil servants, producing a generational shift. As Lie notes, thereafter, “[t]he younger bureaucrats, the beneficiaries of this unprecedented opportunity for advancement, repaid the junta with their loyalty.” (*Ibid.*, 53)

seized control of finance,⁴⁰⁸ providing essential levers to incentivize export production and control imports in key industries. For instance, state bureaucrats offered “policy loans for export performance”⁴⁰⁹ in targeted industries (including steel, automobiles, chemicals, machine tools, shipbuilding, and electronics), while establishing protectionist barriers to shelter domestic industry from foreign competitors.⁴¹⁰ The ultimate success of this operation in achieving its aims - evident in the growth of exports exceeding 40 percent each year between 1960 and 1971 and real gross national product (GNP) growing by an annual average of 7.9 percent over the same period⁴¹¹ - has been attributed to the particular combination of carrots and sticks the state administered: subsidies and loans were offered in exchange for higher export and import substitute outputs. As Amsden contends: “However clumsy at first, the state used its power to discipline not just workers but the owners and managers of capital as well. A larger surplus was extracted, and this was invested rather than consumed.”⁴¹²

These policies - rooted in the development of a symbiotic relationship between the state and big business - resulted in significant growth among South Korea’s *chaebol*,⁴¹³ with combined sales of the top ten *chaebol* as a percentage of GNP increasing from 17 percent in

⁴⁰⁸ Specifically, the 1962 Bank of Korea Act established government, rather than central bank, control over banking. By the 1970s, 96 percent of all financial assets were under state control. (*Ibid.*, 71-2)

⁴⁰⁹ Cumings 1997, 314, 322-26. Other measures to incentivize production in key industries included facilitating the import of raw materials, offering tax incentives and export subsidies to favored corporations, assigning export quotas to firms, rewarding high achievers and punishing poor performers. (Lie 1998, 84)

⁴¹⁰ The wide range of protectionist tools employed by the South Korean government included trader licensing, foreign exchange allocation restrictions, quantitative controls, measures to restrict the automatic approval of import items, requiring advanced deposits, and the customs office. (Lie 1998, 85)

⁴¹¹ Lee and Lee 2015, 130. By another measure, exports as a percentage of GDP grew from less than 5% in the 1950s to approximately 35% in the 1980s. (Amsden 1989, 70) Amsden characterizes Korea as “ultradependent” on foreign trade when compared with the rest of the world, noting that “none of the Great Powers, whatever their stage of development, ever had anywhere near as high a dependence on trade as did Korea.” (*Ibid.*, 70)

⁴¹² *Ibid.*, 63-4.

⁴¹³ A *chaebol* (written with the same Chinese characters as Japan’s “zaibatsu”) is defined as a “family-owned and managed group of companies that exercises monopolistic or oligopolistic control in product lines and industries.” (Woo 1991, 149, as cited in Cumings 1997, 327)

1970 to 48 percent by 1980.⁴¹⁴ The benefits of this growth were distributed broadly, though not evenly, across society.⁴¹⁵ As a result, “the coalitional base supporting an export-driven strategy was stronger than ever by the 1980s, including *chaebols*, the middle and even the working class, who had seen remarkable real wage increases.”⁴¹⁶

Groups left outside the internationalist coalition included the agricultural sector and the student-worker movement. President Park protected and subsidized a conservative rural constituency (known as *saemaul*) while using the Korean Central Intelligence Agency to stifle student and worker groups and the political opposition groups that rallied them. The Park regime’s authoritarian nature peaked following the introduction of “*Yushin*” (revitalizing) reforms in 1972. Thereafter, even groups that had been enriched by Park’s economic policies grew intolerant of his militaristic rule, leading ultimately to Park’s downfall (he was assassinated by the director of the Korean Central Intelligence Agency in 1979) and the rise of the democratization movement in the 1980s. The transition to democracy and its aftermath altered state-business dynamics but did not dramatically shake up the key actors or alter the external orientation of South Korea’s economy.⁴¹⁷ As Bruce Cumings notes, “In the mid-1990s, after much talk about scaling down the *chaebol* and diversifying the economy, the ten largest firms still account for about 60 percent of all production, and the big four do 40 percent all by

⁴¹⁴ Lie 1998, 91

⁴¹⁵ As Cumings notes, “in the 1970s, just about everyone made money: blue-collar workers, engineers, technicians, car salesmen, computer discounters, the cities and towns of the southeast, above all the *chaebol*, which began their swift climb up the Fortune 500 list.” (Cumings 1997, 326)

⁴¹⁶ Solingen 1998, 228

⁴¹⁷ For instance, as Chung-in Moon notes, the Chun Doo Hwan and Roh Tae Woo regimes of the 1980s similarly sought distance from the previous regime, which involved seeking support from the middle class while constraining big business. Both put pressure on the *chaebol* by attempting to reduce business concentration. (Moon 1994, 153–54) Big business pushed back, however. While the state retained substantial capacity to intervene and coerce the private sector, the general effect of continued liberalization and internationalization of the Korean economy in the 1980s “reduced the dependence of business upon selective state assistance and thereby lessened the vulnerability of business leaders to government arm-twisting.” (*Ibid*, 160)

themselves.”⁴¹⁸

In summary, as a result of coalition-building processes in both South Korea and Japan in the post-World War II era, powerful private internationalist interests became entrenched within the governments and societies of both countries in favor of export-oriented growth and the high levels of regional cooperation and stability that facilitate such growth.⁴¹⁹ These private-collective internationalist coalitions have had a direct impact in developing strong Korea-Japan economic ties: following the normalization of Japan-South Korea relations in 1965 (an initiative undertaken by Park to catalyze his growth strategy), South Korea became deeply integrated into Japan’s international economic networks and regional production chains.⁴²⁰ As Jung-Hoon Lee notes, South Korea and Japan “have enjoyed since the mid-1960s a symbiotic relationship. Despite sporadic anti-Japan outbursts in South Korea, Japan has for nearly four decades been South Korea’s top trading partner, second only to the United States.”⁴²¹

These internationalist coalitions have also spurred the formation of groups that advocate on behalf of stable Korea-Japan ties, including the Japan-Korea Parliamentarians’ Union and the Korea-Japan Parliamentarians’ Union, which organize consultations, exchanges and visits to bolster bilateral cooperation,⁴²² and corporate organizations like Korea’s Federation of Korean Industries (FKI) and the Japan’s *Keidanren*, which have at times played a role in cooling

⁴¹⁸ Cumings 1997, 330. See also: Ahrens, Frank, “The Myth of Chaebol Exceptionalism,” *Foreign Policy*, December 1, 2016 (accessible at: http://foreignpolicy.com/2016/12/01/the-myth-of-chaebol-exceptionalism/?utm_source=Sailthru&utm_medium=email&utm_campaign=New%20Campaign&utm_term=Flash%20points), which provides an account of the continuing, though evolving, central role of the *chaebol* in South Korea’s economy.

⁴¹⁹ Solingen provides reasoning for the link between internationalist economic strategies and cooperative foreign relations, stating that cooperative regional postures “in general terms, are expected to have three consequences: freeing up resources to carry out reform at home, weakening groups and institutions opposed to reform, and securing access to foreign markets, capital, investments, and technology.” (Solingen 1998, 26)

⁴²⁰ Lie 1998, 60

⁴²¹ J.-H. Lee 2011, 430

⁴²² Bang, Jiun, “Korean and Japanese Legislators Working Together,” *The National Interest*, April 15, 2014, accessible at: <http://nationalinterest.org/feature/korean-japanese-legislators-working-together-10289>

tensions in Dokdo/Takeshima dispute episodes.⁴²³

In this particular dispute episode, the influence of embedded private and collective internationalist interests was evident in the speed with which President Kim Young Sam's administration, in particular, shifted to a cooperative posture with Japan once the Asian financial crisis reached South Korea in late 1997. President Kim's decision to downplay the Dokdo/Takeshima wharf completion ceremony in November 1997, for instance, reflected his understanding that restored cooperation with Japan, a key economic partner, would be an essential element of South Korea's recovery from the financial crisis. The South Korean Finance Ministry also began to directly engage with their Japanese counterparts to seek financial assistance. Following the December 1997 election of new South Korean President Kim Dae Jung, South Korea's cooperative gestures increased, both because of the new president's need to secure Japan's financial assistance in the crisis as well as his plans for a new North Korea policy focused on engagement that would require Japan's support.

On Japan's side, collective internationalist financial actors also stepped up to support greater bilateral cooperation in the de-escalation phase. Specifically, Japan committed to \$10 billion of the \$55 billion IMF bailout package, the largest of any single country. Despite Japan's initial reluctance to offer assistance bilaterally, Japan realized it had high levels of exposure in South Korea and had a strong interest in helping prevent the country's financial collapse.⁴²⁴ The 1998 Kim-Obuchi joint declaration also contained a number of provisions to increase economic cooperation, specifically: a commitment from Japan's Export-Import Bank (currently the Japan

⁴²³ As Solingen notes with respect to organizations like these, "Where most of the positive externalities from regional cooperation are captured by a few groups with intense international preferences and equally intense political access, these privileged groups are particularly active in advancing the internationalist agenda." (Solinigen 1998, 30)

⁴²⁴ Specifically, Green notes: "Japan accounted for over one-third of all foreign bank claims on South Korean debt in 1997, and, ironically, some of Japan's strongest banks at home were the most exposed in Korea." (Green 2003, 138)

Bank for International Cooperation) to provide an additional \$3 billion in untied loans to South Korean small to medium-size firms and a new tax treaty that replaced preferential tax treatment for South Korea with a preferential system of incentives through 2003 that encouraged Japanese investment in South Korea.⁴²⁵

Private internationalist business interests in Japan and South Korea

Historically, the business communities in Japan and South Korea have had a moderating influence during bilateral flare-ups over historical issues, including the island dispute. As Berger notes, with reference to Japan's movement toward greater contrition in the 1990s, "the effect of external pressures were most obvious and straight forward on the economic front where burgeoning Japanese interests in Asian markets seemed to dictate increased responsiveness to the concerns of neighboring countries...Over the next two decades, the business community would consistently be one of the leading voices for moderation on historical issues."⁴²⁶

The business community was not vocal in the escalatory phase of this episode. On the trade front, the mid-1990s was a period of growing trade inequality between Japan and South Korea, with South Korea's trade deficit growing from \$8.5 billion in 1993 to \$15.4 billion in 1996. (On the other hand, South Korea's trade dependence on Japan as a percentage of GDP in the years preceding this dispute had declined.)⁴²⁷ The trade imbalance had an aggravating effect on relations overall, which could have affected the business community's inclination to advocate on behalf of better relations. However, it is also plausible that the lack of involvement of

⁴²⁵ Green 2003, 183

⁴²⁶ Berger 2012, 178

⁴²⁷ Koo 2009a, 90

business figures could have been because bilateral tensions did not reach high enough levels to spark the concern of the business community, at least not prior to the onset of the financial crisis.

In more tacit ways, however, private internationalist business interests in South Korea and Japan played a role in supporting the de-escalation of this episode. Aside from this official government assistance, Japan's *Keidanren* and the Federation of Korean Industries agreed after the Kim-Obuchi summit to coordinate a lowering of overlapping capacity between South Korea and Japan and to consider a future bilateral free trade zone.⁴²⁸ These actions of private internationalists at the time of this episode, while focused more on the financial crisis than the Dokdo/Takeshima dispute, nonetheless helped to create an environment of decreased bilateral tensions that facilitated de-escalation.

Neutral players (supporting leadership): Japan security forces and South Korean military

Although the Japanese Maritime Security Agency (JMSA) and South Korean military played visible and active roles in this episode, no evidence indicates that either put independent pressure on the leadership to take a harder line.

Japan's Maritime Security Agency (JMSA)

Japan's Maritime Security Agency (or JMSA, referred to as the Japan Coast Guard after 2000) played a key role in this episode in facilitating Japan's "seizure diplomacy" in order to increase pressure on South Korea starting in the summer of 1997. However, despite its high level of visibility, the role of the JMSA at that time was largely functional. Describing its role as a

⁴²⁸ Green 2003, 138

“law enforcement agency,” the JMSA was under the jurisdiction of the Ministry of Land, Infrastructure, and Transport, which did not play a role in foreign policy formulation. No evidence suggests that the JMSA pressed for its own unique preferences for policy postures in the region at that time, nor institutional aims beyond law enforcement.

South Korea’s Ministry of National Defense (MND)

South Korea’s Ministry of National Defense (MND) played a role in the escalatory phase of this episode. Specifically, joint naval and air force exercises were announced on February 12, 1996. Subsequent press reports indicate that 1996 was the first year that the so-called “Dokdo Protection Exercise” - “aimed at strengthening the nation's military readiness against any possible attempt by enemies to claim the easternmost islets” - was held, which continued thereafter on an annual basis.⁴²⁹ Around the same time, in response to a request from President Kim Young-Sam, the MND also increased the number of police forces on Dokdo/Takeshima from 26 to 34.⁴³⁰

While these actions represent a significant display of resolve to defend Dokdo/Takeshima, the MND was largely absent in the phases that followed. For instance, the MND was not involved in countering Japan’s “seizure diplomacy” in waters near Dokdo/Takeshima starting in the summer of 1997; the South Korean Foreign Ministry took the lead in responding to these actions. The MND was also largely absent in the de-escalation phase.

Considering the budgetary situation of the MND and the overall threat situation South Korea faced over the years of this episode, it is unlikely that the defense ministry would have

⁴²⁹ Jung, Sung-ki, “Massive Military Drilled Planned Near Dokdo,” July 29, 2008, *The Korea Times*, accessible at: http://www.koreatimes.co.kr/www/news/nation/2008/07/116_28439.html

⁴³⁰ Bong 2002, 120

advocated for a harder line in this dispute (for instance, by pressing for further involvement of the military beyond the February 1996 exercises and increased police presence). From a budgetary standpoint, the South Korean military was in a solid position in the 1990s. Throughout the 1970s and 80s, South Korea's defense budget grew proportionately with the growth of the national economy, reaching levels of around 5 percent of gross national product (GNP) by the late 1980s,⁴³¹ which demonstrated the degree to which the ROK leadership valued the armed forces.⁴³² The percentage of South Korea's GNP devoted to defense spending decreased in the 1990s. However, the expansion of the South Korean economy ensured increasing shares for the defense sector.⁴³³ By 1990, annual defense spending was close to US\$10 billion per year.⁴³⁴ The fact that the military remained highly valued into the 1990s meant that the armed forces did not need to lobby hard, or press for a tougher line in disputes with Japan, to protect their share of the budget.

A further reason the MND probably would not have felt the need to advocate for a more confrontational posture in this episode stems from the fact that North Korea, not Japan, was the main rationale for South Korean defense spending at that time.⁴³⁵ In fact, growing Japanese and South Korean concerns about the North Korean military threat following the 1994 nuclear crisis

⁴³¹ Specifically, between 1971 and 1975, defense spending increased from US\$411 million to US\$719 million, averaging around 4.5 percent of the country's GNP. In 1976, the budget increased to US\$1.5 billion, following a loss in military grant aid from the United States. Thereafter, defense spending increased further, from 5.2 percent of gross national product in 1979 to 6.2 percent in 1982. ("ROK Defense Budget, *GlobalSecurity.org*, accessible at: <http://www.globalsecurity.org/military/world/rok/budget.htm>)

⁴³² The Kim Young-sam government sought to decrease the role of the military in politics and hold the military establishment to higher ethical standards. (V. D. Cha 1993, 860) Yet this was an element of the shifting role of the military following democratization, from an internal to an external focus, and did not reflect a degrading of the value the leadership placed on the military as the country's main source of deterrence against external threats.

⁴³³ Feffer 2009

⁴³⁴ ROK Defense Budget, *GlobalSecurity.org*, accessible at: <http://www.globalsecurity.org/military/world/rok/budget.htm>

⁴³⁵ As Feffer notes, other rationales for South Korean defense spending, including "unspecified threats" in the region, have begun to increase in prominence in recent years, but not until the early 2000s. (Feffer 2009, 1, 5)

triggered significant increases in bilateral security cooperation in the late 1990s.⁴³⁶ To be sure, South Korea remained wary of Japan's "expanding role for regional peace and stability,"⁴³⁷ and the level of security cooperation did not reach the level that one might expect among countries facing a shared security threat. Yet even this moderate level of bilateral activity suggests that the South Korean military was comfortable with a generally cooperative posture with Japan at that time and would have been wary of inflaming tensions militarily due to the detrimental effects it might have on North Korea deterrence. Another indicator of the degree to which Japan was not viewed as a military threat stems from the degree to which resources were concentrated in ground weaponry and personnel, not maritime or air forces, at that time.⁴³⁸ South Korea-Japan security cooperation was also highlighted in the Kim-Obuchi joint declaration of October 1998, which stated:

"The two leaders *welcomed the security dialogue as well as the defense exchanges at various levels between the two countries and decided to further strengthen them.* The leaders also shared the view on the importance of both countries to steadfastly maintain their security arrangements with the United States while at the same time further strengthen efforts on multilateral dialogue for the peace and stability of the Asia-Pacific region."⁴³⁹

⁴³⁶ For instance: South Korean naval ships visited Tokyo for the first time in 1994; Japanese naval ships visited Busan, South Korea in 1996; South Korea, Japan, and the U.S. formed the Trilateral Coordination and Oversight Group (TCOG) to coordinate North Korea policy in 1999; and, also in 1999, South Korean and Japanese navies conducted their first bilateral field exercise near Busan involving search and rescue training. (Klingner, Bruce, "Washington Should Urge Greater South Korean-Japanese Military and Diplomatic Cooperation," *The Heritage Foundation*, September 24, 2012, 1, 3, accessible at: <http://www.heritage.org/asia/report/washington-should-urge-greater-south-korean-japanese-military-and-diplomatic>)

⁴³⁷ See 1990 and 1991 ROK Defense White Papers, cited by Lind 2008, 90. As Lind notes, "whereas South Koreans continue to distrust Japanese intentions, since 1990 they have not viewed Japan as a security threat." (*Ibid.*)

⁴³⁸ As Lind notes, in 2007, out of 687,000 active duty military personnel, 560,000 are ground troops. (Lind 2008, 81) ROK modernization efforts to develop a more "balanced force" by increasing naval and air force capacities began later, in the early 2000s, under the Roh Moo Hyun administration. (*Ibid.*, 82) Feffer highlights that one of the reasons the focus on ground forces has been so disproportionate is the "division of labor" between the U.S. and South Korea, noting "in the alliance relationship, the United States has...traditionally provided naval and air force power, while South Korea has concentrated on the army." (Feffer 2009, 4) Lind and Green also both point to the role of the U.S. alliance in dampening potential South Korean concerns about Japan as a security threat. As Green notes, "For Korea, the U.S.-Japan alliance 'contained' Japan, while providing bases for operations in the defense of the South." (Green 2003, 113; see also Lind 2008, 90)

⁴³⁹ "Japan-Republic of Korea Joint Declaration: A New Japan-Republic of Korea Partnership towards the Twenty-first Century," October 8, 1998, emphasis added, accessible at: <http://www.mofa.go.jp/region/asia-paci/korea/joint9810.html>.

