

CHINA'S POSITION ON THE CHINA-ROK-JAPAN SUMMIT MEETING

By

Qiao Wen

THESIS

Submitted to
KDI School of Public Policy and Management
in partial fulfillment of the requirements
for the degrees of

MASTER OF PUBLIC POLICY

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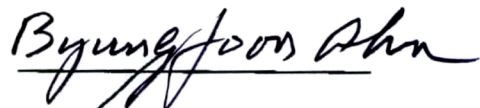
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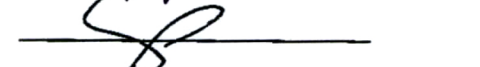
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ABSTRACT

CHINA'S POSITION ON THE CHINA-ROK-JAPAN SUMMIT MEETING

By

Qiao Wen

In the background of economic globalization and regional integration, due to the internal complementarities of China, the Republic of Korea (ROK) and Japan, the economic interdependence among the three countries is increasingly deepening. The growing trilateral interdependence prompted the three governments to hold the China-ROK-Japan Summit Meeting since 1999 within the framework of the Association of Southeast Asian Nations (ASEAN) plus China, the ROK and Japan (10+3) Summit. With the impetus of the trilateral summit meeting, many achievements were reached, especially in the field of economic and institutional construction, and all of which delivered tangible benefits not only to the peoples of the three countries but also to the region.

However, there are many influential factors on the China-ROK-Japan Summit Meeting. Historical, political and security issues significantly influence the three countries' interests, thus the trilateral summit meeting would be affected whenever these issues were highlighted. After the fifth China-ROK-Japan Summit Meeting held in 2012, the trilateral summit meeting was suspended, with Japanese Prime Minister Shinzo Abe's visit to the Yasukuni Shrine in 2013 being one of the main reasons. Japan's historical

revisionism, especially Japan's attitude and behavior on historical issues, hampered the further development of the trilateral summit meeting.

China has attached much importance to the China-ROK-Japan Summit Meeting, and has actively supported each trilateral summit meeting. China has made great efforts for the resumption of the trilateral summit meeting. China has repeatedly called for Japan to change its attitude and take the responsible attitude regarding historical issues. Meanwhile China has made joint efforts with the ROK and other related parties to maintain peace and stability on the Korean Peninsula, and has been promoting the security mechanism construction in Northeast Asia to create a favorable environment for the trilateral summit meeting. As a regional power and growing international power relying on its unique advantage, China has the ability to play a significant role on promoting the trilateral summit meeting as a viable institution in the future.

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Dedicated to My Dear Husband and Parents

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TABLE OF CONTENTS

LIST OF TABLES	xii
LIST OF FIGURES	xiii
I. INTRODUCTION	1
A. RESEARCH PURPOSE	1
B. THEORY OF THE RESEARCH	2
C. RESEARCH METHOD	3
D. THESIS STRUCTURE	3
II. TRILATERAL INTERDEPENDENCE OF CHINA-ROK-JAPAN AND THE RISE OF THE TRILATERAL SUMMIT MEETING	5
A. INTERDEPENDENCE THEORY	5
a. Definition of Interdependence	5
b. Contents of Interdependence Theory	7
B. INTERDEPENDENCE PUSHED BY ECONOMIC FACTORS	9
a. Economic Scale of China, the ROK and Japan	10
b. Complementary Factor Endowments of China, the ROK and Japan	12
c. Complementary Economic Structures of China, the ROK and Japan ...	15
d. Close Bilateral Foreign Trade Relations among the Three Countries ...	19
C. INTERDEPENDENCE DRIVEN BY REGIONAL INTEGRATIONS	22
D. RISE AND DEVELOPMENT OF THE TRILATERAL SUMMIT MEETING .	25
a. The Trilateral Summit Meeting within the Framework of 10+3 Summit	26
b. The Trilateral Summit Meeting outside the Framework of 10+3 Summit	28
III. IMPACTS OF HISTORICAL, POLITICAL AND SECURITY ISSUES ON THE CHINA-ROK-JAPAN SUMMIT MEETINGS	33

A. SENSITIVITY AND VULNERABILITY OF INTERDEPENDENCE	33
B. IMPACTS ON THE TRILATERAL SUMMIT MEETING	35
a. Historical Issues	35
I. Japan’s Attitude toward Historical Issues	35
II. Analysis based on Interdependence Theory	39
b. Political Issues	40
I. Territorial Issues	40
II. Analysis based on Interdependence Theory	43
c. Security Issues	46
I. Inter-Korean Issue	47
II. Korean Peninsula Nuclear Issue	49
III. Analysis based on Interdependence Theory	50
C. WHY THE TRILATERAL SUMMIT MEETING WAS SUSPENDED	52
a. Internal Reasons	53
I. Structural Contradiction between China and Japan	53
II. Asymmetry of Interdependence between China and the ROK, Japan	55
b. External Reasons	60
IV. CHINA’S POSITION ON THE CHINA-ROK-JAPAN SUMMIT MEETING	63
A. EMPHASIS ON THE TRILATERAL SUMMIT MEETING	63
B. URGING JAPAN’S ATTITUDE CHANGE ON HISTORICAL ISSUES	65
C. JOINT EFFORTS WITH THE ROK FOR THE RESUMPTION	68
D. PUSHING THE TRILATERAL FTA AS DRIVING FORCE	69
E. MAINTAINING STABILITY ON THE KOREAN PENINSULA	72
F. EFFORTS TO ELIMINATE NEIGHBORS’ DOUBTS ON CHINA’S RISE ..	74

V. RECOMMENDATIONS 77
BIBLIOGRAPHY 81

LIST OF TABLES

1. Ratio of China, the ROK and Japan's GDP to Other Economies' (1998)	10
2. Ratio of China, the ROK and Japan's Foreign Trade to Other Economies' (1998)	11
3. Trade Competitive Index of China, the ROK and Japan (1992-2007)	13
4. Wages in Manufacturing of China, the ROK and Japan and other Economies (1990-2008)	15
5. Sum of Bilateral Foreign Trade Volume of China, the ROK and Japan among Them Compared to Their Total Foreign Trade Volume	20
6. Sum of Bilateral Foreign Trade Volume of China, the ROK and Japan among Them Compared to Their Foreign Trade Volume with the Main Economies and Regional Economic Cooperation Mechanisms	21
7. Main Regional and Sub-regional Economic Cooperation Mechanism (Until 1998)	23
8. Regional and Sub-regional Free Trade Mechanism Participated by GDP Top 30 Economies (1998)	24
9. China-ROK-Japan Summit Meeting within the Framework of 10+3 Summit (1999-2007)	26
10. China-ROK-Japan Summit Meeting outside the Framework of 10+3 Summit (2008-2012)	29
11. GDP of China, the ROK and Japan and the Ratio of the World's (1998-2013)	56
12. Foreign Trade of China, the ROK and Japan and the Ratio of the World's (1998-2013)	57
13. Ratio of Dependence on Foreign Trade of China, the ROK and Japan among Them (1998-2013)	59

LIST OF FIGURES

1. Changing Trend of the Ratio of Dependence on Foreign Trade of China, the ROK and Japan Compared to the World's Average 18
2. Changing Trend of the Ratio of Dependence on Foreign Trade of China, the ROK and Japan Compared to the Main Regional Economic Cooperation Mechanisms 18
3. Changing Trend of the Ratio of Dependence on Foreign Trade of China, the ROK and Japan among them (1998-2013) 58

I. INTRODUCTION

A. RESEARCH PURPOSE

In 1999, China, the Republic of Korea (ROK) and Japan held the first the China-ROK-Japan Summit Meeting within the framework of the Association of Southeast Asian Nations (ASEAN) Plus China, ROK and Japan (10+3) Summit in the Philippines. From 2008, the China-ROK-Japan Summit Meeting was separated from 10+3 as an independent trilateral mechanism. After fifteen years of development, the China-ROK-Japan Summit Meeting had resulted in numerous achievements for the three countries and delivered tangible benefits not only to the peoples but also to the entire region.

However, due to historical, political and security reasons, the China-ROK-Japan Summit Meeting has ceased since 2012. Japan's historical revisionism ignited opposition of China and the ROK, and Japan's attitude and behavior on historical issues, especially Japanese Prime Minister Shinzo Abe's visit to the Yasukuni Shrine directly led to the suspension of the trilateral summit meeting and has hampered the further development of the trilateral summit meeting. Currently, the political relations among the three countries are very delicate, and in short term, the prospect of the resumption of the trilateral summit meeting is very bleak. Overcoming the obstacles and difficulties in reopening the trilateral summit meeting, and maintaining the latter as an effective institution remains a big issue for the three countries.

The trilateral cooperation corresponds with the trend of globalization and regional integration, as the top-level driver of the trilateral cooperation, the China-ROK-Japan Summit Meeting plays a significant role, and benefits the interests of the three countries, of course including China. It is necessary to resume the trilateral summit meeting, which is the key to furthering trilateral cooperation. As an important member in the mechanism of the trilateral summit meeting, China's position affects the future development of the trilateral summit meeting. As a regional power and growing international power, relying on its unique advantage, China has the ability to play a significant role in promoting the trilateral summit meeting as a viable institution in the future.

The author has tried to find the approaches to extricate the China-ROK-Japan Summit Meeting from the current predicament and open a new prospect by analyzing the history, significance, achievements and the reason of current obstacles and difficulties of the trilateral summit meeting, including its historical, political and security impacts. For the above purpose, the author made a research study on the topic of "*China's Position on the China-ROK-Japan Summit Meeting*".

