

German Institute for Japanese Studies (DIJ)



**Joint
DIJ Social Science/
Business & Economics
Study Group**

Wednesday, 13 March 2013, 18:30

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**Political shocks and their effects on Japan-China Economic
Relations –
The Senkaku-Dispute of 2010 and 2012**

In spite of cultural proximity and a long history, Japanese-Chinese diplomatic relations have seldom experienced a period without political tensions. During the last three decades, the subsisting potential of conflict within bilateral relations has manifested itself in political shocks which erupt time and again. These recurring shocks result from three unsettled diplomatic issues between the two countries: Japanese textbooks, Yasukuni shrine visits by Japanese leaders and the territorial conflict about the Senkaku/Diaoyu Islands. Nevertheless, Japan and China have always maintained strong economic ties during this period and still do so today. For that reason, Japan-China relations have frequently been characterized as “politically cold, economically hot” (*seirei keinetsu*). To maintain this mutually beneficial economic relationship, Chinese leaders pursued a policy of „New Thinking“ (i.e. deliberately shelving diplomatic issues) during the first five years of the 21st century when dealing with Japan.

This presentation argues that since the end of the „New Thinking“ policy, political shocks in Japanese-Chinese relations have begun to affect the economic relationship more visible than they did before, especially in the realm of trade and tourism. My dissertation project investigates these changes from an International Relations perspective. I conduct expert interviews and an analysis of reports and documents from JETRO and the Japan-China Economic Association. This talk will analyze the economic effects caused by two shocks resulting from the dispute about the Senkaku/Diaoyu-Islands in 2010 and 2012.

Franziska Schultz studied Japanese Studies, Chinese Studies and English Literature and is a PhD candidate in the Department of Japanese Studies, University of Tuebingen. She is currently conducting research in Japan on a DIJ grant.

The DIJ Social Science Study Group organized by M. Godzik, P. Holdgrün B. Holthus, C. Hommerich
The DIJ Business & Economics Study Group is organized by F. Kohlbacher and T. Tiefenbach.
All are welcome to attend, but registration (holthus@dijtokyo.org) is appreciated.

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