Overall, the South Korean military played a fairly marginal role in this episode. It was likely not inclined to incite a militarized conflict with Japan at a time when their primary focus was on North Korea, which served as the main justification for increases in military spending. No evidence suggests that the MND played an independent role in pressuring the leadership to take a particular policy stance.

Private nationalists

Two groups that were active in this episode, the fishing industries in Japan and South Korea, could be classified as private nationalists, or groups preferring hardline foreign policy stances in pursuit of excludable aims.

Japan's fishing industry: Shimane prefecture-based fishing cooperatives

In contrast to the marginal role of civic nationalists, Japan's fishing interests - represented by Shimane prefecture-based fishing cooperatives, closely linked to the Liberal Democratic Party's *susanzoku* ("maritime tribe") faction, played a central role in pressing the Japanese government to take a tough position in this episode, and in the fishing negotiations in particular. For instance, shortly after Tokyo made its EEZ declaration in February 1996, members of fishing cooperatives in Shimane staged a rally demanding that Japan include Dokdo/Takeshima in its EEZ.

"Zoku," or policy tribes, played a key role in representing special interests in Japan's postwar political system, essentially channeling the demands of particular social groups into the government's policymaking apparatus. *Zoku* refers to Japanese Diet members who have

expertise and experience in a specific area of government policy and a high enough position within the party to influence the ministry handling policy in that domain. As Gerald Curtis explains, *zoku* “are the political agents of the special interests, intermediating between individuals and groups in civil society and the bureaucracy.”⁴⁴⁰

The effectiveness of the *susanzoku* was evident in the summer of 1997, when fishing industry advocates within the LDP pressured Prime Minister Hashimoto to toughen his stance with South Korea during a period of slow progress in negotiations. The start of Japan’s “seizure diplomacy” shortly thereafter was reportedly an attempt to respond to this pressure. In September, the LDP’s special committee for international fisheries, headed by Sato Koko, delivered a statement to Japan’s foreign ministry requesting that Japan abrogate the 1965 agreement if Seoul did not agree to significant revisions at the September meeting in Kuala Lumpur. Prior to Japan’s unilateral cancellation of the agreement, Foreign Minister Obuchi admitted that he had acted more harshly than he would have otherwise due to pressure from the LDP’s fishery *zoku*.⁴⁴¹

Japan’s fishing industry groups and their advocates in this episode aimed to maximize safe and steady access to rich fishing grounds in the East Sea/Sea of Japan. Efforts of Shimane prefecture authorities to appeal to Tokyo to secure fishing rights date back to the end of the colonial period, when Japanese fishing communities lost access to fishing waters close to Korea. According to Bukh, “this was one of the factors behind Shimane Prefecture’s sense of urgency to establish its rights to Takeshima and develop new fishing grounds in adjacent waters... From the

⁴⁴⁰ Curtis 1999, 53. For a general overview of how *zoku* operate, see also: Susan Chira, “The fragmented factions that make policy in Japan,” *The New York Times*, April 26, 1987, accessible at: <http://www.nytimes.com/1987/04/26/business/the-fragmented-factions-that-make-policy-in-japan.html?pagewanted=all>

⁴⁴¹ Bong 2002, 145

early 1950s onwards, Shimane Prefecture continuously lobbied the central government to establish territorial rights over Takeshima and to enable safe fishing conditions.”⁴⁴²

Adding to the post-colonial era economic grievances of Japan’s fishing industry was the fact that, by the early 1970s, South Korean fishing boats began operating within Japan’s twelve nautical mile territory upon which both sides had agreed in the 1965 fisheries pact. Although Seoul later committed to monitor its own fishermen in those waters, the Japanese fishing industry reported constant violations. As Michael Green notes, “By 1996 frustration was boiling over in coastal ports and in the Diet in Tokyo.”⁴⁴³ These groups also cared about sovereignty over Dokdo/Takeshima, but more for material than symbolic reasons. This is evident in their acceptance of the principle of separating the fishing and sovereignty issues.⁴⁴⁴ Fishing industry pressure to maintain a hardline stance with Japan was fairly constant throughout the episode in both the escalatory and de-escalatory phases, in parallel with the ongoing negotiations to renew the 1965 fishing agreement.

South Korea’s fishing industry

The interests of South Korea’s fishing industry are represented by entities like the South Korea’s National Federation of Fisheries Cooperatives (NFFC) and the Ministry of Maritime and Fisheries Affairs. Both played a role in this episode. The NFFC organized a rally in mid-July 1997 in Seoul, joined by around 1000 fishermen, to protest Japan’s seizure of South Korean fishing boats. The Federation of Korean Trade Unions (FKTU) also advocated on behalf of the NFFC, releasing a statement representing 70,000 union members declaring that Japan’s seizure

⁴⁴² Bukh 2013, 179

⁴⁴³ Green 2003, 131

⁴⁴⁴ Bukh 2016, 187

of South Korean boats was illegal.⁴⁴⁵ The NFFC was also probably involved in the protests organized in January 1998 in response to Japan's unilateral scrapping of the 1965 accord, though it was not mentioned specifically in press reports.

The aims of the NFFC are private and involve securing the livelihood of South Korea's fishing community. As the NFFC declares on its website:

“National Federation of Fisheries Cooperatives was established by the special law in 1962, with an objective of enhancing the social and economic status of fishermen and increasing the productivity of the fishery industry as well as the income of fishing households. It has promoted many industries, and many business [*sic*]. Korean marine products are famous for quality, nutrition and flavor because they are produced from the blessed clean waters around the Korean peninsula, which is also the junction of cold and warm currents in local seas.”⁴⁴⁶

At times, these aims have been complementary with those of collective nationalist groups seeking a hard line in the Dokdo/Takeshima dispute (note the reference to “blessed clean waters” in the NFFC's mission statement), but they are also quite distinct. The economic well-being of South Korea's fishing industry, particularly those who fish in the waters surrounding Dokdo, would be enhanced by the settlement of the Dokdo/Takeshima dispute in South Korea's favor. However, so long as the dispute remains deadlocked, South Korea's fishing community can also benefit from predictable and safe access to rich fishing grounds, even if the sovereignty issue remains unresolved. Groups like the NFFC are therefore more likely to be comfortable with fishing agreements that do not solve the Dokdo/Takeshima issue than collective groups, who, for instance, claimed that the vague treatment of Dokdo/Takeshima in the 1999 fishery agreement

⁴⁴⁵ "Connectivity 7.16.97", Aprenet, July 16, 1997, <http://nautilus.org/aprenet/connectivity-7-16-97/>, citing press reports: Korea Herald, “JAPAN DENOUNCED OVER FISHING DISPUTE,” 07/15/97

⁴⁴⁶ “Company Introduction,” *National Federation of Fisheries Cooperatives*, accessible at: http://suhyup.en.ec21.com/company_info.html

avored Japan's position in the sovereignty dispute.⁴⁴⁷ The fishing industry was also dissatisfied with certain elements of the 1999 agreement, as indicated by large protests involving the fishing industry and opposition party following the ROK National Assembly's ratification of the accord on January 6, 1999. In order to address these material concerns, however, Seoul established a \$220 million rescue fund to compensate the fishing industry for any losses due to the new agreement.⁴⁴⁸ The fishing industry did not organize protests thereafter.

The table below summarizes the domestic interest configuration involved in this episode.

Table 5.1 Summary of domestic group types in the 1996-99 Dokdo/Takeshima episode

	Seek private benefits	Seek collective benefits
Prefer cooperative policy stances (internationalist)	<i>Private internationalists (PI)</i> - Business interests embedded within internationalist coalitions on both sides, including Japan's <i>Keidanren</i> and South Korea's Federation of Korean Industries (FKI)	<i>Collective internationalists (CI)</i> - South Korean and Japanese leaders seeking to maintain strong ties to benefit both countries - Government agencies in South Korea and Japan seeking to mitigate effects of the 1997 financial crisis
Prefer hardline policy stances (nationalist)	<i>Private nationalists (PN)</i> - Japan's fishing interests (Shimane Prefecture and LDP's maritime faction) - South Korea's fishing industry	<i>Collective nationalists (CN)</i> - South Korea's Dokdo movement - Japan right wing nationalist groups (had minimal role in this episode)

⁴⁴⁷ Civic activists were particularly unhappy with Article 15 of the 1999 fishery accord, which referred to the Dokdo/Takeshima issue by stating that the present arrangements do not undermine positions of either of the parties on any international legal matters separate from fisheries." (Bukh 2016, 187, 192)

⁴⁴⁸ Bong 2002, 151, see footnote 129

Explaining Escalation

The theory of domestic interest configuration contends that escalation is due to the short-term advantages of collective nationalist groups, including the ability to mobilize for short periods, as well as the tendency for private internationalist groups to remain aloof from bilateral political disputes so long as business ties are not affected. These advantages, together, create opportunities for leaders to further incite nationalist sentiment in pursuit of their own gains at relatively low risk.

The record of this episode validates this argument. Collective nationalists, particularly in South Korea, were able to mobilize for short periods, using tactics like protests and missions to the islands. Private internationalist interests did not become involved until the onset of the 1997 Asian financial crisis in South Korea at the end of 1997, which prompted the start of the de-escalation phase. Japanese and South Korean leaders also took actions to further escalate and inflame nationalist sentiment on both sides. Following South Korea's announcement of the Dokdo wharf construction in February 1996, senior leaders on both sides took deliberate steps that surpassed the usual, low-level reassertions of territorial claims. For instance, Foreign Minister Ikeda's statement that "Takeshima is a part of Japan's territory from the viewpoint of international law and history," while fairly routine in its content, was significant because it was issued from a higher level than usual.⁴⁴⁹ On South Korea's side, President Kim Young Sam's involvement in ratcheting up dispute tensions early on in the episode was also unusual. As Bong notes, with reference to President Kim's public condemnation of Japan's claims and later appearance on television to demonstrate his strong stance: "It was unprecedented in ROK-

⁴⁴⁹ Choi 2005, 477

Japanese diplomatic history that the head of a state directly dismiss the other country's territorial claim, without first negotiating through their foreign ministries."⁴⁵⁰ President Kim's later actions, including developing tourism on Dokdo/Takeshima and encouraging naval graduates to defend the islands, indicate that he acted intentionally to inflame the dispute beyond routine, low-level statements.

Leaders in both Japan and South Korea had incentives to stoke nationalist sentiment to increase domestic support. In Japan, Prime Minister Hashimoto faced highly consequential upper house and lower house elections in March and October 1996, respectively, that would determine whether the LDP would return to dominance after three years in a coalition government.⁴⁵¹ In the months leading to these elections, Prime Minister Hashimoto chose a deliberate strategy involving hardline positions on Japan's full range of island disputes - including the Dokdo/Takeshima dispute, the Senkaku/Diaoyu dispute with China, and the Northern Territories dispute with Russia - to gain the support of conservative nationalist constituents.⁴⁵² After the LDP was victorious in the March 1996 elections, it amplified this strategy in preparation for the October lower house elections. The LDP went so far as to include Japan's assertion of sovereignty claims to Dokdo/Takeshima and other disputed islands in its actual election pledge.⁴⁵³ This approach, again, proved effective; the LDP won enough seats in the October election to build a single party cabinet.

In South Korea, President Kim Young Sam also faced harsh political conditions in the early phase of this dispute, with his approval ratings plummeting in advance of general elections

⁴⁵⁰ Bong 2002, 119

⁴⁵¹ Hashimoto became prime minister on January 11, 1996 following the resignation of Muruyama Tomiichi of the Japan Socialist Party (later the Social Democratic Party of Japan), who led a coalition that included the LDP.

⁴⁵² Hashimoto's official visit to the controversial Yasukuni Shrine honoring Japan's war dead in July 1996 was another element of this strategy.

⁴⁵³ Choi 2005, 480

(scheduled for April 11, 1996) and presidential elections (scheduled for December 1997). As Choi highlights, “in such a delicate domestic context, the Korean political elite may have appreciated the way in which it dealt with the revived Dokdo issue might well have a significant impact in the upcoming election, given the escalating anti-Japan sentiment among the Korean electorate.”⁴⁵⁴ Opposition parties and candidates also created pressure on the leadership and each other to outdo one another in their Japan-bashing. President Kim Young Sam’s actions to further escalate the Dokdo/Takeshima dispute in response to Foreign Minister Ikeda’s statements in February 1996, as well as his intransigence in fishery negotiations in the months that followed, can therefore be understood as efforts to piggyback from rallied nationalist sentiment to attain short-term domestic political gains.

In summary, escalation occurred in this episode because collective nationalists were able to organize highly visible, if not sustainable, activities in the short term; private internationalists stayed out of the dispute in the escalation phase; and political leaders in both Japan and South Korea used rallied nationalism to boost short-term domestic support.

Explaining de-escalation

The de-escalation phase began in December 1997, coinciding with the onset of the financial crisis and the election of President Kim Dae Jung in South Korea. Thereafter, Japan maintained a hardline in the fishery talks, as indicated by its continued boat seizures and unilateral abrogation of the accord in January 1998. However, South Korea adopted a different posture, offering a range of new concessions to improve the relationship, making concerted efforts to tamp down “emotionalism” when historical issues arose, and agreeing to a number of Japan’s proposed revisions in the fishery agreement. North Korea’s missile test in August 1998

⁴⁵⁴ Choi 2005, 478

provided incentives for Japan to cooperate with South Korea to stabilize the security situation in the region. Japan eventually accepted South Korea's offers and settled for a new fishery agreement by the end of 1998 without resolving the Dokdo/Takeshima sovereignty issue.

Consistent with the theory of domestic interest configuration, private internationalist advantages over collective nationalists in mobilizing and influencing leadership stances over the long term played a role in facilitating the de-escalation of this episode. Internationalist interests within both governments activated in the de-escalation phase at a time when economic interests could have been threatened by further island dispute-related tensions, specifically, following the onset of the Asian financial crisis in late 1997. The influence of private internationalists was more tacit than explicit, evident in the degree to which high-level officials shifted to conciliatory positions consistent with externally-oriented business interests, particularly by the time of the October 1998 declaration. More overt business community involvement, including steps by *Keidanren* and the Federation of Korean Industries to bolster bilateral economic cooperation following the onset of the financial crisis, also came into play around the time of the October 1998 leaders' summit.

Another development facilitating de-escalation was the waning of collective nationalist group involvement and influence over time in this episode. South Korea's Dokdo movement was very active with staging protests in the escalation phase, but protests concerning symbolic issues (as opposed to fishery concerns) dwindled by the de-escalation phase. Leaders in South Korea and Japan offered symbolic concessions to nationalist groups on both sides toward the end of the episode, providing rationales for these groups to back down. In Japan, Prime Minister Obuchi accepted parameters suggested by Kim Dae Jung for an apology in the October 1998 joint statement. South Korea also offered a number of concessions that would have placated

nationalists on Japan's side, including: expressing appreciation for Japan's role in the international community in the joint statement, which was construed by some as an approval of Japan's campaign for a UNSC seat;⁴⁵⁵ and expressing enthusiasm regarding a potential visit by the Japanese Emperor to South Korea.⁴⁵⁶ Although collective nationalist groups in South Korea reactivated by the early 2000s to protest the fishery agreement, the general public was assuaged by these concessions in the near term, as indicated by the lull in protests and generally positive responses to the summit. On Japan's side, polling following the summit indicated that the general public supported the joint declaration.⁴⁵⁷

Also consistent with the theory: the inclusion of private nationalist concerns, specifically fishing interests, had an impact in complicating, though not fully precluding, de-escalation. On Japan's side, leaders wishing to shift to a more cooperative posture - specifically foreign minister (and later prime minister) Obuchi Keizo - expressed frustration that pressure from fishing interests was making their retreat from a hard line more difficult. South Korea's fishing interests also remained active into the de-escalation phase, as indicated by the rallies held in January 1998 in response to Japan's unilateral abrogation of the 1965 fishery accord and following South Korea's signing of a new agreement in November 1998. The ability of private fishing interests to mobilize over the longer term and take advantages of unique sources of leverage over the leadership (in Japan's case, through the activation of "zoku" channels linking special interest-focused politicians to policymaking channels) is consistent with the theory of domestic interest configuration, which posits that private interests are better able than collective interests to mobilize and pressure leaders over the long term. Since their aims are excludable, private

⁴⁵⁵ The language was also vague enough for Seoul to deny this interpretation.

⁴⁵⁶ Bong 2002, 146

⁴⁵⁷ Green 2003, 136

interests are less vulnerable to the collective action problem. For instance, individual members of the fishery groups are likely to be more willing to advocate on behalf of their interests than collective interests because a victory for their group provides private, excludable goods that might not otherwise be obtained.

The inclusion of these private interests, while complicating de-escalation processes, did not result in leaders fully losing control of escalatory dynamics in this episode. This is because leaders were able to identify material side-payments to satisfy these interests, separate from the symbolic concessions offered to collective nationalists. In South Korea, private fishing interests backed down following the government's offer of compensation in the form of a rescue fund for estimated losses from the fishery agreement. Leaders also satisfied the material concerns of Japan's fishing groups through the conclusion of a revised fishery pact. The agreement's adoption of the coastal state principle (which enabled Japan to regulate South Korean vessels operating in its waters) and establishment of a temporary fishing zone (which expanded Japan's access to fishing grounds) both produced gains for Japan's fishing industry.