B. THEORY OF THE RESEARCH

The theories used by the research are international political economic theory, international politics theory, and international relations theory, of which the core research theory is interdependence theory in international relations. Both the history and reality of the trilateral summit meeting could be explained by the interdependence

theory. The growing economic interdependence among China, the ROK and Japan prompted the three governments to hold the China-ROK-Japan Summit Meeting in the background of globalization, and the original driving force of the trilateral summit meeting is the growing economic interdependence. Therefore the rise and development of the trilateral summit meeting could be explained by the interdependence theory. According to the theory, the main characteristic of interdependence is “sensitivity” and “vulnerability”. The reasons of the current predicament of the trilateral summit meeting could also be found by the interdependence theory.

C. RESEARCH METHOD

The research methods used in this thesis are multiple, including diachronic study, comparison study, case study, and documents analysis. All the methods used are targeted to answer the research questions. The conclusions are reached through the research study and also from the author’s perspective as well. The related data and other information are mainly from the trilateral summit meeting record, economic data, bilateral and trilateral relations, and political documents of the three countries. All the statistics database of authority including books, journals, and articles are from reputable academic sources. Most data is cited from government documents and official websites. All data and information are considered reliable and trustworthy.

D. THESIS STRUCTURE

This thesis is divided into five chapters. Chapter I introduces the aim of the research, the structure and the research method of the thesis. Chapter II analyzes the relationship between deepening economic interdependence and the rise and development of the

China-ROK-Japan Summit Meeting. Chapter III explains why the three countries are unable to develop the trilateral summit meeting as a viable institution with concrete facts and events. Chapter IV explains China's position on the trilateral summit meeting. Chapter V is trying to draw conclusions which states how the summit meeting could survive and develop as a trilateral institution for cooperation and coordination.

II. TRILATERAL INTERDEPENDENCE OF CHINA-ROK-JAPAN AND THE RISE OF THE TRILATERAL SUMMIT MEETING

A. INTERDEPENDENCE THEORY

a. Definition of Interdependence

Interdependence is one of the most important concepts of international political economy and international relations. The viewpoint of interdependence can be found in the writings of Niccolo Machiavelli,¹ Charles-Louis De Montesquieu,² Jean-Jacques Rousseau,³ Adam Smith,⁴ and Karl Marx.⁵ However, *interdependence* is difficult to be defined. There was a long and intense debate on the definition of interdependence in international political economy and international relations during the last decade. Modern scholars, such as Robert O. Keohane, Joseph S. Nye,⁶ Stanley H. Hoffman,⁷ Albert O. Hirschman,⁸ Richard N. Cooper,⁹ and Kenneth N. Waltz¹⁰ have explained interdependence by their own points of view.

¹ Niccolo Machiavelli, *The Prince* (Oxford: Oxford University Press, 2005).

² Charles-Louis De Montesquieu, *The Spirit of Laws* (London: P. Dodesley, 1794).

³ Jean-Jacques Rousseau, *The Social Contract and the First and Second Discourses* (Connecticut: Yale University Press, 2002).

⁴ Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (Chicago: University Of Chicago Press, 1977).

⁵ Karl Marx and Frederich Engels, *The Communist Manifesto* (New York: International Publishers, 1948).

⁶ Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 3rd ed. (London: Longman, 2000).

⁷ Stanley H. Hoffman, *The State of War: Essays on the Theory and Practice of International Politics* (New York: Praeger Publishers, 1965).

⁸ Albert O. Hirschman, *National Power and the Structure of Foreign Trade* (Berkeley: University Of California, 1945).

⁹ Richard N. Cooper, *The Economics of Interdependence: Economic Policy in the Atlantic Community* (New York: McGraw-Hill Book Co, 1968).

¹⁰ Kenneth N. Waltz, *The Myth of National Interdependence* (Cambridge: MIT Press, 1970).

Robert O. Keohane and Joseph S. Nye pointed out that, “In common parlance, *dependence* means a state of being determined or significantly affected by external force. *Interdependence*, most simply defined, means *mutual* dependence. Interdependence in world politics refers to situations characterized by reciprocal effects among countries or among actors in different countries.”¹¹

The standpoint of Stanley H. Hoffman is that, *interdependence* means mutual permeability of community, and mutual relationship among policies of different countries in international economy. *Interdependence* is not only a kind of *condition*, but also a kind of *process*, and it is not a goal, but it provides both limits and opportunities to the benefits and goals of countries.¹²

David A. Baldwin defined *dependence*¹³ from two sides: “On the one hand, ‘dependence’ is used in a causal sense to refer to situations in which an effect is contingent on or conditioned by something else. On the other hand, ‘dependence’ is also used to refer to a relationship of subordination in which one thing is supported by something else or must rely upon something else for fulfillment of a need.”¹⁴

¹¹ Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 3rd ed. (London: Longman, 2000).

¹² Stanley H. Hoffman, *The State of War: Essays on the Theory and Practice of International Politics* (New York: Praeger Publishers, 1965); Stanley H. Hoffman, ed., *Contemporary Theory in International Relations* (Englewood Cliffs N. J.: Prentice-Hall, 1960).

¹³ *Dependence* here means the same as *interdependence* along with other scholars.

¹⁴ David A. Baldwin, “Interdependence and Power: A Conceptual Analysis,” *International Organization* 4 (1980): 471-506.

Generally, *interdependence* is regarded as the fundamental characteristic of modern international system.¹⁵ *Interdependence* describes the relationship of mutually dependency between a group member and other members. In an interdependent relationship, the participating members are emotionally, economically, ecologically or morally dependent on and responsible to the others. An interdependent relationship can occur between two or more cooperative autonomous participants.

These diverse explanations and arguments of different scholars made great contribution to the development of the interdependence theory.

b. Contents of Interdependence Theory

Interdependence theory was sparked in Richard N. Cooper's book "*The Economics of Interdependence: Economic Policy in the Atlantic Community*". Cooper explicitly pointed out that interdependence was a strong trend in industrialized countries in the 1960s, and its emergence and development was a prominent change in the post-war international relations.¹⁶

Interdependence theory was developed in 1970s when the world structure had been significantly changed. First, the bipolar structure of the United States of America (US) and the Soviet Union (USSR) eased up, and the exchanges and cooperation between the Two Camps¹⁷ were increasing. Second, the influence of US economic supremacy

¹⁵ Kalevi J. Holsti, *International Politics: A Framework for Analysis* (New Jersey: Prentice Hall, 1994).

¹⁶ Richard N. Cooper, *The Economics of Interdependence: Economic Policy in the Atlantic Community* (New York: McGraw-Hill Book Co, 1968).

¹⁷ Two Camps: Means the US and the Soviet Union

was declining, and European and Japanese economies were growing rapidly. Third, economic ties among countries continuously strengthened, and opening to the outside became dominant choice in international relations. Fourth, the multilateral cooperative mechanism and international organizations become more active and played more important roles on international stage.¹⁸

Robert O. Keohane and Joseph S. Nye emphasized that *sensitivity* and *vulnerability* was fundamental characteristic of *interdependence*. The affected and restrictive relationship of interdependence can be *symmetrical* or *asymmetrical*, and it depends on the extent of the *sensitivity* and *vulnerability* of the role to external circumstance.¹⁹

Raymond D. Duvall also pointed out that the two basic meanings of dependence correspond to the distinction that is often made between *sensitivity interdependence* and *vulnerability interdependence*.²⁰

Interdependence theory includes the following concepts: First, the relationship between countries is sensitive and can easily be destroyed, especially in the nuclear age. Second, many problems, such as energy resources, population, environment, food, disarmament and development have become global issues, which are unlikely to be solved solely by a single country. Third, countries can no longer be isolated. More and more countries have adopted the policy of opening to the outside world. Last but not

¹⁸ Yongming Fan, *Western International Political Economics*, 2nd ed. (Shanghai: Shanghai People's Publishing House, 2006).

¹⁹ Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 3rd ed. (London: Longman, 2000).

²⁰ Raymond D. Duvall, "Dependence and Dependencia Theory: Notes toward Precision of Concept and Argument," *International Organization* 1 (1978): 51-78.

least, along with the growing balance of powers, international cooperation, instead of military force, has gradually become the main trend in settling international disputes.²¹

In the process of the development of interdependence, the latter was originally conceived from economic interdependence, then expanded to military, social, political, and ecological interdependence, until today's concept of interdependence as globalization and regional integration. Richard N. Cooper emphasized that the study of inter-country relations, especially economic relations are the key to understanding the sensitive reaction relationship between a country's economic development and international economic development.²² Directly related to national interests, the economic interdependence is still the most important part of interdependence theory.

B. INTERDEPENDENCE PUSHED BY ECONOMIC FACTORS

China, the ROK and Japan are the most important countries in Northeast Asia, and to an extent in East Asia. In a macroscopic view, trilateral interdependence among China, the ROK and Japan is rooted from geographical location, historical relationships, cultural exchanges and political, security, and diplomatic factors. However, as a matter of fact, the original motive power of the trilateral interdependence among China, the ROK and Japan was economic consideration, which was also the inherent basis of regionalism.

²¹ Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 3rd ed. (London: Longman, 2000); David A. Baldwin, "Interdependence and Power: A Conceptual Analysis," *International Organization* 4 (1980): 471-506.

²² Richard N. Cooper, "Economic Interdependence and Foreign Policy in the Seventies," *World Politics* 2 (1972): 159-181.

a. Economic Scale of China, the ROK and Japan

The total economic scale of China, the ROK and Japan is remarkably large. As major countries in East Asia, the Gross Domestic Product (GDP) of China, the ROK and Japan ranked the second, the fourteenth, and the third respectively in 2013,²³ and China, the ROK and Japan's total economic aggregate accounts for 90% of East Asia, 20% of the world; China, the ROK and Japan's total trade volume accounts for 70% of East Asia, 20% of the world.²⁴ These three countries are playing more and more important roles in international economy.

