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The Sino-Japanese Normalization

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"Kakuei Tanaka is credited with being the pioneer of dialogue with the Middle Kingdom. There is a lesson here for today's leaders"

Today marks the 45th anniversary of normalisation of Sino-Japanese ties. This was achieved when then Japanese Prime Minister Kakuei Tanaka undertook his country's maiden voyage to the People's Republic of China just two months after assuming the premiership back in July 1972. Thus Tanaka is credited with being the pioneer of dialogue with the Middle Kingdom. Little wonder, then, that he is considered to be one of the greatest statesmen of Japan's post-war history.

China, reciprocated these overtures in the form of Chairman Mao Zedong and Zhou Enlai, the country's first Premier. And so it was that Tanaka's landmark trip to the city then known as Peking made history as the two nations embarked upon a path of peace and development in North East Asia. Nothing was off the table, including the disputed Senkaku (or Diaoyu) Islands. The dialogue produced tangible results. And the prevailing consensus was that diplomatic normalisation was vital for both an economically powerful Japan and an already populous China.

The talks reset the tone for the future. In other words, political and economic understanding became intrinsically linked to expanded trade, technical cooperation and investment ventures. This comprised, if one likes, the equivalent of a Japanese offer of its own "Belt and Road" project for China, which was a willing beneficiary of Tokyo's largesse. After all, the latter had by then made a forceful comeback to the Asian fold after World War-II.

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During the 1970s, Japan had neither strategic agenda nor political domination of Asia on its mind. Rather, it was focusing on a peaceful economic rise. At that time, Tokyo was more than happy to share its development experience with neighbouring nations in a bid to bring to an end all enmity.

Since then, fundamental changes have reshaped diplomatic and economic ties with Beijing. For one, the latter emerged as the largest recipient of Japan's Official Development Assistance (ODA) throughout the 1980s and 1990s. This is not to mention the massive influx of Japanese investment pouring into almost every corner of China's commercial and financial sectors.

This helped to kick start the Middle Kingdom's economic boom. Japan soon became a natural partner in terms of trade and investment. Indeed, Tokyo played a significant role in the first decade of Beijing's development. Meaning that in addition to state support — Japan's private sector began to eye China as an undeniably lucrative destination for its multinationals.

There is a lesson to be learned by the current crop of leaders in Tokyo, who have shied away from following Tanaka's path. In fact, since 2010 there has been a pronounced cooling of the bilateral relationship. Both Prime Minister Shinzo Abe and President Xi Jinping need to prioritise a strengthening of ties. Nothing short of a Tanaka-like breakthrough is required to do away with the current climate of anxiety and distrust. Either side could institute talks without it becoming a battle of egos.

Back in 1972, Sino-Japanese ties were essentially more complex than they are today. And even though Tanaka had brought up the issue of the disputed islands with then Chinese PM Zhao Enlai — he nevertheless valued dialogue above and beyond all else. Presently, both sides should seize the day and set about bridging differences with a view to expanding economic ties within an atmosphere of diplomatic goodwill.

Then there is the not so small matter of the economies of scale. Today, China is the world's second largest economy, surpassing Japan back in 2010 — thereby bringing an end to the latter's 40-year reign as second to one. In real terms this meant that Beijing's economy was worth around US\$ 5.8 trillion as compared to Japan's \$US5.474 trillion. In addition, China enjoyed a purchasing parity rate of \$11.44 trillion. Compare this to the situation in 1972 where Japan's GDP was US\$316 billion and China's was US\$113 billion. Japan's GDP per capita was at the time US\$ 2,952 as compared to China's US\$ 130. Today, Japan's per capita has crossed US\$ 38,917, while China's is around US\$ 8,135.

Japan's growth has stagnated at around 1 percent, while China's has slowed down to 6.7 presently. In 1972, Japan's growth was around 4.4 percent, while China's was put at 3.6 percent. While Japan's stagnation has downgraded its economy — China has over the last two decades witnessed an incredible boom in terms of GDP per capita.

Changing dynamics in the Asia Pacific region have also impacted Sino-Japanese relations. Meaning that each has followed a divergent path both in their immediate backyard as well as further afield, like South Asia. Japan for its part is more tilted towards India in terms of the latter's geo-strategic location as well as development path. Whereas China has aligned itself with Pakistan, focusing on economic progress and security. Yet these emerging blocs should not get in the way of the bilateral relationship. Indeed, neutrality is key when it comes to all the regional players if the Sino-Japanese rift is to be healed within the Asia Pacific context. This is a role that could be fulfilled by India, Australia and even regional bloc ASEAN. The result would be decreased hostilities between India while accommodating Japan's assimilation into the larger Asian order.

For what better way honour the Kakuei Tanaka — the shrewdest and most able Prime Minister that Japan has ever produced.

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