Alternative arguments

The dynamics of this episode align well with the predictions of domestic interest configuration theory. What about alternative explanations? I submit that leading counter-arguments cannot fully explain these dynamics. Structural realism predicts that, as China's relative military power in the region rises, this dispute should escalate less as Japan and South Korea cooperate to form a balancing coalition against China, along with their shared ally, the United States. This prediction is inconsistent with decisions by leaders in South Korea to heighten rhetoric and military presence around the islands in the early months of the escalation phase, as well as decisions by leaders in Japan to risk the militarization of this dispute through

“seizure diplomacy” starting in the summer of 1997. Over this period, according to structural realism, security concerns regarding China (whose defense spending increased significantly over the period of this episode) as well as North Korea (shortly after a nuclear crisis on the peninsula) should have prompted closer cooperation between these countries, not escalation.

The commercial peace argument, which contends that rising levels of economic exchange create new incentives to cooperate, helps to explain leadership motivations to de-escalate this dispute. In the wake of the Asian financial crisis, leaders and members of the business and financial communities on both sides took concerted action to cooperate to prevent further damage to bilateral economic ties and economic performance. However, this theory cannot explain why leaders took steps to escalate this episode in the first place. South Korea’s rising trade deficit with Japan in the early 1990s was undeniably a source of tension in the relationship. Yet, the period between 1994 and 1996 was also a period of high economic growth in South Korea, with growth rates averaging 8.5%. As a result, even with a rising trade deficit, South Korea’s trade dependence on Japan as a ratio of GDP declined over this period.⁴⁵⁸ In essence, during the de-escalation phase we saw internationalist actors in both South Korea and Japan taking steps to *protect* and *enhance* the economic relationship, even in the midst of trade deficit tensions. Indeed, one might wonder why, despite growing interdependence over the course of several decades, this island dispute was not resolved altogether. Overall, the commercial peace helps to explain incentives to cooperate and de-escalate, but not escalate, this dispute. It also cannot explain the ability of leaders to avoid nationalist backlash despite the rallying of nationalist sentiment in the escalatory phase.

⁴⁵⁸ Koo 2009a, 68

Concluding thoughts on the 1996-99 Dokdo/Takeshima episode

Domestic interest configuration theory helps to explain the dynamics of escalation and de-escalation in this episode. Escalation occurred because of two advantages enjoyed by collective nationalist groups in the short term: the ability to mobilize for short periods and the relative inactivity of competing private internationalist interests at low levels of dispute intensity (which tend to not affect economic activity). These advantages incentivized leaders to take advantage of and further inflame nationalist sentiment to attain short-term benefits. De-escalation was facilitated by private internationalist activation and the waning of collective nationalist influence over the long term, which made these groups amenable to symbolic concessions for backing down. In this particular episode, a fourth mechanism also played a key role in allowing for de-escalation: the ability for leaders to identify and offer material side-payments to private fishing industry interests to retreat from their hardline positions.

Existing theories do not sufficiently explain these dynamics. Structural realism cannot explain why leaders took action to escalate this dispute when pressing security concerns concerning North Korea and China should have incentivized dampening bilateral tensions to strengthen cooperation. And economic interdependence-focused theories cannot explain why the dispute escalated at all, given the economic risks involved with regional turbulence.

The theory of domestic interest configuration posits that leaders - who ultimately aim to maintain power and often need to demonstrate a combination of economic and nationalist credentials to do so - cater to a range of competing pressures from varying constituents over the course of a dispute flare-up. Leaders should be able to keep levels of escalation in check, and use low-intensity contention to their benefit in the meantime, so long as nationalist interests are amenable to backing down following symbolic or material side payments.

Chapter 6:

The 2004-06 Episode of the Dokdo/Takeshima Dispute

Five years later South Korea and Japan once again disputed their sovereignty claims of the islands. By that time, China's military capabilities and tensions regarding North Korea's nuclear program had risen significantly which, according to structural realism, should have prompted a balancing coalition between Japan and South Korea. Economic cooperation was also on the rise, which, according to liberal theories focused on the "commercial peace," should have prompted rising cooperation and the avoidance of political crises.

As I will demonstrate in this chapter, neither realist nor commercial peace expectations were accurate. Instead, I argue that dynamics of escalation and de-escalation were driven by a particular configuration of domestic interests that has been prevalent across Northeast Asia in the post-World War II era - with internationalists (favoring open economic strategies and cooperative foreign relations) backed by powerful private interests, and nationalists (favoring hardline foreign policy stances) focused mostly on collective benefits.

Intensity levels in this episode followed patterns similar to the 1996-99 Dokdo/Takeshima flare-up. Following South Korea Post's introduction of "Dokdo stamps" and the later establishment of "Takeshima Day" by local authorities in Japan's Shimane Prefecture, leaders, particularly in South Korea, took deliberate steps to escalate the dispute beyond formulaic rhetoric. President Roh's highly inflammatory statements in March 2005 (calling for Japanese compensation and threatening "diplomatic war") and his later dispatch of coast guard vessels in the spring of 2006 raised intensity to medium levels. Despite the stirring of

nationalistic sentiment, leaders later did not have difficulties de-escalating dispute tensions following the October 2006 North Korean nuclear test. Once again, internationalist groups backed by private interests prevailed in the political arena.

Escalation of the 2004-06 Dokdo/Takeshima episode

Despite the distinct warming trend that followed the Kim-Obuchi summit in October 1998,⁴⁵⁹ bilateral tensions flared again in the early 2000s. A number of domestic developments fueled these tensions, including the election of two populist leaders in South Korea and Japan and new textbook controversies. South Korean President Roh Moo-hyun (2003-2008) was elected in December 2002 amidst of a wave of anti-Americanism following the deaths of two South Korean teenagers who were run over by a U.S. military vehicle. While in office, Roh made an effort to expose South Korean politicians who had a history of collaborating with the Japanese colonial government. This was essentially a strategy to weaken Roh's political opponents, but it had the side effect of fanning anti-Japanese sentiment domestically. In Japan, Prime Minister Koizumi Junichiro (2001-2006) was elected in 2001 and pursued a more nationalistic and less apologetic approach to regional relations than his predecessor, involving, most visibly and controversially, repeated visits to the Yasukuni Shrine.⁴⁶⁰

In January 2004, within this context of tense but generally functioning bilateral relations, the Dokdo/Takeshima issue again entered the spotlight when South Korea Post announced it would issue stamps depicting the islands. Japanese Foreign Minister Yoriko Kawaguchi

⁴⁵⁹ Many viewed the 1998 declaration as the foundation for new and improved relations. Positive bilateral developments that followed the declaration included the opening of Japanese cultural products to Korea, the "Korea wave," or "*Hanryu*," of Korean television and movies across Japan, and the smooth co-hosting of the 2002 World Cup. (Rozman 2002, 2-3; Rozman and Lee 2006, 762)

⁴⁶⁰ Specifically, Rozman and Lee assert that Koizumi "catered, through his cabinet appointments, to those who believed that a 'normal' Japan is one whose prime minister visits the Yasukuni Shrine and has no problem with textbooks that whitewash the war and occupation record of Japan." (Rozman and Lee 2006, 775)

immediately requested that Seoul not issue the stamps. Her South Korean counterpart, Yoon Young-kwan rejected her request and instead reasserted Korea's claims to the islands.⁴⁶¹ Japan's Home Affairs Minister Taro Aso later suggested Japan should issue its own "Takeshima" stamps. Prime Minister Koizumi turned down Aso's idea but took the opportunity to reiterate Japan's claims to the islands.⁴⁶² South Koreans lined up to buy the postage stamps on the first day they were issued; the full supply of over 2 million sheets sold out in three hours.⁴⁶³

In May 2004, a Japanese rightist group *Nihon Shidokai* announced plans to land on Dokdo/Takeshima.⁴⁶⁴ Seoul asked Tokyo to stop the group's venture and took steps to strengthen its defenses on the islands.⁴⁶⁵ When the South Korean maritime police warned it would seize the boat and arrest the activists, *Nihon Shidokai* countered that they would move ahead with their plan "in accordance with Japan's time-honored national spirit."⁴⁶⁶ The Japanese government eventually compelled the activists to cancel the trip; the Japanese Coast Guard tracked the boat and guided it home.⁴⁶⁷ Later in May, five Korean civic groups announced a retaliatory measure, launching a "Tsushima landing campaign" that would involve traveling to the Japanese island in August in three large ships to hoist the Korean flag and protest in Japan's streets. The groups also declared that they would not allow any Japanese attempt to land on Dokdo/Takeshima.⁴⁶⁸

⁴⁶¹ "Seoul Rejects Japanese Request Not to Issue Disputed Islet Stamps," *Yonhap*, January 13, 2004 [FBIS Transcribed Text]

⁴⁶² Choi 2005, 487; Koo 2009a, 94

⁴⁶³ V. D. Cha 2004, 3

⁴⁶⁴ Choi 2005, 476

⁴⁶⁵ This included South Korea's mobilization of two helicopters, five naval vessels, five dinghies and 15 police commandos stationed near the islands. (Choi 2005, 487; See also Choi Jie-ho, "Japanese spur sharp Tokto alert," *Korea JoongAng Daily*, May 5, 2004, accessible at: <http://mengnews.joins.com/view.aspx?aId=2409740>.)

⁴⁶⁶ "Japanese Activists Plan to Go Ashore on Japan, ROK Disputed Island," *Yonhap*, May 4, 2004 [FBIS Transcribed Text]

⁴⁶⁷ Dudden 2008, 2

⁴⁶⁸ "ROK's Yonhap: S Korean Activists Plan to Fix National Flag on Japanese Island," *Yonhap*, May 29, 2004 [FBIS Transcribed Text]

Spring 2004 also marked the start of a local movement in Japan to increase national level attention to the Takeshima/Dokdo dispute. In March 2004, Japan's Shimane Prefecture passed a resolution calling for national recognition of "Takeshima Day" on February 22 - a date selected to mark the day in 1905 when Japan incorporated the Dokdo/Takeshima islands into the Japanese empire.⁴⁶⁹ A few months later, in October 2004, the prefecture filed a petition seeking national-level approval of the resolution before the Diet in Tokyo. In February 2005, the Shimane Prefecture assembly passed the measure officially establishing "Takeshima Day" as an annual holiday. Notably, the central government in Tokyo did not attempt to block the actions of Shimane officials, referring to the legislation as a local matter.⁴⁷⁰ Following the bill's passage, Japanese ambassador to South Korea Toshiyuki Takano declared at a press conference in Seoul that "[Takeshima] is historically and legally Japan's territory."⁴⁷¹

These moves provoked strong countermeasures in South Korea, first by civic groups and, by March 2005, the Roh administration. On October 28 2004, the "Party for the Protection of Tokdo" launched a campaign calling for the establishment of "Dokdo Day," submitting a petition to the National Assembly that gained nationwide support.⁴⁷² A summit between Roh and Koizumi held over a weekend in December 2004 went fairly well, involving productive exchanges on a wide range of issues from Japan's new defense guidelines to ongoing

⁴⁶⁹ According to Choi, a 37-member bipartisan assembly members' group called the "Takeshima Ryodoken Kakuziru Kengikai Iingrenmei" (Prefectural assembly members' league for solidifying territorial sovereignty over Takeshima) took the initial steps toward the declaration of "Takeshima Day" when they presented a memorial in honor of the holiday in March 2004. (Choi 2005, 476)

⁴⁷⁰ Dudden 2008, 3

⁴⁷¹ "Japan Ambassador to ROK: 'Takeshima' 'Historically,' 'Legally, Japan's Territory,'" *Yonhap*, February 23, 2005 [FBIS Transcribed Text]

⁴⁷² Choi 2005, 487-8; "ROK's Yonhap: Civic Group to Petition for Bill Over Disputed Islets," *Yonhap*, December 28, 2004 [FBIS Transcribed Text]

negotiations on a Japan-Korea Free Trade Agreement.⁴⁷³ However, following the formal establishment of “Takeshima Day” in February 2005, President Roh shifted to a more hardline stance toward Japan. Seoul demanded that the Shimane Prefecture’s bill be immediately withdrawn. Tokyo refused. In response, South Korea delayed Foreign Minister Ban Ki Moon’s scheduled trip to Japan.⁴⁷⁴

On March 1, 2005, South Korea’s Independence Movement Day, President Roh criticized Japan’s handling of a broad range of historical issues. Specifically, Roh stated that Japan must reflect on its past in order to heal old wounds and asked Japan to provide more apologies and compensation to its Korean victims.⁴⁷⁵ This marked the first time a South Korean president made this type of demand since Japan paid compensation at the time of diplomatic normalization in 1965.⁴⁷⁶ A few days later, on March 8, four South Korean F-5 fighter jets scrambled in response to an attempt by a Japanese newspaper to fly a light civilian plane over Dokdo/Takeshima. The South Korean Foreign Ministry later issued a demand with Japan’s Embassy in Seoul to take measures to avoid similar incidents in the future.⁴⁷⁷

On March 23, Roh stepped up the rhetoric further, threatening a diplomatic war on Japan and linking the establishment of “Takeshima Day” to an annulment of Japan’s past apologies.⁴⁷⁸

⁴⁷³ Kang 2005b, 4. Negotiations on a bilateral Free Trade Agreement (FTA) began in December 2003, with the stated goal of comprehensive trade liberalization in accordance with World Trade Organization (WTO) rules. (V. Cha 2004, 2)

⁴⁷⁴ Pollman 2015, 3. On March 9, 2005, in the connection with the cancelled trip, Ban called the island dispute the “foremost issue in the Seoul-Tokyo relationship” because it is a matter of sovereignty. (Kang 2005a, 5)

⁴⁷⁵ Card, James, “A chronicle of Korea-Japan ‘friendship,’” *Asia Times*, December 23, 2005. “ROK President Speaks at Ceremony to Mark Independence Movement 1 Mar,” *Yonhap*, March 1, 2005 [FBIS Transcribed Text]

⁴⁷⁶ D. C. Kang 2005a, 4–5

⁴⁷⁷ *Ibid.*, 5; “S. Korea Determined to Risk Relations with Japan over Dokdo: FM,” *Yonhap*, March 9, 2005 [FBIS Transcribed Text]

⁴⁷⁸ Specifically, Roh declared in a letter to the public that was released in a Blue House publication that a “diplomatic war” was conceivable between South Korea and Japan. Regarding the establishment of “Takeshima Day, President Roh said, “These issues annul Japan’s previous apologies for the past...Takeshima Day is the day Japan seized Dokdo 100 years ago...Designating Takeshima Day justifies Japan’s aggression and denies Korea’s

In the midst of this heightened diplomatic rhetoric, anti-Japan protests erupted across the country, one of which involved an elderly woman cutting off her finger with garden shears and a middle-aged man doing the same using a meat cleaver.⁴⁷⁹ Further incidents from the protests included a fifty-three year old man setting himself on fire and police rescuing a pig named “Koizumi” who was being prepared for death by protestors.⁴⁸⁰ In Japan, fishermen from the Shimane Prefecture took the opportunity to demand guaranteed safe access to fishing in the waters surrounding Dokdo/Takeshima.⁴⁸¹

In April, Japan prompted fury in South Korea as well as China when it approved a number of textbook revisions that critics said “whitewashed” Japan’s wartime actions.⁴⁸² During a summit meeting between Koizumi and Roh in June 2005, Roh reportedly chose to focus on historical issues rather than pressing strategic concerns involving North Korea, which had prompted a crisis by declaring itself a nuclear power in February 2005.⁴⁸³

Mid-summer 2005 involved some incidents of cooperation. On July 18, Mori Tsutomu, Chief of Staff of Japan’s Ground Self-Defense Forces, arrived in Seoul for a four-day visit to exchange views on enhancing bilateral military exchanges.⁴⁸⁴ The coast guards of South Korea and Japan also conducted joint counter-terrorism exercises near Japan’s Tsushima Island that

liberation.” (Min-Seong Jae, “Roh sees ‘diplomatic war’ with Japan,” *Korea Joongang Daily*, March 23, 2005, accessible at: <http://mengnews.joins.com/view.aspx?aId=2545753>)

⁴⁷⁹ Scanlan, Charles, “S Korean fury over island dispute,” *BBC News Online*, March 14, 2005, accessible at: <http://news.bbc.co.uk/2/hi/asia-pacific/4347851.stm>. These demonstrations came shortly before the outbreak of anti-Japan protests in China in April 2005. According to Rozman and Lee, the combination of protests in China and South Korea left the Japanese feeling “beleaguered.” (Rozman and Lee 2006, 776)

⁴⁸⁰ Dudden 2008, 1

⁴⁸¹ Kang 2005a, 5

⁴⁸² Faiola, Anthony, “Japanese schoolbooks anger S. Korea, China: Militaristic Past Is Seen as Whitewashed,” *Washington Post Foreign Service*, page A15, April 6, 2005, accessible at: <http://www.washingtonpost.com/wp-dyn/articles/A27855-2005Apr5.html>.

⁴⁸³ Rozman and Lee 2006, 778. For further details on the June 2005 Roh-Koizumi summit, see: D. Kang and Lee 2005, 6.

⁴⁸⁴ Mori’s visit was part of an ongoing initiative by South Korea and Japan, introduced in 1996, to strengthen military-to-military ties involving goodwill visits and education programs. See: D. Kang and Lee 2005b, 6.

summer.⁴⁸⁵ Most visibly, on August 15, marking the 60th anniversary of the end of World War II, Prime Minister Koizumi offered an apology for Japan's wartime actions. He also decided to forego a visit to the Yasukuni Shrine on that day in an effort to improve relations with South Korea and China.⁴⁸⁶

However, contentious exchanges resumed shortly thereafter. In late August, Seoul released government documents from the 14-year process of Japan-South Korea diplomatic normalization, during which a Japanese Foreign Ministry official reportedly declared in 1962: "There will be no problem if we blow up the [Dokdo/Takeshima] islets."⁴⁸⁷ These document disclosures raised Dokdo/Takeshima tensions among the South Korean public while spurring a new wave of activism on the comfort women issue. Koizumi's visit to the Yasukuni Shrine on October 17 sparked further outrage in South Korea and China.⁴⁸⁸

In December 2005, Roh joined forces with Chinese President Hu Jintao at the ASEAN+3 summit December 2005, when both refused to meet with Koizumi to express their shared opposition to his Yasukuni visit.⁴⁸⁹ Prime Minister Koizumi later expressed his view that South Korea and China should not cancel summit talks based on the single issue of Yasukuni Shrine visits, which he saw as "a matter of [the] heart."⁴⁹⁰

The early months of 2006 brought fresh instances of stoked emotions tied to Dokdo/Takeshima and historical issues more broadly. As an element of "Takeshima Day"

⁴⁸⁵ *Ibid.*

⁴⁸⁶ Onishi, Norimitsu, "Koizumi Apologizes for War; Embraces China and South Korea," *The New York Times*, August 16, 2005, accessible at: http://www.nytimes.com/2005/08/16/world/asia/koizumi-apologizes-for-war-embraces-china-and-south-korea.html?_r=0. For further details on Prime Minister Koizumi's April 15, 2005 statement and other efforts to placate neighboring countries around the time of the 60th anniversary of the end of World War II, see D. Kang and Lee 2005b, 6.