Table 1 - Ratio of China, the ROK and Japan's GDP to Other Economies' (1998)²⁵

	China	ROK	Japan	Sum of China, ROK and Japan
GDP (Billions of US Dollars)	1,019	376	3,915	5,311
World Ranking	7 th	15 th	2 nd	
Percentage Share of the World (30,431)	3.4%	1.2%	12.9%	17.5%
Percentage Share of Asia (7,385)	13.8%	5.1%	53.0%	71.9%
Compared to ASEAN (473)	215.4%	79.5%	827.7%	1,122.8%
Compared to US (9,089)	11.2%	4.1%	43.1%	58.4%
Compared to EU(15) (8,745)	11.7%	4.3%	44.8%	60.7%
Compared to GER-FRA-UK (5,125)	19.9%	7.3%	76.4%	103.6%

Through review of historical data, the economic aggregate of China, the ROK and Japan already had a large scale in 1998. As shown in the table 1, the GDP of China, the ROK and Japan ranked the seventh, the fifteenth and the second respectively in the world.²⁶ The total GDP of China, the ROK and Japan amounted to 5,311 billion US

²³ World Bank, "Gross Domestic Product Ranking Table (2013)," Data Catalog, online, The World Bank, 5 Sep. 2014.

²⁴ China General Chamber of Commerce, *China-Japan-South Korea Cooperation Research Report*, online, China General Chamber of Commerce, 29 Aug. 2013.

²⁵ World Bank, "Economy and Growth," *World Development Indicators 1999*, World Bank Publications, online, The World Bank, 1999.

²⁶ World Bank, "Gross Domestic Product Ranking Table (1998)," Data Catalog, online,

dollars, which accounted for 17.5% of the world, and 71.9% of Asia. Compared with other economies, the total GDP of China, the ROK and Japan accounted for 58.4% of the US, 60.7% of the EU(15)²⁷, 103.6% of the sum of Germany, France, and the United Kingdom (GER-FRA-UK), which were the core members of the European Union (EU), and 1122.8% of ASEAN.

Table 2 - Ratio of China, the ROK and Japan's Foreign Trade to Other Economies' (1998)²⁸

	China	ROK	Japan	Sum of China, ROK and Japan
Foreign Trade (Billions of US Dollars)	324	226	668	1,218
World Ranking	10 th	14 th	3 rd	
Percentage Share of the World (11,186)	2.9%	2.0%	6.0%	10.9%
Percentage Share of Asia (2,699)	12.0%	8.4%	24.8%	45.1%
Compared to ASEAN (618)	52.4%	36.5%	108.1%	197.0%
Compared to US (1,626)	19.9%	13.9%	41.1%	74.9%
Compared to EU(15) (4,384)	7.4%	5.1%	15.2%	27.8%
Compared to GER-FRA-UK (2,239)	14.5%	10.1%	29.9%	54.4%

The foreign trade of China, the ROK and Japan in 1998 already represented a large portion of the world foreign trade. As shown in the table 2, the foreign trade volume of China, the ROK and Japan globally ranked the tenth, the fourteenth and the third respectively. The total foreign trade volume of China, the ROK and Japan reached 1,218 billion US dollars, which accounted for 10.9% of the world, 45.1% of Asia. Compared to other economies, the total foreign trade volume of China, the ROK and

The World Bank, 5 Sep. 2014.

²⁷ EU(15): Germany, France, United Kingdom, Italy, Spain, Netherlands, Sweden, Belgium, Austria, Denmark, Greece, Finland, Portugal, Ireland, Luxembourg.

²⁸ World Trade Organization, "Trade: Merchandise Trade (1998)," International Trade and Market Access Data, online, WTO, 5 Sep. 2014.

Japan accounted for 74.9% of the US, 27.8% of the EU(15), 54.4% of GER-FRA-UK, and 197.0% of ASEAN.

In 1998, the huge GDP scale and foreign trade of China, the ROK and Japan defined the three countries' valuable position in the world economy. Compared with other Asian countries, China, the ROK and Japan's trilateral cooperation had deeper meanings, stronger possibilities and practical significance.

b. Complementary Factor Endowments of China, the ROK and Japan

The factor endowments of China, the ROK and Japan are highly complementary, such as in natural resources, labor resources, science and technology fields and in terms of industrial structure. The advantages of China, the ROK and Japan's manufacturing industries are different. China holds low labor cost, high productivities and huge consumption needs. Thus, its comparative advantages are concentrated in labor-intensive industry and manufacturing industry, such as textiles and electronics. In contrast, the ROK and Japan have much more expensive labor; however, their technological abilities and research and development (R&D) capabilities are much stronger, which offers them comparative advantages in capital-intensive and technology-intensive industries, such as electronics and petrochemicals for the ROK, automobiles and machinery for Japan. According to the analysis of the Factor Endowment Theory²⁹, the potential advantages of China, the ROK and Japan are highly complementary.

²⁹ Eli F. Heckscher, "The Effect of Foreign Trade on the Distribution of Income," *Ekonomisk Tidskrift* 2 (1919):1-32; Bertil G. Ohlin, *Interregional and International Trade* (Cambridge: Harvard University Press, 1933).

$$\text{The Trade Competitive Index (TCn)} = (En - In) / (En + In)$$

The Trade Competitive Index (TC) is an important tool in analyzing the international competitiveness,³⁰ which equals the net foreign trade of a product divided by the sum of foreign trade as shown above. TCn means the trade competitiveness of product N. En and In mean the export and import of product N. The numerical value of TCn is between -1 and 1. The larger the TCn is, the greater the comparative advantage and the stronger the competitiveness of product N shall be.

Table 3 - Trade Competitive Index of China, the ROK and Japan (1992-2007)³¹

		1992	1994	1996	1998	2000	2002	2004	2006	2007
High-tech	China	-0.368	-0.371	-0.196	-0.048	-0.050	-0.055	-0.012	0.078	0.122
	ROK	0.024	0.069	0.060	0.319	0.214	0.258	0.313	0.327	0.336
	Japan	0.713	0.669	0.525	0.544	0.501	0.480	0.486	0.465	0.480
Med-tech	China	-0.304	-0.251	-0.186	-0.120	-0.205	-0.219	-0.155	0.015	0.047
	ROK	-0.086	-0.099	-0.145	0.183	0.033	-0.009	0.010	0.017	-0.004
	Japan	0.143	0.147	0.126	0.184	0.153	0.186	0.178	0.174	0.222
Low-tech	China	0.420	0.462	0.381	0.446	0.307	0.386	0.318	0.299	0.311
	ROK	0.073	0.016	-0.110	0.104	-0.131	-0.185	-0.279	-0.382	-0.385
	Japan	-0.717	-0.727	-0.777	-0.735	-0.788	-0.782	-0.803	-0.824	-0.793

According to the “Standard International Trade Classification”³², manufacturing industry can be divided into high-tech³³, med-tech³⁴ and low-tech³⁵. As shown in the

³⁰ Robert C. Feenstra, ed., *Empirical Methods for International Trade* (Cambridge: MIT Press, 1988); Henry K. Kierzkowski, ed., *Monopolistic Competition and International Trade* (Oxford: Oxford University Press, 1984).

³¹ United Nations Statistics Division, “Metadata and Reference: Commodity List,” United Nations Commodity Trade Statistics Database, online, UN Comtrade, 5 Sep. 2014.

³² Department of Economic and Social Affairs of the United Nations Secretariat,

table 3, China has strong competitiveness in manufacturing industries with med-tech and low-tech, while the ROK and Japan have that with high-tech and med-tech. Although China, the ROK and Japan's industrial structures have been optimized and the international competitiveness of China in high-tech industries has been improved during the past fifteen years, there was still a big gap between China and the ROK, Japan.

Wage level is an important indicator of labor costs. There are big differences between the wages of China, the ROK and Japan in manufacturing industry. As shown in table 4, in 1995, the wages of the ROK and Japan were 28 and 58 times higher than that of China. In 2000, there were 15 times and 30 times that of China. In 2008, there were 8.5 times and 10 times that of China. The table shows that: compared with the ROK and Japan, China had strong competitiveness in labor cost. Although compared with other Asian countries, China's labor cost is not the lowest, China had more skilled labor force, more convenient transportation, better infrastructure and better government capability. China held the most attractive factor endowments for the ROK and Japan.

Standard International Trade Classification, 4th rev. (New York: United Nations Publication, 2006).

³³ High-Tech Manufacturing Industry: Telecommunications, Transport Equipment, Electrical Machinery, Instruments and Apparatus, Office and Culture Machines, General Industrial Machinery and Equipment, Machinery Specialized for Particular Industries.

³⁴ Med-tech Manufacturing Industry: Iron and Steel, Non-Ferrous Metals, Manufactures of Metals, Non-Metallic Mineral Manufactures, Chemicals and Related Products, Plastics, Crude Rubber and Rubber Manufactures, Chemical Fibers, Pulp and Paper Manufactures, Medicinal and Pharmaceutical Products.

³⁵ Low-tech Manufacturing Industry: Footwear and Miscellaneous Manufactured Articles, Petroleum and Petroleum Products, Furniture, Articles of Apparel and Clothing Accessories, Beverages, Wood and Wood Manufactures, Leather and Leather Manufactures, Tobacco and Tobacco Manufactures, Textile and Related Products, Printing Products.

Thus the factor endowments of China, the ROK and Japan were highly complementary, and there was great potential and bright vision for the trilateral cooperation.