⁴⁸⁷ D. Kang and Lee 2005b, 5

⁴⁸⁸ "Japan Sought to Blow Up S. Korean Islets: Declassified Documents," *Yonhap*, August 26, 2005 [FBIS Transcribed Text]; D. Kang and Lee 2006, 4

⁴⁸⁹ *Ibid.*, 5

⁴⁹⁰ D.Kang and Lee 2006a, 3

celebrations on February 22, officials in the Shimane Prefecture distributed around 250,000 copies of a quarterly publication that included claims that the Dokdo/Takeshima islands are Japanese territory. Concurrently, in Seoul, hundreds of South Koreans reportedly rallied in front of the Japanese Embassy, demanding the cancellation of Takeshima Day.⁴⁹¹ On March 1, 2006, marking the 86th anniversary of the March 1 Independence Movement in South Korea, President Roh prodded Prime Minister Koizumi on his Yasukuni visits, saying that a leader's actions should be judged in light of historical experience and universal conscience. A Presidential Blue House Spokesman later declared on March 17 that President Roh would not meet with Prime Minister Koizumi absent a commitment to stop visiting the Yasukuni Shrine.⁴⁹²

Later in March, the South Korean government learned that Japan's Education Ministry had requested revisions to 55 textbooks to clarify that the Dokdo/Takeshima islands, as well as other disputed territories, belong to Japan. In response, the South Korean Foreign Ministry declared it "would sternly deal with the Dokdo issue in the context of protecting its own territory."⁴⁹³

Dokdo/Takeshima tensions reached peak levels in April 2006, when a near military confrontation was averted through swift negotiations. In late April, Japan announced plans to conduct a maritime survey to update its maps in the waters between South Korea and Japan, including the Dokdo/Takeshima area. One Japanese official reported that Japan's move was a response to an announcement by Seoul earlier in 2006 that it planned to submit Korean names for seabed features near Dokdo/Takeshima at an International Hydrographic Organization (IHO)

⁴⁹¹ *Ibid.*, 4

⁴⁹² *Ibid.*, 5.

⁴⁹³ Faiola, Anthony, "S Korea Blasts Japan Over WWII History," *Washington Post Foreign Service*, March 30, 2006, accessible at: <http://www.washingtonpost.com/wp-dyn/content/article/2006/03/30/AR2006033000403.html>

meeting scheduled for June 2006.⁴⁹⁴ President Roh denounced Japan's maritime survey plans as an "offensive provocation" and dispatched more than 18 coast guard ships to the waters surrounding Dokdo/Takeshima.⁴⁹⁵ Roh's hardline response received broad support in the South Korean government⁴⁹⁶ and among the public, as indicated by a surge in sales of "I love Dokdo" t-shirts, deposits into Dokdo-affiliated bank accounts, and a wave of online commentaries and postings in support of South Korea's claims to the islets.⁴⁹⁷ Roh's escalation prompted Japan to dispatch Vice Minister for Foreign Affairs Shotaro Yachi to Seoul on April 21, 2006 to defuse the situation.⁴⁹⁸ The meeting resulted in a compromise agreement: Japan would cancel its maritime survey in exchange for South Korea's willingness to postpone its submission of Korean names to the IHO.⁴⁹⁹

Two days after this compromise was reached, however, Roh delivered an inflammatory speech televised across the country, claiming: "The Dokdo issue has become a matter that can no longer be managed in a quiet manner... We will react strongly and sternly against any physical provocation. This is a problem that can never be given up or negotiated, no matter at what cost or

⁴⁹⁴ Faiola, Anthony, "S Korea, Japan Raise Tension Over Islet Group," *Washington Post Foreign Service*, April 20, 2006, accessible at: <http://www.washingtonpost.com/wp-dyn/content/article/2006/04/19/AR2006041901348.html>, see also Weinstein 2006.

⁴⁹⁵ *Ibid.*, see also Chung and Park 2017, 15

⁴⁹⁶ As Weinstein reports: "In a rare show of unity, South Korea's National Assembly voted 241-0 in support of a hard line on Dokdo-Takeshima, linking the dispute to visits by Japanese political leaders to the Yasukuni Shrine, where some World War II war criminals are buried, and to new Japanese textbooks that deny Japanese war guilt in addition to describing Dokdo/Takeshima as Japanese territory." (D. C. Kang 2005a, 6) The ruling and opposition parties all openly supported Roh's stance toward Japan at that time. The main opposition Grand National Party and ruling Uri Party even declared they would form a "committee on Dokdo protection and (Japan's) distortion of history" as a joint parliamentary task force. (Wiegand 2015, 13)

⁴⁹⁷ Wiegand 2015, 13

⁴⁹⁸ Nakajima 2007, 10

⁴⁹⁹ Wiegand 2015, 13; Chung and Park 2017, 15

sacrifice.”⁵⁰⁰ The President also referred to Japan’s maritime survey as “an act of asserting the legitimacy of Japan’s criminal history of waging wars of aggression.”⁵⁰¹

On June 12-14, bilateral talks at the working level on EEZ demarcation near Dokdo/Takeshima took place in Tokyo but did not result in an agreement.⁵⁰² Two weeks later, in early July, South Korea sent a research ship to waters near Dokdo/Takeshima to collect data on currents. Tokyo protested when the ship entered the area Japan proclaimed as its EEZ. The South Korean government responded that its work was “an act based on sovereignty.”⁵⁰³

On July 5, 2006, North Korea test-fired seven missiles, including the long-range *Taepodong-2*, over the East Sea/Sea of Japan.⁵⁰⁴ While the missile test helped to ease Japan-South Korea tensions in the maritime sphere as leaders shifted their attention to North Korea, it also revealed rifts in Seoul and Tokyo’s views on the appropriate response to Pyongyang. Tokyo immediately condemned the missile tests and launched an initiative with the UN Security Council to adopt a resolution calling for sanctions on North Korea. In contrast, Seoul was slow to respond and later issued a statement claiming, “South Korea has no reason to make a fuss about it [the missile tests] like Japan did starting early in the morning.”⁵⁰⁵ The gap in security perceptions was made most clear by a statement by South Korea’s Unification Minister Lee Jong-seok, who noted, “when it comes to security threats, North Korea poses as microscopic one in the short term, but we can’t deny that Japan poses one in the long term from a historical point

⁵⁰⁰ Choe Sang-hun, “South Korea stokes feud with Japan over islands,” *The New York Times*, April 25, 2016, accessible at: <https://mobile.nytimes.com/2006/04/25/world/asia/south-korea-stokes-feud-with-japan-over-islands.html>

⁵⁰¹ D. Kang and Lee 2006a, 4

⁵⁰² *Ibid.*, 4-5.

⁵⁰³ Nakajima 2007, 5, citing the *Yomiuri Shimbun*, July 5, 2006; See also: D. Kang and Lee 2006a, 3-4

⁵⁰⁴ “U.S. officials: North Korea tests long-range missile,” *CNN.com*, July 5, 2006, accessible at: <http://www.cnn.com/2006/WORLD/asiapcf/07/04/korea.missile/>

⁵⁰⁵ D. Kang and Lee 2006a, 4

of view.”⁵⁰⁶ On August 15, Prime Minister Koizumi made another visit to the Yasukuni Shrine, prompting South Korea’s foreign ministry to express “deep disappointment and anger.”⁵⁰⁷

De-escalation of the 2004-06 Dokdo/Takeshima episode

Pyongyang’s first nuclear test in October 2006 generated considerable incentives for Tokyo and Seoul to cooperate, together with other regional powers, to stabilize the situation on the Peninsula.⁵⁰⁸ Japan’s newly elected Prime Minister Shinzo Abe embarked on a “goodwill tour” of the region shortly after he entered office on September 26, 2006.⁵⁰⁹ At the time of North Korea’s nuclear test, Prime Minister Abe was in South Korea to meet with President Roh for the first summit-level meeting between the two countries in eleven months. During the meeting, the two leaders condemned the nuclear test and pledged to develop “future-oriented relations.” Abe later announced at a press conference: “We have shared the recognition that the test poses a grave threat to the security of Japan, South Korea, and other neighboring countries, as well as a threat to international peace and security. In addition, we have agreed that North Korea’s development and production of nuclear weapons can never be tolerated and should be met with a decisive stance.”⁵¹⁰

⁵⁰⁶ *Ibid.*

⁵⁰⁷ “Koizumi shrine visit stokes anger,” *BBC News*, August 15, 2006, accessible at: <http://news.bbc.co.uk/2/hi/asia-pacific/4789905.stm>

⁵⁰⁸ Sanger, David E, “North Koreans Say they Tested Nuclear Device,” *The New York Times*, October 9, 2006, accessible at: <http://www.nytimes.com/2006/10/09/world/asia/09korea.html>. Tokyo and Seoul had been under increasing pressure to join forces with the United States to defuse the second nuclear crisis on the peninsula, which began in 2002. (Koo 2009a, 96)

⁵⁰⁹ McCurry, Justin, “Japanese PM to visit China and South Korea,” *The Guardian*, October 4, 2006, accessible at: <https://www.theguardian.com/world/2006/oct/04/northkorea.japan>

⁵¹⁰ “Prime Minister Visits South Korea (Japan-South Korea Summit Meeting),” October 9, 2006, *The Prime Minister of Japan and His Cabinet, What’s Up Around the Prime Minister* (Official website) accessible at: http://japan.kantei.go.jp/abepphoto/2006/10/09korea_e.html

Historical issues also came up at the Roh-Abe summit. President Roh stressed the need for Japan to face up to its past, with reference to Yasukuni Shrine visits. In response, Prime Minister Abe pledged to handle the Yasukuni issue appropriately, which was enough to cater to domestic audiences on both sides while enabling the leaders to move on to other issues. Following the summit, high-level contacts between Seoul and Tokyo resumed, including work towards a defense ministers' meeting early the following year between South Korean Defense Minister Kim Jang-Soo and Japanese Defense Minister Fumio Kyuma and the launch of a second round of joint historical research. During the summit, Foreign Ministers Song and Aso also finalized an agreement to enable law-enforcement authorities in South Korea and Japan to cooperate in handling cross-border criminal activity.⁵¹¹ These steps to normalize bilateral ties effectively put the Dokdo/Takeshima dispute and other historical issues on hold, as both governments demonstrated a willingness to shift their attention to more pressing matters in the relationship.

Despite the shelving of Dokdo/Takeshima dispute tensions by the end of 2006, manifestations of simmering discord lingered in the years that followed: Japan's Coast Guard patrols around the islands reportedly increased in the years following the 2004-06 episode,⁵¹² while hundreds of South Korean tourists continued to flock to the islands for 20-minute visits to demonstrate their attachment to the territory.⁵¹³

⁵¹¹ D. Kang and Lee 2007, 5

⁵¹² Koo 2009a, 96

⁵¹³ Choe Sang-hun, "Desolate Dots in the Sea Stir Deep Emotions as South Korea Resists a Japanese Claim," *The New York Times*, August 20, 2008, accessible at: <http://www.nytimes.com/2008/08/31/world/asia/31islands.html>; Choe Sang-hun, "Fight Over Rocky Islets Opens Old Wounds Between South Korea and Japan," *The New York Times*, October 4, 2012, accessible at: <http://www.nytimes.com/2012/10/05/world/asia/south-korea-and-japan-fight-over-rocky-islets.html>. As Bowman noted in 2013, "The 180,000 Korean tourists who have visited the islets since Seoul began allowing tourists in 2005 represent the public's investment in Dokdo/Takeshima as a symbol of Korea." Bowman 2013, 440)

Domestic groups involved in the 2004-06 episode

Three group types played a role in the 2004-06 episode of the Dokdo/Takeshima dispute: *collective nationalists* (such as South Korea's "Protect Dokdo" Movement); *private internationalists* (specifically, business interests in Japan and South Korea); and *private nationalists* (specifically, fishing interests in Japan's Shimane Prefecture).

Collective nationalists

These groups were more active in South Korea than Japan in this episode.

South Korea's civic activist groups: the "Protect Dokdo" movement

Dokdo/Takeshima-focused civic groups in South Korea were active in rallying public support for a hardline stance to defend Korea's claims to the islands at several points in this episode. For instance, the "movement for landing on Tsushima" involved five Korean civic groups who made plans to land on the Japanese island in response to the *Nihon Shidokai's* attempted Dokdo/Takeshima landing in May 2004.⁵¹⁴ Following the Shimane Prefecture's declaration of Takeshima Day in February 2005, the "Party for the Protection of Tokto" launched a campaign to establish "Dokdo Day" that gained nationwide support.⁵¹⁵ Coverage of the protests that broke out across South Korea in response to the passage of Takeshima Day did not reference specific groups, but these events presumably had the backing of Dokdo/Takeshima-affiliated activists. As Bukh notes, "from 2004 onwards the territorial dispute gained nationwide popularity in Korea and the number of civil society groups devoted to the

⁵¹⁴ Choi 2005, 487

⁵¹⁵ *Ibid.*, 487-8

protection of Dokdo grew significantly.”⁵¹⁶ In general, these groups were most active in the escalatory phase and did not orchestrate a backlash against Roh’s actions to shelve the dispute in the fall of 2006.

The proliferation of Dokdo-focused civic groups in the early 2000s in South Korea was spurred by criticism of the 1998 fishery accord. These groups held intermittent protests and events to pressure the South Korean government to revise the agreement prior to January 2002, which marked the automatic renewal deadline of the 1998 accord. For instance, in 2002, leaders of the movement collected around 500,000 signatures to demand the revision of the agreement prior to its renewal.⁵¹⁷ These efforts were ultimately unsuccessful: South Korea’s foreign ministry responded to these demands by stressing that the 1998 agreement did not affect Dokdo/Takeshima’s sovereignty status and deliberately avoided the sovereignty issue, which would have required a separate negotiation process.⁵¹⁸

Although these groups used the 1998 fishery agreement as an issue to mobilize Dokdo/Takeshima-focused activism, they were motivated more by the symbolic than the material/fishing implications of the agreement. Alexander Bukh refers to these groups as the “Protect Dokdo” movement, noting that they were united by the perception that the new fisheries agreement was “a betrayal of the *national cause* by their own government.”⁵¹⁹ For instance, Dokdo Headquarters, established in 2000, criticizes the 1998 fishery agreement because they see it as giving “an equal position to both Korea and Japan’s claims of rightful ownership.”⁵²⁰ References to implications for the fishing industry were notably absent. The symbolic nature of

⁵¹⁶ Bukh 2016, 187

⁵¹⁷ Bong 2002, 157

⁵¹⁸ *Ibid.*, 155-6

⁵¹⁹ Bukh 2016, 187, emphasis added.

⁵²⁰ Bukh 2016, 192

the movement's aims was also made clear by the nature of their activities, including commemorating Korea's independence from colonial rule and protesting Japan's textbook revisions in 2001 and 2002.⁵²¹ Many rallies involving these groups also focused on wider, non-territorial issues like Japan's military build up and Prime Minister Koizumi's apologies for Japan's actions during the colonial era.⁵²²

In summary, Dokdo-focused activists in South Korea during this episode supported a hard line in this episode, mostly for symbolic reasons. Consistent with the theory, these groups were more active in the escalation than the de-escalation phase of the episode.

Japan's *Nihon Shidokai*

One of Japan's nationalist right-wing activist groups, *Nihon Shidokai*, was active in the escalatory phase of this episode in its attempt to land on Dokdo/Takeshima in May 2004. Japan's Coast Guard blocked the landing, and the group did not engage in further activities thereafter. The aims of this group were collective and symbolic, related to the general desire among Japanese right-wing groups to recreate Japan's past glories.⁵²³ This was evident in the group's declaration that, despite the danger, they would proceed with their plan to land on the islands "in respect of the time-honored Japanese spirit."⁵²⁴

Overall this group played a fairly minor role in this episode. The attempted landing was downplayed in Japan's media and got broader coverage in South Korea.⁵²⁵ In general, Japan's civic nationalist groups tend to be more focused on the Senkaku/Diaoyu and Northern Territories disputes than the Dokdo/Takeshima dispute.

⁵²¹ Choi 2005, 472, 484

⁵²² *Ibid.*, 472

⁵²³ Stronach 1995, 105

⁵²⁴ "Japanese Activists Plan to Go Ashore on Japan, ROK Disputed Island," *Yonhap*, May 4, 2004 [FBIS Transcribed Text]

⁵²⁵ Nakajima 2007, 23

Private internationalists

Private internationalist influence was evident in this episode in two areas. First, big business and other export-oriented groups pressured the government government to make progress in FTA negotiations, even as nationalist sentiment was stirred in the escalatory phase. Second, during the de-escalatory phase in 2006, business groups similarly argued for the restoration of smooth bilateral ties.