Table 4 - Wages in Manufacturing of China, the ROK and Japan and other Economies (1990-2008)³⁶

(Per Month, US Dollars)

	1990	1995	2000	2005	2008
China	36.0	51.6	88.1	160.5	290.2
ROK	834.2	1460.3	1386.1	2327.8	2469.8
Japan	2431.0	2979.7	2711.1	2637.6	2847.3
US	1767.4	2058.4	2271.2	2696.0	2895.2
Canada	2406.9	2851.0	3179.2	3581.6	3789.5
United Kingdom	1600.0	1894.0	2508.2	3683.2	4324.0
Singapore	785.1	1525.1	1755.9	2096.6	2797.1
Thailand	131.1	200.5	144.3	158.5	216.9
India	56.3	37.2	28.4	28.0	78.1
Philippines			166.3	236.0	345.5
Vietnam			55.1	70.4	96.0
Indonesia			67.9	57.6	89.5

c. Complementary Economic Structures of China, the ROK and Japan

Each one of China, the ROK and Japan has a huge GDP and foreign trade volume, because the ways of economic development for the three countries are different, their economic structures are highly complementary.

Firstly, China's economic structure is complementary with that of the ROK and Japan. Since the market economy system was established in China, China's export and import expanded constantly, and China's economy gradually shew characteristics of an export-oriented economy. Because China has implemented long-term planned economic system before, it had strong ability for self-sufficiency on its own resources.

³⁶ International Labour Organization Department of Statistics, "Metadata: Sources and Methods," International Labour Office Database on Labour Statistics, online, LABORSTA Internet, 5 Sep. 2014.

Besides, the development level of China's domestic demand market was low. China's land is 96 times and 25 times larger than that of the ROK and Japan, its population is 27 times and 10 times larger than that of the ROK and Japan, the absolute quantity of China's domestic market should be very large, and the domestic markets of the ROK and Japan constitute an obvious contrast. In addition, the economic ties between China and the international market was bound to be more and more close, which might not only directly affect the countries that have economic ties with China, but also spill over to a wider range. In the long run, the ROK and Japan do not have these characteristics.

Secondly, the ROK's economic structure is complementary with that of Japan. As a matter of fact, both the ROK and Japan are typical export-oriented economies, of which production scale is far beyond their domestic market demand, hence they are greatly affected by the world economy and the international markets. However, the ROK and Japan's dependence on the international market is different from each other, mainly because the Japanese economy has been started earlier, the economy scale is larger, the domestic demand market is better developed, hence its resistance to the changes in the international market is stronger. While the yen is international reserve currency, currently Japan's foreign currency reserve ranks the second largest in the world only behind China. Before 2006, Japan was the largest one. Compared to the ROK, Japan is more effective in resisting the impact of the international exchange rate fluctuations, and Japan's performance in countering 1997 Asian financial crisis was more prominent. These factors determined that the ROK and Japan's export-oriented economic structures are not identical, but complementary.

$$\text{Ratio of Dependence on Foreign Trade} = (\Sigma \text{ Export} + \Sigma \text{ Import}) / \text{GDP}$$

The complementarities of the economic structure of China, the ROK and Japan could be found from the analysis on the data of the *Ratio of Dependence on Foreign Trade* of China, the ROK and Japan. As shown above, the Ratio of Dependence on Foreign Trade reflects a country's dependence on international market and foreign trade, which is one of the most important indicators in measuring a country's opening to the outside world. The Ratio of Dependence on Foreign Trade equals the sum of a country's export and import of divided by the country's GDP. The larger the Ratio of Dependence on Foreign Trade is, the greater the openness of a country to the outside world is, and the deeper its interdependence with international market is.³⁷

$$\text{World's Average Ratio of Dependence on Foreign Trade} = (\Sigma \text{ World's Export} + \Sigma \text{ World's Import}) / \text{World's GDP}$$

The average Ratio of Dependence on Foreign Trade of the world equals the sum of the world's export and import of divided by the world's GDP.

³⁷ Gene M. Grossman, ed., *Imperfect Competition and International Trade* (Cambridge: MIT Press, 1992).

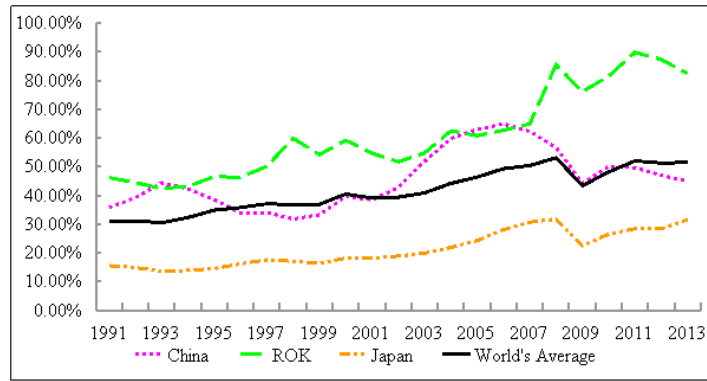


Figure 1 - Changing Trend of the Ratio of Dependence on Foreign Trade of China, the ROK and Japan Compared to the World's Average³⁸

As shown in figure 1, compared with the world's average ratio, that of the ROK is obviously higher than the world's average, and that of Japan is obviously lower. Of all, China is the closest to the world's average. The figure shows that China, the ROK and Japan's dependence on international trade is different. Because their economic structures are different, the three countries are highly complementary in foreign trade.

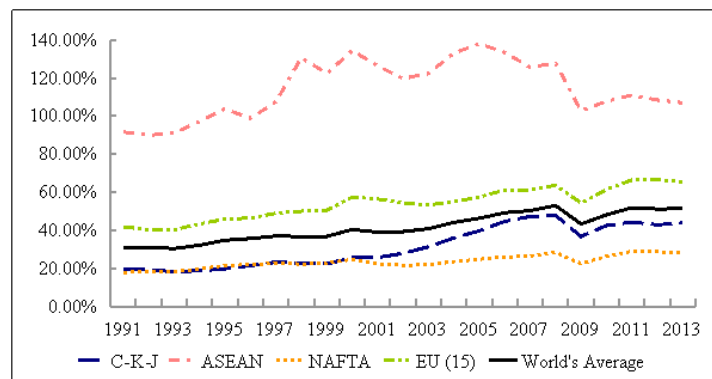


Figure 2 - Changing Trend of the Ratio of Dependence on Foreign Trade of China, the ROK and Japan Compared to the Main Regional Economic Cooperation Mechanisms³⁹

³⁸ World Trade Organization, "Trade: Merchandise Trade," International Trade and Market Access Data, online, WTO, 5 Sep. 2014; World Bank, "Gross Domestic Product (Current US\$)," Open Data, online, The World Bank, 5 Sep. 2014.

³⁹ World Trade Organization, "Trade: Merchandise Trade," International Trade and Market Access Data, online, WTO, 5 Sep. 2014; World Bank, "Gross Domestic Product (Current US\$)," Open Data, online, The World Bank, 5 Sep. 2014.

Meanwhile, if China, the ROK and Japan's economic integration is achieved, the equilibrium and stability of the three countries in international trade will be greatly enlarged. Then the advantages of economic structure of China, the ROK and Japan will be much more obvious than NAFTA, EU and ASEAN.⁴⁰

d. Close Bilateral Foreign Trade Relations among the Three Countries

The volumes of bilateral trade among China, the ROK and Japan are large, which is the root cause of the trilateral economic interdependence.

Firstly, China, the ROK and Japan are all important trading partners for each other of them. In 1998, the trade between China and the ROK, China and Japan, the ROK and Japan reached 21.27 billion, 57.94 billion, and 29.08 billion US dollars respectively. The ROK and Japan were the third and the first largest trading partner of China respectively. China and Japan were the third and the second largest trading partner of the ROK respectively. China and the ROK were the second and the fourth largest trading partner of Japan respectively. In 2013, the trade volume among China and the ROK, China and Japan, the ROK and Japan reached 274.25 billion, 312.42 billion, and 94.71 billion US dollars respectively. The ROK and Japan were the third and the second largest trading partners of China respectively. China and Japan were the first and the third largest trading partner of the ROK respectively. China and the ROK were the first and the third largest trading partner of Japan respectively. The expansion of the trade scale made the trilateral economic potential advantage into reality.

⁴⁰ Jinglyun Fu. "Exploring Economic Cooperation Mechanism in Northeast Asia from the Perspective of Intra-regional Trade," *Northeast Asia Forum* 4 (2011): 71-78.

Table 5 - Sum of Bilateral Foreign Trade Volume of China, the ROK and Japan among Them Compared to Their Total Foreign Trade Volume⁴¹

(Billions of US Dollars)

	China			ROK			Japan		
	With ROK and Japan	Total Foreign Trade	%	With China and Japan	Total Foreign Trade	%	With China and Korea	Total Foreign Trade	%
2013	586.67	4160.01	14.1	368.96	1075.22	34.3	407.13	1548.26	26.3
2012	585.87	3867.12	15.2	359.62	1067.45	33.7	432.66	1684.41	25.7
2011	588.46	3641.87	16.2	353.63	1079.63	32.8	450.83	1678.56	26.9
2010	504.89	2974.00	17.0	299.59	891.60	33.6	390.25	1463.83	26.7
2009	385.00	2207.54	17.4	227.41	686.62	33.1	299.98	1132.70	26.5
2008	452.80	2563.26	17.7	275.28	857.28	32.1	355.94	1543.95	23.1
2007	395.80	2176.57	18.2	242.47	728.34	33.3	318.57	1336.57	23.8
2006	341.54	1760.44	19.4	212.71	634.85	33.5	285.76	1225.79	23.3
2005	296.32	1421.91	20.8	184.36	545.66	33.8	256.82	1110.81	23.1
2004	257.88	1154.56	22.3	157.89	478.31	33.0	235.68	1020.22	23.1
2003	196.78	850.99	23.1	116.81	372.64	31.3	187.15	854.75	21.9
2002	146.00	620.77	23.5	89.10	314.60	28.3	146.90	753.92	19.5
2001	123.66	509.65	24.3	79.05	291.54	27.1	130.89	752.59	17.4
2000	117.66	474.30	24.8	86.79	332.75	26.1	135.46	858.76	15.8
1999	91.21	360.63	25.3	65.04	263.44	24.7	106.18	727.61	14.6
1998	79.20	323.95	24.4	50.34	225.60	22.3	87.01	668.41	13.0

Secondly, the sum of China, the ROK, and Japan's respective bilateral foreign trade volume with the other two countries among them accounted for large ratio of their respective total foreign trade volume. As shown in table 5, in 1998, China's foreign trade with the ROK and Japan was 79.2 billion US dollars, which accounted for 24.4% of China's total foreign trade volume. the ROK's foreign trade with China and Japan

⁴¹ National Bureau of Statistics of China, "Annual: Foreign Trade and Economic Cooperation," National Data, online, NBS, 5 Sep. 2014; Statistics Korea, "Trade, Foreign Exchange, Balance of Payments," Statistical Database, online, Korean Statistical Information Service, 5 Sep. 2014; Ministry of Finance, "Trade and Investment Statistics," Reports and Statistics, online, Japan External Trade Organization, 5 Sep. 2014.

was 50.34 billion US dollars, which accounted for 22.3% of the ROK's total foreign trade volume. Japan's foreign trade with China and the ROK was 87.01 billion US dollars, which accounted for 13% of Japan's total foreign trade volume.

Table 6 - Sum of Bilateral Foreign Trade Volume of China, the ROK and Japan among Them Compared to Their Foreign Trade Volume with the Main Economies and Regional Economic Cooperation Mechanisms⁴²

(Billions of US Dollars)

		With the other two among China, ROK and Japan	With US	With EU(15)	With ASEAN
2013	China	586.67	520.87	501.22	443.61
	ROK	368.96	103.57	84.64	135.32
	Japan	407.13	203.52	140.66	230.31
2007	China	395.80	302.07	327.34	202.51
	ROK	242.47	82.99	78.87	71.86
	Japan	318.57	214.22	159.10	173.89
2003	China	196.78	126.33	125.22	78.26
	ROK	116.81	59.03	44.27	38.71
	Japan	187.15	174.07	120.68	119.28
1998	China	79.20	54.83	48.90	23.64
	ROK	50.34	43.21	29.10	24.46
	Japan	87.01	190.98	113.30	88.83

Thirdly, the volume of China, the ROK, and Japan's respective bilateral foreign trade with the other two countries among them is much larger than their foreign trade with other main economies and regional cooperation mechanisms. As shown in table 6, in 1998, the sum of China's bilateral foreign trade with the ROK and Japan exceeded its respective foreign trade with the US, the EU(15) and ASEAN; the sum of the ROK's bilateral foreign trade with China and Japan exceeded its respective foreign trade with

⁴² National Bureau of Statistics of China, "Annual: Foreign Trade and Economic Cooperation," National Data, online, NBS, 5 Sep. 2014; Statistics Korea, "Trade, Foreign Exchange, Balance of Payments," Statistical Database, online, Korean Statistical Information Service, 5 Sep. 2014; Ministry of Finance, "Trade and Investment Statistics," Reports and Statistics, online, Japan External Trade Organization, 5 Sep. 2014.

the US, the EU(15) and ASEAN. From 2003, the sum of Japan's bilateral foreign trade with China and the ROK exceeded its respective foreign trade with the US, the EU(15) and ASEAN. And the gap was getting larger and larger, which means that the trilateral foreign trade among China, the ROK and Japan was getting more and more interdependent for all the three countries.

C. INTERDEPENDENCE DRIVEN BY REGIONAL INTEGRATIONS

After the end of the Cold War, with the international tension easing off and developing of globalization, high degree of interdependent relations were gradually formed among nations. In the background of economic globalization, regional economic cooperation started to develop dynamically all over the world. Different scales, different kinds and different levels of regional or sub-regional organizations and cooperation mechanisms were established.

As shown in table 7, during the 1980s and 1990s, the EU, NAFTA, *Southern Common Market (MERCOSUR)* and *Australia New Zealand Closer Economic Relations Trade Agreement (CER)* were all established as the major economic cooperation mechanisms in Europe, North America, South America and Oceania respectively. Asia was in similar situation. In the 1990s, Asian economy had greatly increased, especially in East Asia. Interdependence among nations was deepened, and capital was flowing more frequently. Asia became one of the most dynamic economies in the world. In 1992, ASEAN officially declared the establishment of *ASEAN Free Trade Area (AFTA)* on the fourth ASEAN Summit. The main target of AFTA was to reach an agreement on the Common Effective Preferential Tariff (CEPT), that meant implementing a zero tariff

among member countries, which required ASEAN members to lower tariffs or even cancel tariff barriers in the following fifteen years. In 1993, seven countries out of South Asian Association for Regional Cooperation (SAARC) signed *SAARC Preferential Trading Arrangement (SAPTA)*, leading to the three rounds' trade negotiations, which resulted in tariff concession by 7.5% to 100% of 2100 items and tariff abolish 180 items.⁴³

Table 7 - Main Regional and Sub-regional Economic Cooperation Mechanism (Until 1998)⁴⁴

	Official Name	Founded Year	Members Amount
CANFTA	Andean Community Free Trade Area	1994	5
EU	European Union	1993	15
SAPTA	South Asian Association for Regional Cooperation Preferential Trading Arrangement	1993	7
CISEU	Commonwealth of Independent States Economic Union	1993	12
AFTA	ASEAN Free Trade Area	1992	10
NAFTA	North American Free Trade Area	1992	3
BSEC	Black Sea Economic Cooperation Organization	1992	11
CEFTA	Central European Free Trade Agreement	1992	4
SADC	Southern African Development Community	1992	14
MERCOSUR	Southern Common Market	1991	4
CER	Australia New Zealand Closer Economic Relations Trade Agreement	1990	2
GCC	Gulf Cooperation Council	1981	6
ECOWAS	Economic Community of West African States	1975	16
EFTA	European Free Trade Association	1960	7

⁴³ The Yearbook of World Economy Editorial Committee, ed., *The Yearbook of World Economy 2013* (Beijing: China Social Sciences Press, 2014).

⁴⁴ World Affairs Almanac Editorial Committee, ed., *World Affairs Almanac 2013/2014* (Beijing: World Affairs Press, 2014).

Table 8 - Regional and Sub-regional Free Trade Mechanism Participated by GDP Top 30 Economies (1998) ⁴⁵

Ranking	Economy	GDP (Millions of US Dollars)	Ratio of World (%)	Free Trade Mechanism Participated
1	United States	9,089,100	29.87%	NAFTA
2	Japan	3,914,575	12.86%	
3	Germany	2,178,171	7.16%	EU
4	United Kingdom	1,477,759	4.86%	
5	France	1,468,872	4.83%	EU
6	Italy	1,224,580	4.02%	EU
7	China	1,019,462	3.35%	
8	Brazil	843,827	2.77%	MERCOSUR
9	Canada	631,432	2.07%	NAFTA
10	Spain	600,652	1.97%	EU
11	Mexico	502,010	1.65%	NAFTA
12	India	428,741	1.41%	SAPTA
13	Netherlands	402,648	1.32%	EU
14	Australia	399,523	1.31%	CER
15	Korea, Rep.	376,482	1.24%	
16	Argentina	362,134	1.19%	MERCOSUR
17	Switzerland	278,904	0.92%	EFTA
18	Russian Federation	270,953	0.89%	CISEU
19	Turkey	269,287	0.88%	BSEC
20	Belgium	255,599	0.84%	EU
21	Sweden	254,723	0.84%	EU
22	Austria	213,330	0.70%	EU
23	Denmark	173,653	0.57%	EU
24	Poland	172,902	0.57%	CEFTA
25	Hong Kong, China ⁴⁶	168,886	0.55%	
26	Norway	151,139	0.50%	EFTA
27	Saudi Arabia	145,773	0.48%	GCC
28	Greece	135,274	0.44%	EU
29	South Africa	134,296	0.44%	SADC
30	Finland	129,763	0.43%	EU
	Top 30	27,674,450	90.94%	
	World	30,431,067	100.00%	

⁴⁵ World Bank, “Gross Domestic Product Ranking Table (1998),” Data Catalog, online, The World Bank, 5 Sep. 2014; World Bank, “Economy and Growth,” *World Development Indicators 2008*, World Bank Publications, online, The World Bank, 2008.

⁴⁶ As one of the special administrative regions of China, Hong Kong is included as an individual economy in this form.

As shown in table 8, the trilateral economic integration level among China, the ROK, and Japan was insufficient. According to the global trend, by 1998 most of the countries that ranked world top 30 had established or participated in different free trade mechanisms. In this regard, China, the ROK and Japan significantly fell behind. Because of historical and realistic difficulties, the trilateral economic integration was always given priority to bilateral interests between every two parties. Besides, the three countries were actively participating in the international general free trade arrangements such as the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO).⁴⁷ The effort and attempt of China, the ROK and Japan was in great shortage of establishing the trilateral economic cooperation mechanism. Therefore, China, the ROK, and Japan were the rest several countries that ranked world top 30 without joining a tight regional or sub-regional free trade mechanism in 1998.

D. RISE AND DEVELOPMENT OF THE TRILATERAL SUMMIT MEETING

In the background of global interdependence, the strong trend of globalization and regional cooperation, especially after the 1997 Asia financial crisis, the leaders of China, the ROK and Japan all realized the importance of establishing a regional economic cooperation mechanism and the possible contribution it might usher. Besides, leaders did believe that the three countries should be united in overcoming the financial crisis, and it was necessary to establish a leader-level cooperation mechanism among the three countries to enhance the trilateral cooperation.