Business groups in Japan and South Korea

In the early phases of this episode, “business as usual” continued in South Korea-Japan economic relations. For instance, the second round of negotiations to establish a Japan-South Korea Free Trade Agreement (FTA) took place in Tokyo in late February 2004, weeks after the introduction of “Dokdo stamps” had stirred Dokdo/Takeshima-related nationalist sentiment among the South Korean public.⁵²⁶ Other signs of sustained economic ties that year, even as tensions rose in the Dokdo/Takeshima dispute, included Nissan Motors’ preparations to enter the South Korean market, the signing of a cross-licensing agreement by Samsung Electronics and Sony, and the tripling of Japanese firms’ investments in Korea, mostly focused on the electronics industry, in the first three quarters of 2004.⁵²⁷

The establishment of “Takeshima Day” in March 2005 brought some modest signs that tensions in the island dispute could trickle into the economic sphere. Consistent with the theory, this also coincided with the increasing visibility of business leaders encouraging the maintenance of cooperative relations. For instance, shortly after “Takeshima Day” tensions erupted in 2005,

⁵²⁶ The focus of the second round was trade liberalization in agriculture, commodities, and services. A third round was scheduled to take place in April 2004. (V. D. Cha 2004)

⁵²⁷ V.D. Cha 2004, 3; D.C. Kang 2005b, 6

the *Joongang Ilbo* reported that Japanese auto sales were declining in South Korea while German auto sales were on the rise. Earlier that year, a spokesman for Toyota Korea announced the establishment of a humanitarian foundation in Korea, noting in his remarks: “Korea is not only Japan’s economic partner but a very important neighbor, politically, socially, and culturally. Therefore, more efforts to increase the understanding between the two countries are needed.”⁵²⁸

By 2006, progress on the bilateral FTA had ground to a halt. Although agricultural issues, rather than Dokdo/Takeshima or other historical issues, were broadly cited as the main reason for the breakdown in negotiations,⁵²⁹ the cancellation of regular summit meetings contributed to a general lack of political will to move the negotiations forward. Business leaders activated to press for progress in regional economic integration and repaired bilateral ties. For instance, in March 2006, Japanese business leaders, lawmakers, bureaucrats, scholars, and South Korean journalists gathered at a Tokyo symposium and agreed on the necessity of restarting bilateral FTA talks. Another gathering of senior business leaders in Kansai resulted in a general call for Japan to improve relations with South Korea and China in order to create an East Asian economic bloc.⁵³⁰

The most significant involvement of business groups to de-escalate bilateral tensions occurred following the April 2006 maritime crisis and during the lead up to elections in Japan in fall 2006 that would determine the next prime minister. On May 8, 2006, following a report in the *Nihon Keizai Shimbun* indicating that Prime Minister Koizumi was planning to visit the Yasukuni Shrine on August 15, the Japan Association of Corporate Executives, one of Japan’s

⁵²⁸ D. C. Kang 2005a; D. Kang and Lee 2005a

⁵²⁹ As Kang notes, with reference to the November 2004 meeting, “Agriculture, as expected, remains the major sticking point between the two countries. The main agricultural issue between Seoul and Tokyo is seaweed... The larger issue is over how much Japan’s agricultural market should open when the agreement is finally signed.” (D. C. Kang 2005a, 6)

⁵³⁰ D. Kang and Lee 2006c, 5

four major business federations, declared its opposition to Koizumi's Yasukuni visit. In June, a survey conducted by the *Asahi Shimbun* covering 100 major companies and a number of financial institutions indicated that Fukuda Yasuo, former Chief Cabinet Secretary, was the preferred LDP candidate to become the next prime minister because he had publicly announced that his opposition to Yasukuni visits and the respondents wanted to see an improvement in Japan's regional relations.⁵³¹ Although Fukuda ultimately dropped out of the race and Abe Shinzo was elected prime minister, it is possible that the sentiment expressed by the business community played a role in moderating Abe's stance on Yasukuni visits, which facilitated the de-escalation of the episode.

Private nationalists

Private nationalists, or groups preferring hardline foreign politics in pursuit of excludable aims, were active on Japan's side in this episode.

Fishing interests in Japan's Shimane Prefecture

Fishing industry interests in the Shimane prefecture played a visible role at one point in this episode, demanding safe access to fishing in the waters near Dokdo/Takeshima during protests in March 2005.⁵³² Fishing interests were also behind the movement to establish Takeshima Day, which played a central role in stoking bilateral tensions during the escalatory phase in the spring of 2005. The aims of Shimane's fishing industry, backed by local government authorities, were limited and economic in nature: they saw the 1998 bilateral fishing agreement as not going far enough to secure continuous access to fishing grounds near the

⁵³¹ D. Kang and Lee 2006b, 5

⁵³² D. C. Kang 2005a, 5

Dokdo/Takeshima islands. They used the establishment of Takeshima Day as a means to lure the central government in Tokyo into taking a more active stance to defend their interests in the dispute. As Sumita Nobuyoshi, the governor of Shimane Prefecture in 2005, explained, “Though this prefecture had urged the national government to establish Japanese territorial rights to Takeshima for many years, there was no progress whatsoever...Therefore, this ordinance was formulated because many citizens of the prefecture wanted to inform Japanese public opinion and encourage active efforts at the national level.”⁵³³

Mina Pollman notes, “Shimane locals would have undoubtedly understood that this move could damage relations with South Korea. But their concerns about overfishing and fishing access outweighed such considerations. They were attempting to force the conclusion of a pragmatic solution allowing them to continue fishing close to the [Dokdo/Takeshima islands].”⁵³⁴ Bukh echoes Pollman’s assessment of the Shimane Prefecture’s aims in establishing “Takeshima Day,” noting that “the passage of the ordinance was mainly an act of rebellion against the central government and thus the broad implications were not anticipated by the prefectural assembly members that initiated the move.”⁵³⁵

The passage of Takeshima Day sparked outrage among South Koreans, who interpreted the action in symbolic terms as a Japanese attempt to glorify its colonial past. However, the move represented a step away from the LDP’s general policy of downplaying the Dokdo/Takeshima dispute, not an attempt by the central government to elevate the symbolic importance of the dispute. Bukh interprets the successful passage of Takeshima Day as a

⁵³³ Pollman 2015, 2, citing Shimane Prefectural Government statement, “On the Occasion of Takeshima Day”

⁵³⁴ Pollman 2015, 2

⁵³⁵ Bukh 2013, 185

manifestation of a breakdown in the LDP's internal governance that occurred as a result of Prime Minister Koizumi's reforms.⁵³⁶

Shimane fishing interests were not active in this dispute beyond the escalatory phase. The theory expects private interests to remain engaged until their interests are met. The relatively quiet role of the Shimane activists following the passage of Takeshima Day makes sense, however, if one considers that their main aim at that time was achieving higher levels of national and central government attention for the Dokdo/Takeshima dispute, which the passage of Takeshima Day facilitated. Ultimately, they aimed to use this increase in national-level awareness of the dispute to advance their interests in securing safe access to fishing areas near the islands.

Neutral players (supporting the leadership): South Korean military and Japan Coast Guard

Although the Japanese and South Korean militaries played visible and active roles in this episode, no evidence indicates that either put independent pressure on the leadership to take a harder line.

South Korean military

President Roh dispatched South Korean gunboats during the April 2006 crisis over Japan's maritime survey. However, the South Korean military played a supportive function in this episode, acting in accordance with President Roh's wishes to take a tougher stance toward Japan and later de-escalate tensions. President Roh introduced a military modernization plan in 2006, which involved increases in military spending by approximately 10 percent per year

⁵³⁶ *Ibid.*, 186

between 2008 and 2020, largely in response to U.S. global transformation.⁵³⁷ These proposed changes did not have any noticeable implications for the Dokdo/Takeshima dispute at that time, however. Furthermore, the militaries and coast guards of Japan and South Korea engaged in cooperative initiatives in the summer of 2005 (when Japan's Chief of Staff of Ground Self-Defense Forces visited Korea to discuss boosted military exchanges and the Japanese and South Korean Coast Guards conducted joint counter-terrorism exercises) and during the de-escalation phase (when preparations were made to resume regular defense ministers' meetings following the Roh-Abe summit), suggesting that dispute tensions remained largely in the political, rather than military, realm.

Overall, no evidence indicates that the South Korean military played an independent role in pressing President Roh Moo-hyun to take further escalatory actions or to resist de-escalation.

Japan's Coast Guard (JCG, was the Japan Maritime Security Agency, or JMSA, prior to 2000)

Tokyo deployed Japan Coast Guard vessels as an element of maritime survey activities in 2006 (during the peak intensity phase). In general, the political support for a more active military and coast guard increased under the Koizumi administration. The Japanese Coast Guard, in particular, benefitted from this shift (see the 2004/05 Senkaku/Diaoyu episode analysis for further details on the rise of the Japan Coast Guard in the early 2000s). However, no evidence indicates that the JCG played an independent role in pushing the leadership to take a tougher stance in this episode of the Dokdo/Takeshima dispute. Following North Korea's missile tests in

⁵³⁷ Feffer 2009, 3-4

July 2006, Japan's maritime survey ended in exchange for Seoul's commitment to temporarily delay its submission of Korean names for maritime features to the IHO.

However, since the end of the 2004-06 episode, the South Korean Coast Guard reported that the number of Japanese patrol boats sailing around Dokdo has increased.⁵³⁸ This is consistent with the Japan's Maritime Basic Law, proposed in 2006 and sent to the Lower House and Upper Houses of the Japanese Diet in 2007, requiring the Japanese government to establish a new system to deal with pressing maritime concerns. The main factor driving this law was the increasing confrontation between Japan and China in the East China Sea. However, it also had implications for increasing patrols in the East Sea/Sea of Japan.⁵³⁹ The increased presence of Japanese vessels following the conclusion of this episode was probably a manifestation of this broader strategic shift in Japan that came into effect after the end of this episode.

Table 6.1 Summary of domestic group types in the 2004-06 Dokdo/Takeshima episode

	Seek private benefits	Seek collective benefits
Prefer cooperative policy stances (internationalist)	<i>Private internationalists (PI)</i> - Export-oriented businesses and federations in Japan and South Korea	<i>Collective internationalists (CI)</i> - leaders supporting regional cooperation, such as LDP PM candidate Fukuda Yasuo
Prefer hardline policy stance (nationalist)	<i>Private nationalists (PN)</i> - Japanese fishing interests in the Shimane Prefecture	<i>Collective nationalists (CN)</i> - South Korea's "Protect Dokdo" movement - Japan's <i>Nihon Shidokai</i> (played minimal role)

⁵³⁸ Koo 2009a, 97

⁵³⁹ Nakajima 2007

Explaining escalation

The theory of domestic interest configuration predicts that escalation is due to short-term collective nationalist advantages, including the capacity to mobilize for short periods and the relative inactivity of private internationalists at low levels of dispute activity. These advantages spur leaders to escalate further stoke nationalist sentiment in pursuit of short-term domestic or bilateral gains.

This indeed occurred during the escalation phase of this episode. First, South Korea's collective nationalists, affiliated with the "Protect Dokdo" movement, were quite active in the escalatory phase, organizing nationwide protests as well as a mission to land on a Japanese island. Japan's collective nationalist groups, while playing a more marginal role than South Korean groups in this episode, were also active in this phase.

Second, as noted in the discussion above, private internationalists were somewhat active in the escalation phase, but only when they had concerns that rising bilateral tensions might damage economic ties. Consistent with the hypothesis, private internationalist activity was highest in later stages of the escalation phase, following the April 2006 maritime crisis.

Third, leaders made clear efforts to further rally nationalist group activity in order to attain short-term benefits. In particular, President Roh Moo-hyun played a central role in stoking tensions in this episode in order to gain domestic support. Two important moments of escalation in this episode correlate with periods of vulnerability for President Roh. The first was in March 2005, when Roh dramatically shifted his policy toward Japan through a number of hardline

statements in response to the Shimane Prefecture's declaration of Takeshima Day.⁵⁴⁰ At that time, Roh was dealing with waning popularity, coming down from the bounce he received after the opposition's failed attempt to impeach him in the spring of 2004.⁵⁴¹ Following his reinstatement in office, Roh had faced challenges on the foreign policy front, with his progressive base and the United States pulling him in different directions on North Korea issues. He also encountered growing criticism over his domestic economic policy, which ultimately failed to improve the livelihoods of average South Koreans despite decent rates of growth.⁵⁴² Roh's response to the establishment of Takeshima Day was considered "unprecedentedly high profile."⁵⁴³ Japanese observers viewed Roh's actions as "lashing out at their country in an attempt to offer Koreans some release of pent-up emotions and restore his fading authority."⁵⁴⁴ U.S. observers noted the same. As David Kang and Ji-young Lee stated in a review of Japan-Korea relations in the final quarter of 2005, "For Roh Moo-hyun, a spat with Japan is always an easy win, and a way to mask increasing criticism over his domestic economic policy and his policy toward North Korea."⁵⁴⁵

Perhaps predictably, Roh received a bump in approval ratings after hardening his stance toward Japan: an opinion poll of adults over 20 years old conducted by the ruling Uri Party in

⁵⁴⁰ Observers in the South Korean media viewed Roh's forceful stance as a "revolutionary shift in Seoul's diplomacy" (Rozman and Lee 2007, 778). David Kang noted in an overview of Japan-Korea relations in the quarter prior to the establishment of Takeshima Day that Roh and Koizumi "appear to have a good working relationship" and that they were "making progress" on a wide range of issues. (D. C. Kang 2005b, 4) For further background on Roh's more moderate approach to bilateral relations with Japan prior to March 2005, see Kim Hosup, "Evaluation of President Roh Moo-hyun's Policy Toward Japan," *Korea Focus, The Korean Journal of International Relations*, Vol. 45, No. 2, 2005, accessible at http://koreafocus.or.kr/design1/layout/content_print.asp?group_id=256.

⁵⁴¹ Faiola, Anthony, "Court Rejects S. Korean President's Impeachment," *Washington Post Foreign Service*, May 14, 2004, accessible at <http://www.washingtonpost.com/wp-dyn/articles/A25441-2004May13.html>

⁵⁴² Norimitsu Onishi, "South Korea's President Sags in Opinion Polls," *The New York Times*, November 27, 2006, accessible at: <http://www.nytimes.com/2006/11/27/world/asia/27korea.html>

⁵⁴³ Choi 2005, 488

⁵⁴⁴ Rozman and Lee 2006, 781

⁵⁴⁵ D. Kang and Lee 2006d

late March 2005 found that, unlike previous polls, a majority of respondents expressed approval of Roh's management of state affairs. The poll also showed that 84.6 percent of respondents favored Roh's tough stance toward Japan.⁵⁴⁶

Officials in Japan made a similar assessment of Roh's motivations in his second moment of escalation in this episode, involving the deployment of naval and coast guard vessels to waters surrounding Dokdo/Takeshima in order to monitor a Japanese maritime survey in April 2006. A Japanese Foreign Ministry report that was leaked one week before the maritime survey crisis stated: "The Roh Moo-hyun administration is expected to continue with its anti-Japanese policy to raise its low approval rating...The Roh administration is fanning nationalism by bringing up disputes over the Dokdo islets [Takeshima in Japan]."⁵⁴⁷ Roh's ratings improved following the April 2006 crisis, though not by enough to avoid his Uri Party's defeat in local elections in May.⁵⁴⁸

In summary, escalation occurred in this episode because collective nationalists were active in the short term, private internationalists were less active (and became more active right before the de-escalation phase), and leaders, particularly in South Korea, further amplified the nationalist sentiment to seek their own short-term domestic gains.

Explaining de-escalation

Dokdo/Takeshima-inspired nationalism among the South Korean public was widespread by the spring and summer of 2006, as indicated by the increase in mass participation in pro-

⁵⁴⁶ Kim Hosup, "Evaluation of President Roh Moo-hyun's Policy Toward Japan," *Korea Focus, The Korean Journal of International Relations*, Vol. 45, No. 2, 2005, p. 4. Nakajima also cites a 10-point ratings boost for Roh following his March statements, reported in the *Yomiuri Shimbun* on March 25, 2005. (Nakajima 2007, 20)

⁵⁴⁷ As cited in Wiegand 2015, 14.

⁵⁴⁸ *Ibid.*

Dokdo online commentaries and sales of “I love Dokdo” t-shirts.⁵⁴⁹ However, de-escalation occurred quickly following North Korea’s 2006 nuclear tests. Japan and South Korea were able to “re-shelve” the Dokdo/Takeshima dispute and resume normal diplomatic relations by the end of the year. This begs the question: how was President Roh able to avoid backlash from groups and elements of the public rallied by nationalism?

The actions of private internationalist groups in the de-escalation phase were consistent with the predictions of domestic interest configuration theory regarding de-escalation: a push from business interests to improve relations, most visible on the Japanese side, began in the later stages of this episode shortly before de-escalation. Abe Shinzo later acted in a manner consistent with the interests of these groups in foregoing official visits to the Yasukuni Shrine following his election as prime minister in fall 2006. The decision of leaders on both sides to resume normal diplomatic ties following the North Korea nuclear test in order to stabilize regional relations was also consistent with the interests of these groups. Because the leadership in the later stages of this episode acted in ways that aligned with private internationalist interests, further actions by these groups to press for their preferred policies were unnecessary.

The actions of collective nationalist groups in this episode were also consistent with theory’s predictions: neither South Korea’s “Protect Dokdo” movement nor Japan’s *Nihon Shidokai* were active beyond the initial escalation phase. These interests also received a major symbolic concession when Prime Minister Abe pledged to handle the Yasukuni issue in an “appropriate” manner. This vague commitment implied that Koizumi’s practices of regular Yasukuni visits would not continue under Abe’s leadership, which would have pleased groups in South Korea aiming for progress on symbolic historical issues. Abe’s pledge also provided

⁵⁴⁹ Wiegand 2015, 13

President Roh with enough political cover to shelve the dispute; he had previously refused to budge on historical issues for as long as the Japanese prime minister continued to visit the Yasukuni Shrine.

Regarding the private nationalist group involved in this episode, no discernible side payments were offered to the Shimane fishing industry in terms of enhanced access to fishing grounds near Dokdo/Takeshima. However, they did have considerable success in achieving an intermediate goal: getting the national government to pay closer attention to the Dokdo/Takeshima issue. Because the Shimane authorities were able to pass the bill establishing Takeshima Day without the central government blocking the move, they were able to get Tokyo-based politicians and others across the country to focus on the issue on an annual basis. The establishment of Takeshima Day effectively “nationalized” the issue, which may have been enough of an achievement to placate private fishing interests in this particular episode.

Overall, the policy preferences of private internationalist interests ultimately prevailed over those of collective nationalist interests by the de-escalation phase due to private interest advantages, and the waning of collective interests, over the longer term.

Alternative arguments

Regarding alternative arguments, structural realism seems to have some explanatory power in predicting the outcome of this episode: Japan and South Korea de-escalated tensions at least partly because of shared security concerns following North Korea’s nuclear test. The compulsion to balance against a common threat clearly played some role in driving de-escalation in this episode. Yet, a deeper dive into dispute dynamics reveals that structural realism leaves at least two puzzles unexplained. First, why didn’t Japan and South Korea “balance” sooner,

following the missile tests of July 2006, for instance? A close examination of events between the missile and nuclear tests indicates that the commitment of newly elected Prime Minister Abe to handle the Yasukuni issue “appropriately” was a major factor enabling de-escalation, giving President Roh the domestic political cover he needed to restore high-level diplomatic relations.