⁴⁷ Jingyun Fu, "Exploring Economic Cooperation Mechanism in Northeast Asia from the Perspective of Intra-regional Trade," *Northeast Asia Forum* 4 (2011): 71-78.

a. The Trilateral Summit Meeting within the Framework of 10+3 Summit

The China-ROK-Japan Summit Meeting mechanism was initiated in 1999. Chinese Premier Zhu Rongji, the ROK President Kim Dae-Jung and Japanese Prime Minister Keizo Obuchi had a breakfast meeting during 10+3 Summit in the Philippines in November, 1999, which ushered the trilateral summit meeting within the framework of 10+3 Summit. From 1999 to 2007, China, the ROK and Japan held eight trilateral Summit Meetings within each 10+3 Summit, and each trilateral summit meeting resulted in significant achievements.

Table 9 - China-ROK-Japan Summit Meeting within the Framework of 10+3 Summit (1999-2007) ⁴⁸

	Time/Place	Core Achievements
1st	Nov. 1999 Philippines	Launched the China-ROK-Japan cooperation and the trilateral summit meeting within the framework of 10+3 Summit.
2nd	Nov. 2000 Singapore	Decided to have a regular trilateral summit meeting within the framework of 10+3 Summit.
3rd	Nov. 2001 Brunei	Exchanged views on further promoting economic and trade cooperation among the three countries and reached broad consensus.
4th	Nov. 2002 Cambodia	Identified economic and trade, information industry, environmental protection, human resource and culture as five major areas.
5th	Oct. 2003 Indonesia	Signed “Joint Declaration on the Promotion of Tripartite Cooperation”. Decided to set up a Tripartite Commission.
6th	Nov. 2004 Laos	Discussed on the development of trilateral cooperation and made plans to comprehensively promote cooperation in various fields.
7th	Jan. 2007 Philippines	Issued a “Joint Press Statement” that showed the three countries had the willing to establish mutual trust and cooperation.
8th	Nov. 2007 Singapore	Identified finance, technology, logistics, health, tourism, and youth exchange as six major areas and a series of trilateral programs. Agreed in principle to convene the trilateral summit meeting irregularly by turns.

⁴⁸ Asian Department of Ministry of Foreign Affairs of the People’s Republic of China, ed., *A Collection of Documents of the Trilateral Cooperation among the People’s Republic of China, Japan and the Republic of Korea (1999-2009)* (Beijing: World Affairs Press, 2009).

Firstly, the trilateral summit meetings brought in deep political dialogues and enhanced the level of the trilateral relations. Chinese Premier, the ROK President and Japanese Prime Minister attended all trilateral summit meetings. As shown in table 9, the three leaders exchanged views on strengthening and promoting the further trilateral cooperation. Many meaningful consensuses were reached. The three leaders announced, adopted and issued series of political documents. “Joint Declaration on the Promotion of Tripartite Cooperation among China, the ROK and Japan” was announced in 2003, which was the first joint document that initially defined the principles and cooperating areas; “The Action Strategy on Trilateral Cooperation among China, the ROK and Japan” was announced in 2004, which made a detailed plan for the all-round cooperation in various fields; “Joint Press Statement” was announced in 2007, which showed the three countries’ willingness to establish the trilateral trust, friendship and cooperation.

Secondly, the trilateral summit meetings identified a series of key cooperating areas. In 2002, the trilateral summit meeting defined economy and trade, information industry, environmental protection, human resource development and culture as the five major cooperating areas of the trilateral cooperation. In 2007, the trilateral summit meeting defined finance, technology, logistics, health, tourism, and youth exchange as the six major areas of the trilateral cooperation. The trilateral summit meetings made plans to comprehensively promote specific cooperation in various fields, such as the development of the trilateral cooperation action plan, setting up the network secretariat, strengthening of renewable energy and new energy technology cooperation,

joint research to maintain the framework of the Free Trade Area (FTA), marine search and rescue, anti-terrorism and other non-traditional security cooperation.

Thirdly, the trilateral summit meetings established a series of the trilateral cooperative mechanisms. The trilateral summit meetings decided to set up a Tripartite Commission in 2003, which was headed by the foreign ministers of the three countries who would be responsible for research, planning, coordination and supervision of the trilateral cooperation and provided progress report annually to the trilateral summit meeting. Since 2004, Tripartite Commission meetings were held for five times: June 2004 Qingdao China, November 2004 Vientiane Laos, May 2005 Kyoto Japan, January 2007 Cebu the Philippines, November 2007 Singapore. These meetings officially approved three “Progress Report on the Trilateral Cooperation”.⁴⁹ As an achievement of institution construction, the three countries also agreed to convene the trilateral summit meeting irregularly in turn starting from 2007.

b. The Trilateral Summit Meeting outside the Framework of 10+3 Summit

In 2008, the first China-ROK-Japan Summit Meeting was held in Fukuoka, Japan, outside the framework of 10+3 Summit, which opened a new era of the trilateral summit meeting. From 2008 to 2012, there were five meetings held by China, the ROK and Japan in turn annually.

⁴⁹ The three “Progress Report on the Trilateral Cooperation” were approved on Nov. 2004 on the 2nd Tripartite Commission in Vientiane Laos, Jan. 2007 on the 4th Tripartite Commission in Cebu Philippines and Nov. 2007 on the 5th Tripartite Commission in Singapore respectively.

Table 10 - China-ROK-Japan Summit Meeting outside the Framework of 10+3 Summit (2008-2012)⁵⁰

	Time/Place	Core Achievements
1st	Dec. 2008 Fukuoka	Announced “Joint Statement for Tripartite Partnership”. Adopted the “Joint Statement on International Financial and Economic issues”, “Joint Statement on Disaster Management”, and “Action Plan on Promotion Trilateral Cooperation”.
2nd	Oct. 2009 Beijing	Announced “Joint Statement on the Tenth Anniversary of Trilateral Cooperation”, and “Joint Statement on Sustainable Development”. Reached many cooperation initiatives.
3rd	May. 2010 Jeju	Issued “Trilateral Cooperation VISION 2020”, “Memorandum on the Establishment of the Trilateral Cooperation Secretariat”, “Joint Statement on Strengthening Science and Innovation Cooperation”, and “Joint Statement on Standards Cooperation”.
4th	May. 2011 Tokyo	Issued “Joint Declaration” and three agreements of cooperation on disaster preparedness, nuclear safety, renewable energy and energy efficiency. Adopted thirteen cooperation areas such as trade, sustainable development, social and cultural exchanges.
5th	May. 2012 Beijing	Signed “The Trilateral Investment Agreement”. Announced that the trilateral FTA agreement negotiation will be launched in 2012.

Firstly, the trilateral summit meetings achieved many significant political agreements. As shown in table 10, three leaders reviewed history, summed up the experience and enlightenment, and planned for the future of the trilateral cooperation. “Joint Statement for Tripartite Partnership” was announced in 2008; “Joint Statement on the Tenth Anniversary of Trilateral Cooperation” was announced in 2009, which clearly defined the partnership among three countries was to pursue comprehensive cooperation. The trilateral cooperation would be guided by the principles of openness, transparency, mutual trust, common interests and respect for diverse culture. The trilateral summit meeting issued “Trilateral Cooperation VISION 2020” in 2010 and “Joint Declaration” in 2011, which focused on specific goals and visions for cooperative partnership and

⁵⁰ Trilateral Cooperation Studies Center, *China-Japan-ROK Cooperation (1999-2013)* (Beijing: China Foreign Affairs University Press, 2014).

determined a roadmap on how to strengthen the partnership among the three countries in the next decade, which pushed the trilateral cooperation onto another stage.

Secondly, the trilateral summit meetings enhanced functional cooperation in specific areas, such as disaster prevention, nuclear safety, renewable energy and energy efficiency. The meetings also specified more than thirteen cooperation areas, including trade, sustainable development, social and cultural exchanges and so on. The meetings declared “Joint Statement on International Financial and Economic issues” in 2008, “Joint Statement on Disaster Management” in 2008, “Action Plan on Promotion Trilateral Cooperation” in 2008, “Joint Statement on Sustainable Development” in 2009, “Joint Statement on Strengthening Science and Innovation Cooperation” in 2010, and “Joint Statement on Standards Cooperation” in 2010. All these documents strongly catalysed the improvement of trilateral cooperation and economic growth.

“The Trilateral Investment Agreement” was signed in 2012, which marked the first legal economic document on the trilateral cooperation. “The Joint Trilateral FTA Study” was finished in 2011. There had been four rounds of the trilateral FTA negotiations, which were held in turn among the three countries. It was worth being emphasized that economic cooperation and trade investment among the three countries had made great achievements.⁵¹ The trade volume among China, the ROK and Japan in 2013 soared up to 3484 billion US dollars, which was five times of the number as in 1998 which was 704 billion US dollars. Currently, China is the largest trading partner

⁵¹ Qi Zhang and Gang Lu, *The Prospects of Expanding Intra-regional Investment among China, Japan and Korea* (diss., Development Research Center of the State Council of the People’s Republic of China, 2010).

of the ROK and Japan. Meanwhile the ROK and Japan are China's major trading partners and source of foreign investment. The social and cultural exchanges among China, the ROK and Japan are very active. There were 20 million personnel exchanges in 2013, of which were only 6.5 million in 1999. The three countries agreed to explore the ocean, share experience network security and other new areas of cooperation.

Thirdly, the trilateral summit meetings promoted trilateral institutional construction. The three countries had formed an all-dimensional, multi-tiered and wide-ranging cooperation framework. The Trilateral Foreign Ministers' Meeting mechanism, as a preparation for the annual trilateral summit meeting, was established in 2007 and held for six times. The three Foreign Ministers mainly exchanged views on the progress of the trilateral cooperation, future plans, as well as regional and international issues of common concern. As another channel of communication mechanism, the Senior Foreign Affairs Officials' Consultation on foreign affairs was also established in 2007, and held eight consultations. With the motivation of the trilateral summit meeting, up to 2013, the three countries had established eighteen minister-level meeting mechanisms of diplomatic, technological, information and communication, finance, human resources, environmental protection, transportation and logistics, economic and trade, culture, health, central bank, customs, intellectual property, tourism, earthquake, disaster management, water resources and agricultural, and more than fifty working-level exchange and cooperation platforms.