Second, balancing against the region’s main rising power, China, did not factor into dispute dynamics. In fact, South Korea cooperated with China *against* Japan during one of the most intense phases of the episode - specifically, when Presidents Roh Moo-Hyun and Hu Jintao both refused to meet with Prime Minister Koizumi at the ASEAN+3 summit in December 2005.⁵⁵⁰ As David Kang and Ji-Young Lee note in their assessment of late-2005 dynamics between Japan and South Korea: “Tokyo has experienced more diplomatic isolation this quarter due to its behavior and comments over historical issues, in particular the Yasukuni Shrine issue, which had the unintended outcome of *bringing South Korea and China closer*, while Japan-U.S. ties became warmer.”⁵⁵¹ In other words, symbolic historical issues tied to nationalism played an important role, alongside security issues, in determining levels of cooperation and conflict among the major powers in the region over the course of this episode.

The commercial peace argument suggests that strong economic ties between countries should foster pacific relations. If so, this theory cannot explain why key economic partners would allow dispute tensions to escalate near the point of militarization. Following the April 2006 crisis, when President Roh Moo-hyun ordered gunboats to the waters surrounding Dokdo/Takeshima to counter a Japanese maritime survey, a Japanese Foreign Ministry official stated in a private interview: “In a situation in which Korean coast guard ships and Japanese

⁵⁵⁰ At the strategic level, President Roh also alluded to the possibility of pursuing a closer alignment with China *vis a vis* Japan and the United States through his references to South Korea becoming a “balancer” in Northeast Asia. (Rozman and Lee 2006, 776)

⁵⁵¹ D. Kang and Lee 2006d, 4, emphasis added.

research ships might encounter one other [*sic*] in that area, the events could become out of the control of both parties.”⁵⁵² Nakajima further notes, “This dangerous possibility has never been ruled out.”⁵⁵³ The conventional wisdom holds that South Korea and Japan have too much at stake to use military means to resolve their conflict over the islands.⁵⁵⁴ Yet the spring 2006 incident suggests that both sides were willing to deploy armed maritime security vessels within close proximity to one another, thereby accepting the risk of a militarized incident that could escape the control of the leadership. The commercial peace does not explain why economic partners would allow dynamics to reach this point.

Overall, this analysis highlights the utility of considering the role that various types of domestic groups play, tied to the nature of the benefits they seek, in an effort to better understand Dokdo/Takeshima dispute dynamics. Theories focused solely on structural trends leave critical questions unaddressed regarding why leaders escalate with important economic partners and how they later de-escalate after rallying nationalism.

Conclusion: Domestic interests and the Dokdo/Takeshima dispute

Starting in the 1990s, Dokdo/Takeshima flare-ups have involved cyclical nationalistic outbursts, with images of finger-cutting protestors and attempted pig decapitations splashed across the front pages of international newspapers. Predictably, with the passage of time, these images tend to disappear without much fanfare or explanation. The wave of nationalism retreats,

⁵⁵² Nakajima 2007, 5, citing a personal interview with an anonymous high-ranking official from the Japanese Foreign Ministry, 22 April 2006.

⁵⁵³ *Ibid.*

⁵⁵⁴ Koo 2009a, 97

then rises again before long, as regular as lapping tides. As East Asia scholar Kent Calder once noted: “Korea-Japan relations are cyclical. It [*sic.*] goes around and around.”⁵⁵⁵

The two Dokdo/Takeshima episodes reviewed in this chapter reflect these trends. In 1996 and in 2004, seemingly random events involving wharfs and stamps brought the islands into the bilateral spotlight. Leaders in both cases took steps to magnify the emotional significance of these events among the broader public. Fishing communities in Japan harnessed this nationalist sentiment to press for their own interests. At times, maritime patrols increased, planes were scrambled, and thousands of people poured into the streets. Eventually, leaders made efforts to repair relations and move forward with pressing matters, returning the sovereignty issue, once again, to simmer on the back burner.

Lingering beneath the surface of these regularized dynamics are the central puzzles driving this research: why would leaders of two of the region’s largest economies - also key trading partners, both democracies, and facing a number of common security threats - engage in this behavior, time and time again? Furthermore, how do they get away with rallying the public and then returning to business as usual, absent any progress on the issue that stirred the protests and patrols in the first place? Why do the incited masses accept this charade?

Making sense of these trends remains difficult so long as one does not consider the combination of cooperative/internationalist and hardline/nationalist domestic interests at play in this dispute, pressuring leaders at different times and via different means based on the nature of the benefits they seek. In the escalatory phase of a Dokdo/Takeshima flare-up, nationalist groups seeking collective aims, like restored national dignity, can rally support in the near term, when

⁵⁵⁵ Cheng, Jonathan, “Scholar: Time, and Olympics, Will Heal Seoul-Tokyo Ties,” *Korea Real Time, Wall Street Journal*, April 14, 2014, accessible at: <http://blogs.wsj.com/korearealtime/2014/04/14/scholar-time-and-olympics-will-heal-seoul-tokyo-ties/>

support for these causes, via online petitions and one-time protests, remain fairly cheap for the general public. Leaders often take steps to further rally nationalism because it brings near-term political benefits and because they can rely on eventual de-escalation, with the overarching peace and prosperity of the region largely intact.

This assessment begs the question: Is the Dokdo/Takeshima dispute much ado about nothing? Not necessarily. First, as discussed in the introduction, the dispute has hindered the development of deeper security cooperation between these two quasi-allies for several years, which has had serious implications in planning for North Korea contingencies and responses to China's rise. Second, dispute flare-ups involving maritime or air deployments in close proximity risk the outbreak of militarized crises, which would surely precipitate a more serious and long-term rupture in relations. Lastly, this pattern has endured for a few decades but is unlikely to be permanent. It emerges from a particular configuration of domestic interests that has been fairly stable in the region in recent years, with nationalists seeking collective gains and internationalists seeking private benefits. Private fishing interests that have occasionally backed a hard line in this dispute have thus far been amenable to backing down following side-payments.

As history has demonstrated, however, domestic interest configurations shift over time. A different configuration of interests in Japan or South Korea - with new private interests joining forces with nationalist movements and seeking more than token side payments or symbolic concessions - would bring more troubling dynamics. Nationalists would gain new mobilization advantages and new sources of leverage over the government, making de-escalation less of a sure bet. It is the possibility of these more risky dynamics - in both the Senkaku/Diaoyu and Dokdo/Takeshima disputes - that I turn to in the next chapter.

IV. Conclusion

Key Findings and Prospects for Change

“The worst nightmare of the China’s leaders is a national protest movement of discontented groups - unemployed workers, hard-pressed farmers, and students - united against the regime by the shared fervor of nationalism.”

- Susan Shirk, *Fragile Superpower*, 2007, 7

“Anti-globalization has gone global, and its apostles offer comfort and deliverance in a shared language of nationalism and xenophobia.”

- Andrew Browne, *The Wall Street Journal*, October 21, 2016⁵⁵⁶

“[T]oday’s crucial foreign policy challenges arise less from problems between countries than from domestic politics within them.”

- Colgan and Keohane, *Foreign Affairs*, May/June 2017⁵⁵⁷

This dissertation helps to address various puzzles associated with competing forces of cooperation and conflict in Northeast Asia, often referred to as “hot economics, cold politics.” On one hand, economic ties among China, Japan, and South Korea have deepened significantly in the context of export-charged growth in recent decades. On the other, nationalist-charged flare-ups over issues ranging from textbook revisions to shrine visits to island disputes - the focus of this dissertation - have periodically paralyzed bilateral relations in the political sphere.

⁵⁵⁶ Browne, Andrew, “Xi Jinping’s Trump Moment,” *The Wall Street Journal*, October 21, 2016, accessible at: <https://www.wsj.com/articles/xi-jinpings-trump-moment-1477056486>

⁵⁵⁷ Colgan, Jeff D. and Robert O. Keohane, “The Liberal Order is Rigged,” *Foreign Affairs*, May/June 2017, 36.

Previous work has delved into the economic, military, and nationalist forces charging either the “hot” (cooperative) or “cold” (conflictual) side of this equation. Predictions of militarized conflict in the island disputes are consistent with the conclusions of John Vasquez, John Holsti and others that, historically, territory has been the most common issue over which states go to war.⁵⁵⁸ They are also consistent with the assessments of scholars like Aaron Friedberg, who focus on shifting balance of power dynamics in East Asia and contend that, “throughout history, relations between dominant states (i.e., the United States and Japan) and rising ones (i.e., China) have been uneasy and violent.”⁵⁵⁹ Toward the other end of the continuum are scholars like Min Gyo Koo who focus on the “pacific effects of interdependence” in these disputes and assert that “their likelihood to spark full-scale militarized conflict and strategic instability are fairly low.”⁵⁶⁰ A third group of scholars stresses the role of nationalism tied to historical memory in keeping disputes alive across the region. For instance, Yinan He contends, “the intensity and scale of (East Asia’s island dispute) tensions cannot be fully explained without understanding the long-standing psychological and political battles in East Asia over historical memory.”⁵⁶¹

As detailed in the previous chapters, existing work, while providing some useful insights, nonetheless leaves four critical questions remain unaddressed. First, why would economically interdependent states escalate disputes over largely symbolic issues with key economic partners, contradicting the expectations of the commercial peace? Second, in the Dokdo/Takeshima

⁵⁵⁸ Vasquez 1993; Holsti 1991

⁵⁵⁹ Friedberg 2011, 1

⁵⁶⁰ Koo 2009a, 3. Similarly, Andrew Mack (1997) has argued “the risk of serious military confrontation over any of these territories remains relatively small.” And Michael Klare (2012) concludes: “Government officials have been quick to exploit these impulses for their own political advantage, but they also recognize that increased tensions and belligerency could undermine efforts to promote economic cooperation in the region, further slowing growth. Eventually, therefore, they are likely to seek an alternative to violent confrontation.”

⁵⁶¹ He 2012, 2. See also Jin Linbo, “Chinese Views of Japanese History,” *The Asan Forum*, August 29, 2016, accessible at: <http://www.theasanforum.org/chinese-views-of-japanese-history/>

dispute, why wouldn't South Korea and Japan cooperate to balance rising China, as several realist theories predict? Third, if nationalism helps to explain motivations for dispute escalation, what explains the ability of leaders thus far to tamp down nationalist sentiment in the de-escalation phase without suffering from nationalist backlash? And, fourth, what might change the patterns of recent decades, making de-escalation more difficult and militarization more likely?

This dissertation presented an argument to explain island dispute dynamics that rests on the premise that looking at only one side of the “hot-cold” equation at a time yields skewed perspectives on the past and present, while hindering the ability to forecast future dynamics. An appreciation for the evolving interaction of cooperative and hardline forces in the region - for instance, for the ways in which the inaction of cooperative groups at one point in time might enhance the capabilities of hardline groups, and vice versa - helps to provide a fuller picture of forces driving escalation and de-escalation in the region.

This project begins with the observation that the primary locus of action in these disputes in recent decades has hovered between the “cold” and “hot” extremes of war and peace, with escalatory episodes ending short of military confrontation and being shelved – postponed for a later date, but not progressing toward lasting “peace” through attempts to settle sovereignty-related issues.⁵⁶² As Alexis Dudden remarked, with reference to the Dokdo/Takeshima islands, “these are some of the least bloody lands in the region.”⁵⁶³ Addressing the central questions of this study is critical to determining why disputes have remained free of violence for several

⁵⁶²In the scholarly literature, evidence of the non-militarized nature of these disputes is reflected in the fact that Diehl and Goertz's landmark work, *War and Peace in International Rivalry* (2001) – a seminal work on international rivalries – does not include these disputes in its dataset. China-Japan and South Korea-Japan dyads are included in Diehl and Goertz's “Enduring Rivalries” table (Table 2.3, p. 45), but they are coded as having ended in 1958 and 1982, respectively. As such, the disputes examined in this paper do not enter the “rivalries” dataset as coded by Diehl and Goertz because they do not reach their standardized threshold of “militarization.”

⁵⁶³ Dudden 2008, 1

decades, despite frequent nationalist-charged escalation, as well as how to prevent the eruption of more bloody dynamics moving forward.

The theory of domestic interest configuration contends that a particular combination of domestic groups with different interests and capacities to influence policy over time have had a strong impact in shaping Northeast Asia's island dispute patterns in recent decades. This configuration is facilitated by conditions of high economic interdependence fostered by export-led development and the prevalence of unresolved historical grievances that have fueled forces of nationalism in the region. Specifically, "private internationalists" (including business groups supporting cooperative foreign policy stances in pursuit of private benefits) have had advantages over "collective nationalists" (including island activists supporting hardline foreign policy stances in pursuit of collective benefits) in pressing for their interests over the long term. This is because private interests have enjoyed superior mobilization capacities and influence stemming from close ties with internationalist actors within the government. The advantages of these groups in pressing for policies of accommodation over the long term explain the capacity for leaders to de-escalate, even after rallying nationalism. In the short term, however, collective nationalists are able to mobilize, while private internationalists tend to remain out of the picture because "business as usual" tends to proceed at low levels of dispute intensity. This creates incentives for leaders to escalate these disputes in pursuit of short-term goals, seeing opportunities in rallied nationalism and assured by the low likelihood that business ties will be disrupted at low levels of intensity.

The main findings of the four cases explored in this dissertation, including mid-1990s and mid-2000s episodes of the Senkaku/Diaoyu and Dokdo/Takeshima disputes, support this theory.

Summary of key findings

To understand the causal processes through which these disputes unfold it is important to sequentially distinguish an escalatory phase from the de-escalatory phase. In each of the cases examined in Chapters 3 through 6, escalation dynamics aligned with the predictions of the theory. First, collective nationalist groups, such as Japan's *Nihon Seinensha* and China's *Bao Diao* movement, were consistently active in the escalation phase of dispute episodes. These groups used tactics conducive to short-term mobilization, such as island landings and street protests, which occasionally involved dramatic, symbolic actions like chopping off fingers. These types of actions helped to rally support for nationalist causes in the short term at relatively low cost to the groups doing the organizing.

Second, private internationalist interests, including business interests represented by federations like Japan's *Keidanren*, tended to not activate in the escalation phase. This is consistent with the prediction that these interests only become involved when economic interests are directly threatened, as early stages of dispute escalation also corresponded with "business as usual" economic activity.

Lastly, in each episode, leaders on one or both sides took advantage of rallied nationalist sentiment to seek short-term domestic or bilateral gains. For example, in the mid-1990s episodes of both the Senkaku/Diaoyu and Dokdo/Takeshima disputes, leaders in Japan took steps to further rally nationalist sentiment to boost domestic support in advance of important elections. South Korean President Roh Moo-hyun did the same in the 2004-06 episode of the Dokdo/Takeshima dispute. And, in the 2004-05 episode of the Senkaku/Diaoyu dispute, the Chinese leadership fanned anti-Japan nationalist activity in order to increase its leverage in

pressing Prime Minister Koizumi to stop his visits to the Yasukuni Shrine and drop Japan's campaign for a permanent seat on the United Nations Security Council.

Overall, these findings provide an answer to the question of why disputes escalate with key economic partners: because nationalist groups are able to escalate fairly cheaply, without internationalist opposition, and with the support of leaders seeking their own benefits in the short term. However, they do not address how leaders have been able to de-escalate disputes in the midst of rallied nationalism.

In the subsequent, de-escalation phase, the mobilization advantage shifts to those who favor accommodation. The cases examined in Chapters 3 through 6 also provide illustrations of the dynamics of de-escalation predicted by the theory. First, private internationalist groups often activated to push for de-escalation when they sensed their economic interests could be threatened by further escalation. The involvement of private internationalists was most visible in the 2004-05 episode of the Senkaku dispute - specifically when Japanese business groups pressed Koizumi to stop his Yasukuni visits - and in the 1996-99 and 2004-06 episodes of the Dokdo/Takeshima disputes - when business groups pushed for bilateral cooperation after the onset of the 1997-98 Asian financial crisis and for regional economic integration in the spring of 2006.

The influence of private internationalist groups was least visible in the 1996 episode of the Senkaku/Diaoyu dispute. However, this did not imply that private internationalists lacked influence over dispute dynamics. Levels of bilateral trade and investment between Japan and China remained high over the period of this episode, suggesting that collective internationalist political leaders (descendants of the internationalist coalitions spawned in Japan, China, and South Korea in the decades following World War II who sought export-oriented growth for the good of the country) succeeded in keeping political trends from affecting economic flows.

Leaders in Beijing and Tokyo acted in ways consistent with the interests of private internationalists by de-escalating before political tensions affected the economic sphere, making it unnecessary for private business interests to press for de-escalation.

In the 1996 and 2004-05 episodes of the Senkaku/Diaoyu dispute and the 2004-06 episode of the Dokdo/Takeshima dispute, de-escalation was also facilitated by nationalist group activities waning by the de-escalation phase (consistent with the prediction that groups seeking collective benefits will be more susceptible to the collective action problem), and collective nationalists backing down following symbolic, relatively low cost concessions. Symbolic concessions offered in these episodes included Prime Minister Hashimoto's October 1996 announcement that he would not make any further visits to the Yasukuni shrine while in office, Prime Minister Koizumi's "historic" apology in Bandung, Indonesia in 2006, and Prime Minister Abe's pledge to handle the Yasukuni issue in an "appropriate" manner in October 2006, all of which helped to placate nationalist sentiment at the time.

While my main argument has focused on shedding light on the rival interests of private internationalists and collective nationalists, the logic of my argument can also explain how disputes can be settled even when nationalist interests are more narrowly defined. For example, in the 1996-99 episode of the Dokdo/Takeshima dispute, "private nationalist" groups associated with the fishing industries in South Korea and Japan made de-escalation more difficult for leaders than in the other episodes that involved only collective nationalist interests. Private interests in the fishing industry in both countries played a key role in supporting nationalist activities and applying pressure on their governments to sustain a hardline stance from the early to the final stages of the episode. The fishing industry groups were primarily motivated to back nationalist stances in this episode to increase leverage in ongoing fishing negotiations. They were

more interested in securing safe and stable access to fishing grounds in waters near Dokdo/Takeshima than in the sovereignty issue. This explains their willingness to back down once their interests tied to supporting their livelihoods were met. In South Korea, fishing interests retreated from nationalist causes following the government's establishment of a \$220 million rescue fund to compensate the fishing industry for any losses due to the agreement. The Japanese fishing industry also eased pressure on Tokyo in this episode once their material concerns were addressed through the conclusion of a new fishery agreement that expanded Japan's access to rich fishing grounds near Dokdo/Takeshima.

In summary, this episode demonstrates that the involvement of private, parochial interests on the side of nationalists in dispute episodes might prolong de-escalation processes but need not increase the risk of escalatory spirals so long as governments are able to offer side-payments that placate these groups. The militarization of the dispute was not necessary for these groups to secure their interests.

These findings explain patterns that, relatively speaking, have been peaceful, insofar as "peace" is defined as the absence of militarized conflict. Yet these patterns should not breed complacency. Just as interest configurations have shifted in the past, they can shift again in the future, with potentially ominous implications for dispute dynamics if powerful private interests within government or society begin to unite under the umbrella of nationalism. I speculate on some potential scenarios that could involve these dynamics in the following section.

What might change these patterns? *The specter of private interest-backed nationalism*

The theory of domestic interest configuration contends that militarization will become more likely if private interests begin to support the activities of nationalist groups and are not

amenable to side payments. This is because, according to the theory, private nationalist groups have greater capacity than collective nationalists to mobilize over the long run and more sources of leverage over leaders, making it harder for leaders to deflect nationalist demands. Since neither of these disputes has involved militarized hostilities in recent decades, it is not possible to determine empirically whether the predictions for militarization hold. We can nonetheless speculate on possible scenarios that might increase the likelihood of militarized conflict in these disputes.

A shift in the antecedent conditions that helped to bring about the post-World War II domestic interest configuration in Northeast Asia could facilitate the rise of private nationalist groups. The alignment of private interests behind cooperative internationalist foreign policy stances emerged in the context of externally-oriented development strategies across the region in recent decades. These strategies, backed by global trends in favor of economic liberalization, spurred rapid economic growth in all three countries involved in these disputes, which further entrenched the predominance of private interest-backed internationalist coalitions. The continued predominance of these coalitions relies on steady economic growth and the maintenance of an open regional order to deter actors with competing agendas from gaining power and prevent the peeling away of co-opted groups from the coalition. Shifts toward economic closure at the global or regional level or prolonged recession could generate new dynamics of private interest-backed nationalism in the region.

For instance, a prolonged period of economic recession in China could hinder the ability of the central government to finance military modernization at the rates it has in recent decades. This could prompt more groups within the military to press for hardline stances in the country's territorial disputes in order to increase their ability to lobby for resources within the government.

Some see the possibility for this dynamic to take hold increasing in the context of President Xi Jinping's recent military reform efforts focused on force restructuring and reducing corruption. As one recent news report on Xi's reform efforts notes, "some Western analysts say they worry that the PLA may be lobbying for a more confrontational approach (in the South China Sea) as a way to gain domestic political leverage."⁵⁶⁴ Cheng Li sees this dynamic at work already, noting: "The Chinese military...remains a very important interest group in the country. The PLA's need to advance its own bureaucratic interests makes the Chinese military, collectively and on an individual basis, an influential power broker." He further notes: "PLA strategists have succeeded in broadening their audiences, and may better reflect the nationalistic strain of Chinese public sentiment than those in the foreign-policy establishment."⁵⁶⁵

Economically disadvantaged groups within China might also be tempted to use nationalism to further their economic interests in the case of prolonged recession. In *China: Fragile Superpower* (2007), Shirk claims: "Nationalism could be the one issue that could unite disparate groups like laid-off workers, farmers, and students in a national movement against the regime."⁵⁶⁶ The government's capacity to keep large and expensive state owned enterprises afloat would be impeded by decreased revenues, creating large geographically consolidated pockets of economically aggrieved groups in new areas of the country.

In South Korea, interests associated with nationalism might also shift. Groups with economic interests in undermining the present-day establishment - such as the growing pool of contingent workers in South Korea that emerged following the liberalizing International Monetary Fund (IMF) reforms in the late 1990s - could face further difficulties under a

⁵⁶⁴ Clover, Charles, "Xi's China: Command and Control," *Financial Times*, July 26, 2016, accessible online at: <https://www.ft.com/content/dde0af68-4db2-11e6-88c5-db83e98a590a>

⁵⁶⁵ Li 2010, 1,4. For a counter-argument, see Swaine 2012.

⁵⁶⁶ Shirk 2007, 64

prolonged recession. They might fuse anti-globalist activism with anti-Japan and Dokdo/Takeshima activism, thereby adding an economic, system-challenging element to recent island dispute dynamics. Regarding contingent workers, Kwang-Yeong Shin's article on globalization and the working class in South Korea depicts the rise of a new nexus between contingent worker activism and social movements focused on collective issues in South Korea. So far, these social movements have not included Dokdo-focused groups but presumably could in the future if some elements of the Dokdo movement adopted some of the socialist elements of the *minjung* movement that was central to democratization in the 1980s.⁵⁶⁷

South Korean millennials facing high jobless rates could also join the ranks of groups driven to support new waves of nationalism due to economic grievances. As a recent news report contends, "Low incomes, high unemployment drive young Koreans to protest...Unlike older generations, who felt themselves move forward as the country advanced rapidly for decade after decade, many younger Koreans today find themselves standing still or sliding backward. The jobless rate for people under 30 is more than twice the overall average, and many contracts are for temporary workers. Those who do get a good job are concerned that soaring property prices put home ownership beyond their means."⁵⁶⁸

Protected industries and sectors in Japan or South Korea might also shift to support nationalist group activities and foreign policy preferences if Tokyo or Seoul were to cut subsidies

⁵⁶⁷ Shin 2010, 225–26. See also Bukh (2016) for further details on the relationship between the Dokdo movement and *minjung* narratives. Bukh argues that Dokdo activism has been "void of any socialist elements," which were "rather dominant" in the *minjung* pro-democracy movement of the 1980s. (Bukh 2016, 196–97)

⁵⁶⁸ As a recent Bloomberg article contends, "Low incomes, high unemployment drive young Koreans to protest...Unlike older generations, who felt themselves move forward as the country advanced rapidly for decade after decade, many younger Koreans today find themselves standing still or sliding backward. The jobless rate for people under 30 is more than twice the overall average, and many contracts are for temporary workers. Those who do get a good job are concerned that soaring property prices put home ownership beyond their means." (<https://www.bloomberg.com/news/articles/2016-11-14/park-gets-zero-support-from-millennials-who-call-korea-hell>)

that were used to sustain these groups over the period of export-led development.⁵⁶⁹ Leaders might be compelled to do this, for instance, to comply with terms of new, tougher trade agreements or if a prolonged recession were to diminish government revenues.

Lastly, energy interests in Japan or China could rally under nationalist banners in future years, pressing for hardline stances in the Senkaku/Diaoyu dispute in order to secure access to resources in the East China Sea. Economic closure or recession would likely empower hardline factions within Japan and China, making these dynamics more likely.

In the 2004-05 Senkaku/Diaoyu episode, private interests associated with energy development could have created serious complications in the de-escalation phase if they had collaborated with collective nationalist groups. For instance, private energy interests in China might have offered support to the protestors (using official government channels like the National Development and Reform Commission, or NDRC,⁵⁷⁰ to lobby in favor of further escalation of the dispute, for instance) in exchange for a commitment by collective nationalist groups to rally publicly against any concessions offered to Japan in joint development negotiations.

Such a merging of private and collective interests behind a hardline, nationalist approach to both the East China Sea and Senkaku/Diaoyu disputes could have presented major speed bumps along the path to de-escalation in this episode, with commercial interests resisting backing down until material concessions in the maritime space were achieved. Instead, the

⁵⁶⁹ See, for instance, Gerald Curtis' discussion of Japan's agricultural cooperatives, or *Nokyo*, in the 1950s-1990s (Curtis 1999, 46-49)

⁵⁷⁰ China's NDRC convenes various agencies involved with developing China's negotiating position on energy development in the East China Sea, As Bush notes, the NDRC "as a lead economic agency...supports the oil companies." (Bush 2010, 143)

collective nationalists in this episode did not seriously engage on energy development issues,⁵⁷¹ continuing to focus instead on more symbolic issues like Yasukuni visits and textbook revisions. Leadership efforts to manage the largely symbolic sovereignty issue separately from negotiations with private energy interests were therefore critical in facilitating de-escalation in the 2004-05 Senkaku/Diaoyu episode and will be important in sustaining the isolation of private energy interests from nationalist activities moving forward.

In summary, under these types of scenarios - with new private economic or military interests joining forces under the banner of nationalism to press for tougher foreign policy stances and/or to push for a more protectionist economic order - leaders might find themselves backed into a binary decision reminiscent of the imperial era Snyder examines: back the nationalist agenda on the international stage or else risk losing the support of key “power brokers” within their own system. So far, Northeast Asia’s leaders have been freed from these types of stark choices in the region’s island disputes. Binary scenarios - escalate or lose power - have been blurred by the collective nature of nationalist interests in Northeast Asia, which has allowed leaders to count on the eventual diffusion of collective nationalist activities over the course of dispute episodes.

Private interests that have backed nationalist activities in past episodes, like fishery interests in the 1996-99 Dokdo/Takeshima episode, disrupted but ultimately did not derail de-escalatory processes. These interests were largely internationalist system-friendly: amenable to side-payments short of sovereignty and seeing benefits in the maintenance of a cooperative

⁵⁷¹ Nationalists expressed their dissatisfaction with the 2008 joint development agreement but ultimately lacked the leverage that a private-collective interest nexus might have provided to pressure the government to achieve a more favorable deal.

regional order.⁵⁷² But this situation may not persist, particularly in an era of rising populism and the questioning of internationalist priorities in Northeast Asia and elsewhere in the world.

Policy implications

What lessons might policy makers draw from this study? For one, not all escalatory behavior is about signaling capabilities or willingness to alter or protect the regional order. The theory and cases presented in this dissertation suggest that, paradoxically, leaders sometimes escalate because it seems relatively safe to do so. Iterated dispute patterns - including repeated mutual efforts to “shelve” tensions when the stakes of continued conflict rise, combined with the tendency for hardline nationalist groups to back down over time - can generate information leaders then use to determine whether de-escalation prior to militarization is a relatively safe bet.

Determining motives for escalation, and the degree to which they change over time, is thus critical for policymakers aiming to prevent the outbreak of violent hostilities in the region. Different root causes of escalation require different responses. Furthermore, changes in root causes require a change in approach. My theory provides a framework that can be used by policymakers seeking to assess whether low-level conflicts over the islands and other contested issues indicate that the region is “ripe for rivalry” (and war) or merely engaged in political games so long as the stakes are low. Dispute escalation could be a part of a slow march to war or, paradoxically, an indication that countries in the region feel “safe enough” to fight. The

⁵⁷² In a similar vein, Solingen points to a “critical dilemma facing internationalizers” in a recent article: “how to prevent shifts from tame (internationalization-friendly) to a more rabid nationalism that could derail or disrupt internationalization.” (Solingen 2015, 61) Fishing interests, in Solingen’s model, would have likely been associated with the “internationalization-friendly” camp.

difference in policy implications for these two scenarios is significant. And misinterpreting one for the other could have serious consequences.

It should also be clear that even small-scale escalation for limited aims should be taken seriously, as it can prompt unintended escalatory spirals. The backing of nationalist activities by private interests increases the risk that leaders will lose control over dispute trajectories. The the “hand-tying” effects of nationalism,⁵⁷³ which make it difficult for leaders to back down from hardline positions in the context of nationalist-charged international crises, are more likely to constrain leaders under certain domestic conditions than others. Specifically, I argue that the degree to which private interests back nationalist activities is key. Previous eras saw narrow interests in business and the military using nationalism to rally masses in support of self-serving causes, with disastrous consequences for the region.⁵⁷⁴ Ironically, the collective nature of nationalist interests in Northeast Asia in recent decades has helped to keep the peace. The dynamics of “collective nationalism” have involved nationalist groups unable to sustain pressure for long periods and willing to back down following symbolic, and ultimately reversible, concessions. This is not a recipe for lasting peace. Deep and enduring historical reconciliation can and should be a shared aspiration within the region. But keeping nationalism and unbridled escalation in check is also a worthy goal. Moving forward, maintaining close tabs on who uses nationalism and to what end will be critical for policymakers aiming to discern when relatively “safe” dynamics of nationalist-charged escalation and de-escalation might become unhinged.

Finally, analyzing the relationship between interdependence and dispute dynamics in the region requires a parallel examination of structural trends (including overall levels of trade and

⁵⁷³ Theorized by Snyder 1991, Mueller 1970, Fearon 1994, and others.

⁵⁷⁴ See Snyder’s theory of domestic politics and overexpansion. (Snyder 1991)

foreign investment) as well as the domestic strategies that governments adopt to temper the effects of an open system. Of particular importance is the degree to which states manage the issue of “winners” and “losers” from economic liberalization. Thus far, Northeast Asia’s development strategies have combined high rates of externally-oriented growth with high levels of protection for particular domestic industries and sectors. These strategies have produced some significant costs as well as barriers to further reform - specifically, in the form of politically powerful groups with vested interests in sustaining protectionist regimes, regardless of national-level costs. But they have also helped to temper the degree of social and economic dislocation that rapid externally-oriented development can produce within societies. As we have seen elsewhere in the world recently, domestic disruptions from globalization can produce higher susceptibility among some groups to anti-foreign nationalist appeals. Translated into my theoretical model, this means new “private nationalist” forces in the mix of groups that might become involved in bilateral disputes.

Northeast Asia in recent decades has been sensitive to the importance of managing “losers” from economic reform. Modified government responses to the needs and demands of these groups moving forward could alter the relationship between economic interdependence, nationalism, and levels of conflict in the region. Put another way, the continued careful management of potential “losers” from economic reform will be important in preventing the development of a new nexus between nationalism and economic grievances that the region has not seen in recent decades.

Concluding thoughts

This study, while grounded in contextual factors that are unique to Northeast Asia, nonetheless has implications beyond the region. In some ways, the challenges Northeast Asia has faced in balancing competing forces of economic interdependence and nationalism in recent decades has foreshadowed the more recent clash between “globalists” and “nationalists” elsewhere in the world. Analyzing these dynamics, in Northeast Asia and beyond, requires integrating theoretical threads that usually are kept distinct. Theories focused on the relationship between economic interdependence and cooperation, on one hand, and nationalism and conflict, on the other, must be triangulated to consider a bigger picture of moving parts, capturing the interplay of economic interdependence, nationalism, and inter-state conflict at multiple levels of analysis. Theoretically, this will help to integrate previously stove-piped paradigms that capture only isolated pieces of the broader puzzle. For policymakers, these types of analyses will be increasingly important in carving a peaceful path through new areas of strategic uncertainty, as leaders and domestic groups in Northeast Asia and elsewhere question the pillars of the post-World War II liberal international order.

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APPENDIX. Data collection and analysis

Table I. Hypotheses, information collected, and confirming and disconfirming evidence

Theory	Hypotheses	Information collected	Confirming evidence	Disconfirming evidence
Domestic interest configuration	H1. Disputes escalate due to collective nationalist advantages in the short term, which create incentives for leaders to further stoke nationalism	<ul style="list-style-type: none"> - Domestic group types and level of activity in escalatory phase - leadership actions to further escalate 	<ul style="list-style-type: none"> - Collective nationalists active in escalatory phase - private internationalists not active in escalatory phase - leaders further rally nationalism 	<ul style="list-style-type: none"> - Collective nationalists not active in escalatory phase - private internationalists active in escalatory phase
	H2. Disputes de-escalate prior to militarization because of private internationalist capacities to sustain pressure and waning collective nationalist influence over the long term	<ul style="list-style-type: none"> - Domestic group types (based on policy preferences and aims) and levels of activity in de-escalatory phase 	<ul style="list-style-type: none"> - Collective nationalist groups less active in de-escalation phase - private internationalists influential over longer term - Collective nationalists back down following symbolic concessions 	<ul style="list-style-type: none"> - Collective nationalists equally active and influential in early and later phases of episode - Collective nationalists do not back down following symbolic concessions
	H3. Militarization will become more likely if private interests support nationalist activities	<ul style="list-style-type: none"> - Domestic group types (based on policy preferences and aims) and levels of activity in escalatory and de-escalatory phases 	<ul style="list-style-type: none"> - Private nationalist and private internationalist interests equally active throughout episode phases - Private nationalists demand more than symbolic concessions before backing down 	<ul style="list-style-type: none"> - Change in dispute patterns occurs with no change in interest configuration
Structural realism	H4. Senkaku/Diaoyu: Dispute trends track with shifting material capabilities. Escalation occurs when at least one disputant is ready to defend or alter the regional status	Information on relative military capabilities in the region; information on dispute trajectory	<ul style="list-style-type: none"> - dispute trends correlate with shifts in material capabilities. Escalation indicates an effort to alter or defend the regional status quo; de-escalation does not occur until clear "win" is achieved for 	<ul style="list-style-type: none"> - escalation does not correlate with structural factors or attempts to alter or defend the regional status quo - de-escalation occurs prior to any clear "wins" for either side

	quo		one side or other	
	H5. Dokdo/Takeshima: Rise in China's relative military capabilities → Japan and Korea cooperate to balance against China; disputes do not escalate	Data on relative military capabilities in the region over time; information on "balancing" behavior	- Dokdo/Takeshima dispute does not escalate as China's relative military capabilities increase	- Dispute repeatedly escalates, even in midst of China's rise
Commercial Peace	H6. Rising economic exchange among disputants raises costs of conflict, making escalation less likely	Information on levels of bilateral economic exchange over time	- As levels of economic exchange increase, leaders downplay, or even settle, the dispute	- Dispute intensity levels either increase or do not change as levels of economic exchange increase