As another important and remarkable achievement of the institutional construction of the trilateral cooperation, the establishment of Trilateral Cooperation Secretariat (TCS)

was approved in 2010 and “Memorandum on the Establishment of the Trilateral Cooperation Secretariat” was announced. In 2011, TCS was officially established in Seoul, which aims to support the trilateral pragmatic cooperation and friendly exchanges. TCS mainly provides administrative and technical support for the operation and management of the trilateral consultative mechanisms, meanwhile communicates with other international organizations on behalf of the three countries in exploring feasible cooperation projects.

III. IMPACTS OF HISTORICAL, POLITICAL AND SECURITY ISSUES ON THE CHINA-ROK-JAPAN SUMMIT MEETINGS

After the fifth China-ROK-Japan Summit Meeting was held in May 2012, the trilateral summit meeting was suspended. As the host country of the sixth trilateral summit meeting, the ROK has made many efforts to resume the trilateral summit meeting. However, due to historical and realistic reasons, especially historical, political and security issues significantly affected the trilateral summit meeting. In short term, the prospect of the resumption of the China-ROK-Japan Summit Meeting seems to be very bleak.

A. SENSITIVITY AND VULNERABILITY OF INTERDEPENDENCE

The concept of *sensitivity* and *vulnerability* of *interdependence* were firstly mentioned by Robert O. Keohane and Joseph S. Nye in the book of “*Power and Interdependence*”⁵². According to their points, the complex interdependence between countries can be divided into three types: First, evenly balanced mutual dependence; second, pure mutual dependence or absolute dependence; third, relative dependence or asymmetric dependence. Whether the interdependence is symmetrical or asymmetrical, and the degree of asymmetry is determined by a country’s sensitivity and vulnerability reflection to other countries’ action.⁵³

⁵² Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 3rd ed. (London: Longman, 2000).

⁵³ Yongming Fan, *Western International Political Economics*, 2nd ed. (Shanghai: Shanghai People’s Publishing House, 2006).

“Sensitivity involves degrees of responsiveness within a policy framework—how quickly do changes in one country bring costly changes in another, and how great are the costly effects?” “Sensitivity interdependence can be social or political as well as economic.” “Vulnerability can be defined as an actor’s liability to suffer costs imposed by external events even after policies have been altered.” “Vulnerability dependence can be measured only by the costliness of making effective adjustments to a changed environment over a period of time.”⁵⁴ On the basis of interdependence theory, sensitivity and vulnerability is mutual dependent. Sensitivity interdependence and vulnerability interdependence affects each other. The deeper interdependence is, the stronger sensitivity and vulnerability of interdependence is.

According to Robert O. Keohane and Joseph S. Nye’s view, the relationship between sensitivity and vulnerability should be as such: External change leads to a country’s internal changes, which causes sensitivity. If this sensitivity results in damage or potential damage to the country’s own interests, the country will take measures which are costly thus leads to vulnerability. Because changing in the existing policy framework is often complicated and hard to realize in a short period of time, which makes sensitivity interdependence as the country’s first result of external changes. Therefore, sensitivity and vulnerability is timely consistent, vulnerability will never exist separately without sensitivity. There is logical causal relationship between sensitivity and vulnerability. Sensitivity is the direct cause of vulnerability. However, the causal relationship between sensitivity and vulnerability is not ineluctable.

⁵⁴ Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 3rd ed. (London: Longman, 2000).

Vulnerability is necessarily caused by sensitivity, but sensitivity is not necessarily followed by vulnerability.⁵⁵

The development of the trilateral relationship among China, the ROK and Japan demonstrated the sensitivity interdependence and vulnerability interdependence. Coupled with the close economic interdependence among the three countries, the trilateral relationship is still sensitive and can easily be destroyed. No matter how deep the trilateral economic interdependence is, it is possible that the trilateral relationship could be damaged by some delicate factors at any time, which will fatally impact on the China-ROK-Japan Summit Meeting.

B. IMPACTS ON THE TRILATERAL SUMMIT MEETING

The impact factors of the China-ROK-Japan Summit Meeting that caused sensitivity interdependence and vulnerability interdependence among the three countries are very complex, and both the historical and realistic factors among China, the ROK and Japan may affect the trilateral summit meeting.⁵⁶ The influential factors generally can be divided into historical issues, political issues and security issues.

a. Historical Issues

I. Japan's Attitude toward Historical Issues

There are traditions and practices of aggression and expansion to neighboring countries in Japanese history. In recent history, Japan has launched the war against

⁵⁵ Yongming Fan, *Western International Political Economics*, 2nd ed. (Shanghai: Shanghai People's Publishing House, 2006).

⁵⁶ Feng Gan, "East Asia Community: Path, Mechanism and Challenge," *Northeast Asia Forum* 6 (2010): 3-8.

China and the ROK for several times. For examples, the troops of Japan's Hideyoshi captured Seoul and Pyongyang in 1592, which indicated the start of the war on the Korean Peninsula. The Ming Dynasty sent troops to fight against Japanese aggression together with the Joseon Dynasty. After six years of the Anti-Japanese War, the Ming Dynasty and the Joseon Dynasty united army gained the victory in 1598. This war is called Wanli Korean War by China, and Im-jin Waeran and Jeong-yu Jaeran (or Im-jin Joguk Jeonjaeng) by Korea. In 1894, Japan launched a war of aggression against The Qing Dynasty and the Joseon Dynasty, and the Japanese troops defeated the Qing army. The Qing government was forced by the military pressure of Japanese militarism to sign the unequal "Treaty of Shimonoseki" with Japan in 1895. In accordance with the Chinese Lunar Calendar, China called it the Jiawu Sino-Japanese War, and it is internationally and commonly known as the First Sino-Japanese War. In 1910, Japanese troops besieged the imperial palace in Seoul, and forced the Korean government to sign "Japan-Korea Annexation Treaty". After that Japan completely annexed Korea and began thirty-six years of colonial rule in Korea. Japan invaded China in 1931, and gradually made part of China as its colony until Japan's surrender in the end of the World War II in 1945.⁵⁷

Japan's attitude toward history related to the national feelings of other countries. Historic entanglements among the three countries, including unpleasant history of war, which have ignited people's deep national emotion and nationalism, even enmity

⁵⁷ Joint Editorial Committee of Modern and Contemporary History of Three East Asian Countries, *Modern and Contemporary History of Three East Asian Countries* (Beijing: Social Sciences Academic Press, 2005); Basil Collier, *Japan at War: An Illustrated History of the War in the Far East 1931-1945* (London: Sidgwick and Jackson, 1975).

toward another country and the people.⁵⁸ During the fourteen years and thirty-six years of colonial rule in China and Korean Peninsula, Japanese committed war crimes and crimes against humanity, such as killings, rape, arson and robbery. Japanese troops killed tens of millions of Chinese civilians. The Nanjing Massacre was one of the cruelest war crimes that Japanese invaders have committed in China, and at least 300,000 Chinese people were slaughtered by Japanese troops within six weeks.⁵⁹ Japan implemented the slavery policy on the Korean Peninsula, and plundered a large amount of wealth, and forced recruitment of soldiers as the tool of its war of aggression in Asia, and forced recruitment of civilian females as comfort women, which caused the loss of life and the dignity of a large number of the people in Korean Peninsula. All of these were engraved on the heart of the Chinese and Korean people, and became the unforgettable pains of the two nations. Therefore Japan's attitude to the period of the aggression history directly linked to the national emotion of the Chinese and Korean people to Japanese, and also the peaceful atmosphere for the trilateral relationships.

There has been no real introspection of Japan on its history crime of aggression in the World War II. Compared with the attitude of Germany on history issues of the World War II, Japan's attitude is very disappointing and caused strong antipathy from the Chinese and Korean people. China and Korea request the Japanese government to avoid hurting the feelings of the two nations who had suffered from the Japanese

⁵⁸ Lixin Zhao, "The Potential Obstacle in East Asia Regional Cooperation: Demands of Sino-Korea-Japan Nationalism and Its Impacts," *Northeast Asia Forum* 3 (2011): 20-28.

⁵⁹ Basil Collier, *Japan at War: An Illustrated History of the War in the Far East 1931-1945* (London: Sidgwick and Jackson, 1975).

aggressions, especially with the issues of text books to the young generation, comfort women issue, and senior government officials' visits to the Yasukuni Shrine where the war criminals were worshiped. China and Korea request Japan to face the history squarely and honestly, and they would not like to see the history issues become obstacles for future relations. However, Japan refused to acknowledge and reflect on the history of aggression, and hurt the feelings of the Chinese and Korean people time to time again.

Japan's rightist politics are getting more and more serious. In recent years, Junichiro Koizumi's government and Shinzo Abe's government, including some politicians have no correct understanding of crimes of Japanese militarism during the World War II, continue to take actions on visits to the Yasukuni Shrine and distort the truth in history textbooks, and refuse to acknowledge the comfort women issue and other issues. Shinzo Abe has re-defined the concept of *aggression*, and taken negative attitude toward Japan's aggression history to neighboring countries. Especially Shinzo Abe's authority has lifted a ban on collective self-defense rights and sought the amendment of the peace constitution which aims to pave the way for the return of Japan to political and military power, which has shown the deep-going change of Japan's domestic political situation. All of Japan's above behavior aroused the nationalist emotion between China and Japan, as well as the ROK and Japan. In such emotional understanding of the historical issues among the three countries, the bilateral disputes have deviated from the value judgment of right and wrong, and become more and more pure contest that involves national interests and national feelings, turning into other

fronts of power competition between China and Japan.⁶⁰ Japan's wrong attitude on historical issues significantly affected China and the ROK, both the governments and societies, and become the obstacles and difficulties of the China-ROK-Japan Summit Meeting.