Table II. Senkaku/Diaoyu 1996 episode: Data collection and analysis

Theory	Hypotheses	Information collected	Confirming evidence	Disconfirming evidence
Domestic interest configuration	H1. Disputes escalate due to collective nationalist advantages in the short term, which create incentives for leaders to further stoke nationalism	- Domestic group types and level of activity in escalatory phase - leadership actions to further escalate	- collective nationalists in Japan and China (off mainland) active in escalation phase - private internationalists not active in escalation phase - leaders, particularly in Japan, stoked nationalism further for short-term gains	
	H2. Disputes de-escalate prior to militarization because of private internationalist advantages, and collective nationalist	- Domestic group types (based on policy preferences and aims) and levels of activity in de-escalatory phase	- Collective nationalist groups in Japan, in particular, less active in de-escalation phase - private internationalists influence evident in de-escalation prior to	- Nationalist activity on China's side continued into de-escalation phase, but was likely due to the mingling of private interests with nationalist

	disadvantages, over the longer term		militarization - Collective nationalists did not organize backlash following symbolic concessions	activity off of the mainland - private internationalists were not visibly active in the de-escalation phase, but this was likely due to the degree to which these interests were satisfied by leadership actions
Structural realism	H3. Senkaku/Diaoyu: Dispute dynamics tied to shifts in relative material capabilities; Escalation occurs when at least one disputant is ready to make a “power play” to defend or alter the regional status quo	Information on relative military capabilities in the region; information on dispute trajectory, leadership motivations in escalating	- Japan and China were wary of the other’s intentions by this time	- Japan’s escalatory moves tied to important elections rather than shifting capabilities; de-escalation occurred prior to any clear “wins” for either side
Commercial Peace	H4. Rising economic exchange pacifies relations among disputants	Information on levels of bilateral economic exchange over time, as well as dispute trajectory	- Dispute de-escalated prior to damaging economic ties or militarization	- The dispute escalated despite rising economic exchange

Table III. Senkaku/Diaoyu 2004-05 episode: Data collection and analysis

Theory	Hypotheses	Information collected	Confirming evidence	Disconfirming evidence
Domestic interest configuration	H1. Disputes escalate due to collective nationalist advantages in the short term, which create incentives for leaders to	- Domestic group types and level of activity in escalatory phase - leadership actions to further escalate	- collective nationalists, particularly China’s <i>Bao Diao</i> movement, active in escalation phase - private internationalists inactive in escalation phase	

	further stoke nationalism		- Chinese leadership stoked nationalist sentiment to increase leverage in stopping Japan's UNSC bid (short-term gain)	
	H2. Disputes de-escalate prior to militarization because of private internationalist advantages, and collective nationalist disadvantages, over the long term	- Domestic group types (based on policy preferences and aims) and levels of activity in de-escalatory phase	- private internationalists activate in de-escalation phase due to concern about economic ties - Collective nationalist influence wanes in de-escalation phase - Collective nationalists back down following symbolic concessions (e.g., Japan dropping UNSC bid and offering "historic apology")	
Structural realism	H3. Senkaku/Diaoyu: Dispute dynamics correlate with trends in relative material capabilities. Escalation occurs when at least one disputant is ready to make a "power play" to defend or alter the regional status quo	Information on relative military capabilities in the region; information on dispute trajectory, leadership motivations in escalating	- Increasing military presence in East China Sea consistent with predictions of structural - particularly offensive - realism	- Escalation driven by limited aims - specifically China's efforts to convince PM Koizumi to stop Yasukuni Shrine visits, drop Japan's UNSC bid - not effort to alter regional order - East China Sea energy development and sovereignty issues kept separate, handled in different channels
Commercial Peace	H4. Rising economic exchange pacifies relations among countries	Information on levels of bilateral economic exchange, dispute trajectories over time	- Helps to explain motivations of leaders to de-escalate as concerns about damage to economic ties increased	- Leaders, particularly in China, took steps to escalate and rally nationalism directed at a key economic partner

Table IV. Dokdo/Takeshima 1996-99 episode: Data collection and analysis

Theory	Hypotheses	Information collected	Confirming evidence	Disconfirming evidence
Domestic interest configuration	H1. Disputes escalate due to collective nationalist advantages in the short term, which create incentives for leaders to further stoke nationalism	- Domestic group types and level of activity in escalatory phase - leadership actions to further escalate	- South Korea collective activists very active in escalatory phase - private internationalists not active in this phase - Leaders in South Korea and Japan used nationalism to rally domestic support at vulnerable time	
	H2. Disputes de-escalate prior to militarization because of private internationalist advantages, and collective nationalist disadvantages, over the long term	- Domestic group types (based on policy preferences and aims) and levels of activity in de-escalatory phase	- private internationalists activate in de-escalation phase when concerned about economic repercussions of disputes (at onset of Asian financial crisis) - Collective nationalists less active in de-escalation phase - Collective nationalists back down following symbolic concessions - Private nationalists back down following material side-payments	- Collective nationalists participated in some rallies with fishing groups in de-escalation phase, yet ultimately were not effective in rallying further support to their causes
Structural Realism	H3. Dokdo/Takeshima: Rise in China's relative military capabilities → Japan and Korea cooperate to balance against China; disputes do not escalate	Data on relative military capabilities in the region over time; information on "balancing" behavior, motivations for escalation		- Dispute continues to escalate (thereby hindering cooperation), even with rise in China's relative military capabilities
	H4. Rising	Information on	- Helps to explain	- Dispute escalates,

Commercial Peace	economic exchange among disputants raises costs of conflict, making escalation less likely	levels of bilateral economic exchange over time	motivations to de-escalate	even as levels of economic exchange increase
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Table V. Dokdo/Takeshima 2004-06 episode: Data collection and analysis

Theory	Hypotheses	Information collected	Confirming evidence	Disconfirming evidence
Domestic interest configuration	H1. Disputes escalate due to collective nationalist advantages in the short term, which incentivize leaders to further stoke nationalist sentiment	- Domestic group types and level of activity in escalatory phase - leadership actions to further escalate	- South Korea's "Protect Dokdo" movement active in escalatory phase (Japan groups more marginal) - Private internationalists activated once economic interests were threatened - Leaders, particularly President Roh, amplified nationalism to boost domestic support	- private internationalists more vocal than usual in escalatory phase, though still more active in later than earlier periods
	H2. Disputes de-escalate prior to militarization because of private internationalist advantages, and collective nationalist disadvantages, over the longer term	- Domestic group types (based on policy preferences and aims) and levels of activity in de-escalatory phase	- Push from business interests in favor of restored relations right before de-escalation - collective nationalists not active in de-escalation phase, no backlash - Symbolic concession offered to South Korean nationalists: PM Abe pledge to handle Yasukuni visits "appropriately"	
Structural realism	H3. Senkaku/Diaoyu: Japan and South Korea should	Information on relative military capabilities in the region;	- South Korea and Japan cooperated to balance against threat of North Korea,	- South Korea and Japan did not balance against the region's main rising

	cooperate (and avoid escalation) to form a balancing coalition against China	information on dispute trajectory, motivations for escalation	restoring cooperative relations following first nuclear test	power, China; sometimes cooperated with China vs Japan (on Yasukuni issue)
Commercial Peace	H4. Rising economic exchange among disputants raises costs of conflict, making escalation less likely	Information on levels of bilateral economic exchange over time	- Threats to economic ties spur business interests to push for de-escalation	- Dispute escalated and neared level of militarization in summer 2006, even as levels of economic exchange increased

KATRIN FRASER KATZ

DEPARTMENT OF POLITICAL SCIENCE • NORTHWESTERN UNIVERSITY • EVANSTON, IL 60208
703-835-1891 • katrinkatz2011@u.northwestern.edu

EDUCATION**NORTHWESTERN UNIVERSITY**, Evanston, IL

Ph.D. Candidate, Political Science

2011-present

Dissertation defense: October 2017

TUFTS UNIVERSITY, THE FLETCHER SCHOOL OF LAW AND DIPLOMACY, Medford, MA

Masters of Arts in Law and Diplomacy, East Asia and International Security Studies

2004

THE UNIVERSITY OF PENNSYLVANIA, Philadelphia, PABachelor of Arts, *magna cum laude*, dual-major in International Relations and Japanese

2000

Dissertation Title: “Nationalism and Territorial Conflict in an Era of Interdependence: Explaining Island Dispute Dynamics in Northeast Asia”

Dissertation Synopsis: My dissertation explores the dynamics of Northeast Asia’s island disputes, specifically the Dokdo/Takeshima dispute between Korea and Japan and the Senkaku/Diaoyu dispute between Japan and China. I focus on three questions that are important for academic and policy purposes and are not well addressed by existing theories: 1) what explains the frequent escalation of these disputes in the midst of high levels of economic cooperation? 2) how has de-escalation been possible following the arousal of nationalist sentiment? and 3) what factors might alter the patterns of recent decades, making violent hostilities more likely and/or diminishing the ability of leaders to de-escalate? I present a theory to explain dispute patterns in recent decades that focuses on the relationship between different types of domestic groups and leadership strategies of escalation and de-escalation. I argue that a particular interest configuration predominant in post-World War II Northeast Asia - with internationalist groups favoring a cooperative regional order to facilitate economic exchange having mobilization advantages over nationalist groups focused more on collective, symbolic interests - helps to explain patterns of contained conflict in recent decades. Shifts in this interest configuration, particularly the alignment of new private interests behind nationalism, would bring more risky dynamics, making de-escalation more difficult and militarization more likely.

The takeaways of this research resonate beyond Northeast Asia. The longstanding interplay of forces of economic interdependence and nationalism in these disputes now echoes in other regions. My research suggests that conflict patterns in Northeast Asia can serve as a useful source of information in attempting to understand the implications of fresh divides between “nationalists” and “globalists” elsewhere in the world. I isolate a key factor to watch - specifically *who uses nationalism, to what end* - in assessing when nationalist-charged episodes

of inter-state conflict are likely to result in violent hostilities or remain contained below the threshold of militarization.

Dissertation Committee: Hendrik Spruyt (chair, Northwestern University), Jonathan Caverley (U.S. Naval War College), Wendy Pearlman (Northwestern University), Victor Cha (Georgetown University)

FELLOWSHIPS, GRANTS, AND HONORS

Korea Society inaugural Sherman Family Korea Emerging Scholar Lecture Series Award (\$2500 honorarium), September 2017

Horowitz Foundation Award (\$5000 plus an additional \$2500 pending completion of the Ph.D. and/or acceptance of an article or essay for publication based on the research funded by the grant) as well as the “Harold D. Lasswell award for the most outstanding project in International Relations” (additional \$1500), Fall 2016

Korea Foundation Graduate Studies Fellowship (\$20,000 per year for 3 consecutive years), 2013-2014; 2014-15; 2015-16

John C. Perry Scholarship for East Asian Studies, The Fletcher School (\$10,000), 2003-2004

Fulbright ETA Fellowship/Program Coordinator, Seoul, South Korea (\$11,000 and living expenses for one year), 2001-2002

Fulbright ETA Fellowship, Mokpo, South Korea (\$11,000 and living expenses for one year), 2000-2001

PUBLICATIONS

Peer-Reviewed Articles

“South Korea in 2011: Holding Ground as the Region’s Linchpin,” with Victor D. Cha, *Asian Survey*, Vol. 52, No. 1, pp. 52-64, 2012.

"The U.S. and South Korea in 2010," with Victor D. Cha, *Asian Survey*, Vol. 51, No. 1, pp. 54 - 63, 2011.

Other Writing

“Korea-Japan Relations, 50 Years In: Demystifying the Paradox of Cyclical Tensions and Rapprochement,” Korea Chair Platform, The Office of the Korea Chair, Center for Strategic and International Studies (CSIS), August 13, 2015, (<http://csis.org/publication/korea-japan-relations-50-years-demystifying-paradox-cyclical-tensions-and-rapprochement>).

“Key Resolve and Foal Eagle: Past as Prologue on the Peninsula?” Asia Maritime Transparency Initiative, Center for Strategic and International Studies (CSIS), March 4, 2015, (<http://amti.csis.org/key-resolve-and-foal-eagle/>).

“Undesignated Sovereignty,” History and Asia: Policy Insights and Legal Perspectives – Conference Report, Center for Strategic and International Studies (CSIS), September 2010.

"Name Games," *Foreign Policy*, November 3, 2010, (http://www.foreignpolicy.com/articles/2010/11/03/name_games).

"Report on U.S. Attitudes toward the Republic of Korea," with Victor D. Cha, The Chicago Council on Global Affairs, September 2010.

PRESENTATIONS AND WORKING PAPERS

October 6, 2017: Presenter, “Conflict Patterns in Northeast Asia,” (dissertation overview and moderated discussion), Director’s Speaker Series, Georgetown University, Washington, DC

September 27, 2017: Presenter, “Island Disputes in Northeast Asia: Cyclical Surges of Nationalist and Internationalist Influence,” (dissertation overview and panel discussion), Inaugural Sherman Family Korea Emerging Scholar Lecture, The Korea Society, New York, NY

February 2017: Presenter, “The Limits of Nationalism in Northeast Asia’s Island Disputes: Past Trends and Future Prospects” (working paper), The 2017 Annual Meeting of the International Studies Association, Baltimore, MD

March 2016: Presenter, “Explaining Variation in Nationalist Hand-tying in East Asia’s Island Disputes: Theory and Research Design” (working paper), The 2016 Annual Meeting of the International Studies Association, Atlanta, GA

October 2015: Presenter, “The Future of the U.S.-ROK Alliance,” Northeast Asia Policy Group Workshop, Carnegie Endowment for International Peace and Korea Economic Institute, Washington, DC

September 2015: Presenter with Jonathan D. Caverley, “Explaining the ‘Cold Politics, Hot Economics’ of East Asia: An Economic Stability-Instability Paradox?” (co-authored working paper), The 2015 American Political Science Association National Conference, San Francisco, CA

May 2015: Presenter, “The Paradox of Conflict in the Midst of Economic Cooperation: Island Dispute Dynamics in East Asia,” International Relations Student Working Group, Department of Political Science, Northwestern University, Evanston, IL

May 2015: Presenter in Poster Session, “The Paradox of Conflict in the Midst of Economic Cooperation: Sovereignty Dispute Dynamics in East Asia,” Weiser Center for Emerging Democracies (WCED) Conference: Sovereignty Under Threat? University of Michigan, Ann Arbor, MI

May 2012: Presenter, “The G-20: Stewardship of the Global Economy and Multilateral ‘High Table’ with Added Place Settings,” Stanley Foundation/Munk School of International Affairs/Northwestern Buffett Center Conference, “The Apex of Influence, How Summit Meetings Build International Cooperation,” Chicago, IL

January 2012: Guest Lecturer, “The National Security Council: Decisions in National Security,” Madeleine Albright Institute for Global Affairs, Wellesley College, Wellesley, MA

May 2011: Guest Lecturer, “U.S. Security Strategy in the Asia Pacific,” course on “U.S. National Security Policy,” taught by Professor Thomas Wright, Harris School of Public Policy, University of Chicago

March 2011: Moderator, “A Discussion on Japan’s State of Nuclear Emergency,” Chicago Council on Global Affairs, Chicago, IL

January 2011: Guest Lecturer, “The National Security Council: Decisions in National Security,” Madeleine Albright Institute for Global Affairs, Wellesley College, Wellesley, MA

December 2010: Presenter, “Report on U.S. Attitudes Toward the Republic of Korea,” Jeju Peace Institute-Korea Foundation-U.S. Embassy Seoul Joint Symposium, “Public Diplomacy in Korea-U.S. Relations,” Jeju, South Korea

October 2010: Presenter, “Report on U.S. Attitudes Toward the Republic of Korea,” 4th Asan Institute Symposium on “U.S. As Viewed By Koreans and Korea As Viewed By Americans in 2010” (with Victor D. Cha), Asan Institute for Policy Studies, Seoul, South Korea

September 2010: Presenter, “Undesignated Sovereignty,” Center for Strategic and International Studies conference, “History and Asia: Policy Insights and Legal Perspectives,” Washington, D.C.

PROFESSIONAL EXPERIENCE

CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES, Washington, DC 2015-present
Adjunct Fellow (non-resident), Korea Chair

- Provide written commentary and analysis on issues related to Korea and the U.S.-South Korea alliance
- Participate in conferences and workshops focused on Korea and Northeast Asia

NATIONAL SECURITY COUNCIL, THE WHITE HOUSE, Washington, DC 2007-2008

Director for Japan, Korea and Oceanic Affairs

- Coordinated administration policies among departments and agencies of the U.S. Government on issues related to Japan, Korea, Australia, New Zealand, and the Pacific Islands
- Liaised with the Governments of Japan, South Korea, Australia, and New Zealand on political and military issues
- Supported the President for Washington visits of Prime Minister Fukuda, Prime Minister Rudd, and President Lee and for the President's travel to Australia, Japan, and South Korea

DEPARTMENT OF STATE, Washington, DC

2005-2007

Special Assistant to the Assistant Secretary for International Organization Affairs

- Provided close support to the Assistant Secretary in coordinating development of U.S. policy in the United Nations and other international organizations
- Assisted with the management of over 100 Bureau employees
- Served as a liaison to other high-ranking officials in the Department and across the U.S. Government
- Accompanied the Assistant Secretary on international travel to the Middle East, South America and Europe

CENTRAL INTELLIGENCE AGENCY, Langley, VA*East Asia Political Analyst, Directorate of Intelligence*

2004-2005

Graduate Fellow, Directorate of Intelligence

Summer 2003

KOREA FULBRIGHT COMMISSION, Seoul, Republic of Korea*Program Coordinator - Fulbright English Teaching Assistantship (ETA) Program*

2001-2002

Fulbright ETA Fellow (Mokpo, Republic of Korea)

2000-2001

TEACHING EXPERIENCE

Teaching Assistant for:

Social Movements (Spring 2013) with Professor Wendy Pearlman, Northwestern University

Middle East Politics (Winter 2013) with Professor Wendy Pearlman, Northwestern University

Southeast Asian Politics (Fall 2012) with Professor Jeffrey Winters, Northwestern University

COURSEWORK

Completed Ph.D. coursework in: International Relations Theory, International Political Economy, International Security, Democratization, Comparative Methods, Quantitative Methods (Statistics, Regression Analysis, and Econometrics), Chinese Politics, Nationalism in Korea, among other classes, Fall 2011-Spring 2013

Passed Ph.D. comprehensive examinations in International Relations (major) and Comparative Politics (minor), Fall 2013

LANGUAGES

Korean (passed Fletcher School proficiency examination, 2004, lived in Korea for two years)
Japanese (three years of college-level intensive study and one year abroad in Japan)

CV last updated: December 2017