II. Analysis based on Interdependence Theory

According to the analysis based on the method of interdependence theory, because Japan's attitude on historical issues is linked to China's public opinion toward Japan, once Japan takes negative action on the historical issues, due to the high speed of information transmission by means of traditional media and new media, public opposition in China and the ROK against Japan will be provoked quickly and with great intensity, with which the cost of great sensitivity, leading to sensitivity interdependence. Meanwhile, because the governments of China and the ROK are strongly influenced by the public opinion, vulnerability interdependence of China and the ROK involved in the formulation of policies on Japan will increase. The China-ROK-Japan Summit Meeting mechanism which is participated by Japan is bounded to be affected.

The conclusion is that, Japan's historical issues especially Japan's attitude to its militarist aggression in China and Korea during the World War II has become the inflammable factor and the key political obstacle between Japan and China, the ROK, and directly impacts on the resumption of the trilateral summit meeting. The historical

⁶⁰ Feng Zhu, "Power Shift, Identity Conflict and Strategic Choice: The Strategy for Future Sino-Japanese Relations," *World Economics and Politics* 3 (2007): 16-25.

revisionism of Junichiro Koizumi and Shinzo Abe caused the negative identity of the peoples of China and the ROK to Japan, which seriously impacted the public opinion of China and the ROK, and then impacted the bilateral relations between Japan and China, the ROK, thus hampering the trilateral summit meeting. In 2005, because then Japanese Prime Minister Junichiro Koizumi insisted on visiting the Yasukuni Shrine, the seventh China-ROK-Japan Summit Meeting in the framework of 10+3 Summit had to be postponed. Similar history repeated in 2013. In December 2013, Japanese Prime Minister Shinzo Abe visited the Yasukuni Shrine, which caused strong opposition by China and the ROK. Because of the Yasukuni Shrine issue, the sixth China-ROK-Japan Summit Meeting was not held in 2013, which was the first time that the trilateral summit meeting has ceased since 2008. In the short term, the prospect of the restart of the next trilateral summit meeting is very bleak.

b. Political Issues

I. Territorial Issues

As the most important political issues, the disputes on the territory among China, the ROK and Japan include the relevant islands' sovereignty ownership and the controversy about the marine resource. The territorial issues among the three countries are mainly the Diaoyu Islands (Japanese called Senkaku Islands) issue between China and Japan, the Dokdo (Japanese called Takeshima) issue between the ROK and Japan, and the Suyan Islet (the ROK called Ieodo) issue between China and the ROK. Territory disputes involve the national interests, including economic interests and security interests.⁶¹

⁶¹ Tuosheng Zhang, "Territorial and Oceanian Disputes in East Asia and Their

Both Japan and China claim the territory of the Diaoyu Islands and some areas of the East China Sea. Firstly, the Diaoyu Islands contain a large amount of oil and gas resources, and the attribution of the Diaoyu Islands involves the East China Sea oil and gas development issues, as well as a large area of marine Exclusive Economic Zones (EEZ). Secondly, because the East China Sea in which the Diaoyu Islands is located in an important route of China's imports from foreign energy sea lanes, the ownership of the Diaoyu Islands is closely linked to China's economic development and steady energy supply chain. Thirdly, due to the lack of strategic depth, Japan considers the Diaoyu Islands as an excellent platform by which the scope of its military defense expands westward for more than 300 kilometers; China is surrounded by neighboring island chain, so the Diaoyu Islands provide an optimal channel through the clearance between the Taiwan Island and the Ryukyu Islands to the Pacific for China. China formally proposed the idea to Japan on jointly developing resources near the Diaoyu Islands through diplomatic channels in 1978, until the 1980s, China and Japan have been taking the approach of setting aside the disputes on the Diaoyu Islands issue.⁶² However, the contradictions surrounding the ownership of the Diaoyu Islands between China and Japan continued to be highlighted in recent years. Since the late 1990s, Japan has been strengthening the substantive jurisdiction of the Diaoyu Islands through the establishment of the lighthouse, individual lease and other methods.

Political and Economic Implications," *Contemporary International Relations* 2 (2011): 27-34.

⁶² Joint Editorial Committee of Modern and Contemporary History of Three East Asian Countries, *Modern and Contemporary History of Three East Asian Countries* (Beijing: Social Sciences Academic Press, 2005).

Both the ROK and Japan claim the territory of the Dokdo and some sea areas between them. The Dokdo surrounding sea area is rich in fishery resources, and the ownership of a large number of mineral resources area can bring considerable economic benefits. The Dokdo, geographically located in the central of the Sea of Japan, equivalent to the core of the Northeast Asian region, is a strategic stronghold to control the Sea of Japan and radiate to the entire Northeast Asia. The Dokdo is currently subject to actual control of the ROK, and the ROK has set lighthouse and beacon on the island, and stationed guard personnel. Since the 1980s, a few residents of long-term residence began to live on the island. In recent years, both Japan and the ROK seek to further strengthen their respective positions on the Dokdo. Against this background, the Dokdo issue was heating up again.⁶³

The Suyan Islet issue between China and the ROK was hyped in recent years by some folk people and media with nationalist sentiment. The Suyan Islet is an underwater reef, and it has no territorial status, so there is no territorial dispute between China and the ROK on the legal basis. The Chinese government has clearly stated China's position on the issue of the Suyan Islet, "The Suyan Islet is an isolated and submerged reef rather than territory. China and the ROK have the consensus that the two sides have no territorial dispute over that. The Suyan Islet is in the overlapping waters of the EEZ of China and the ROK. This issue can only be resolved through negotiation on maritime demarcation."⁶⁴

⁶³ Tuosheng Zhang, "Territorial and Oceanian Disputes in East Asia and Their Political and Economic Implications," *Contemporary International Relations* 2 (2011): 27-34.

⁶⁴ Lei Hong, "Foreign Ministry Spokesperson Hong Lei's Regular Press Conference," Spokesperson's Remarks, online, Ministry of Foreign Affairs of the People's Republic

However, it is located in the overlapping area of EEZ that China and the ROK claim. In the delimitation of the sea, the governments of China and the ROK have different claims. Because the ownership of the Suyan Islet involves the sentiment of the Chinese and Korean people, it got to be a complex issue between China and the ROK.

Disputes to the islets and the nearby sea areas are based on the interests of each country. Since these sovereignty disputes on territory are largely a “zero-sum” game, there is very little room to compromise for each party, and it is not realistic to expect any of the parties to give up their positions easily. These disputes have restricted the deep-seated mutual trust among the three countries, and influenced the political environment for the trilateral summit meeting.

II. Analysis based on Interdependence Theory

According to the analysis method of interdependence theory, from the perspective of sensitivity, after other country changed, if one country’s corresponding change is fast enough, and the change is large enough, it can be said that the sensitivity of the country is high. Territorial issues related to national direct benefits, including politics, in particular public opinion, economic and military security interests, any change is likely to be transferred through multiple channels and cause negative influence to other countries, thus resulting in sensitivity, which is the direct cost, therefore the sensitivity of interdependence is quite high. Moreover, due to difficulties to deal with similar

of China, 9 December 2013; Weimin Liu, “Foreign Ministry Spokesperson Hong Lei’s Regular Press Conference,” Spokesperson’s Remarks, online, Ministry of Foreign Affairs of the People’s Republic of China, 12 March 2012.

problems, after paying the price of sensitivity, to change or attempt to change the existing policy framework is also costly thus resulting in vulnerability. At the same time, due to similar situations in China, the ROK and Japan, any change in policy between the two countries, will expand the spillover to the other two bilateral relations, and thus the sensitivity and vulnerability cost will be further enlarged.

The conclusion is that, territory disputes impact the resumption of the China-ROK-Japan Summit Meeting. When either party changes or tries to change its position on territorial issues, territorial disputes between China, the ROK and Japan will immediately show a series of consequences, one of the most direct is in the rise of the nationalism of three countries. Nationalism sentiments could be further amplified by territorial issues, and due to the lack of rational management abilities, the strength of the impediment is much larger, which makes it difficult to make concessions for each state. Once nationalism expands to politics, the claim on the territorial integrity will be above all else, at this moment, any compromise on this issue, adding with patriotism, it will be difficult to handle for the government.⁶⁵ As a result, the parties will take tougher measures in escalation, gradually expanding from pure territorial measures to other areas, which would inevitably undermine the trilateral summit meeting mechanism.

In terms of the Diaoyu Islands territorial disputes between China and Japan, after Shinzo Abe's government came to power, the situations of the Diaoyu Islands disputes

⁶⁵ Takashi Inoguchi, "Chinese Nationalism: A Japanese Perspective," *World Economics and Politics* 11 (2005): 49-50.

were upgrading. The Diaoyu Islands issue was heating up in 2013 by Shinzo Abe's improper remarks. Shinzo Abe said that the Diaoyu Islands are Japanese territory, no matter in history or in international law in April 2013, which angered Chinese people. In November 2013, the Ministry of Defense of China announced the designation of the East China Sea Air Defence Identification Zone (ADIZ), including the airspace near the Diaoyu Islands. The China-Japan bilateral relations got serious impacted by the disputes on the Diaoyu Islands. And the disputes on the East China Sea oil and gas resources development between China and Japan involve maritime delimitation, marine resource allocation and other complex issues, which remain unresolved.

In terms of the Dokdo territorial disputes between the ROK and Japan, in July 2008, the Ministry of Education and Science of Japan announced that, the middle school textbooks that are going to be in use in the year of 2012, will include contents saying that the Takeshima is Japanese territory for the first time. The ROK lodged a strong protest against Japan's behavior. The ROK President Lee Myung-Bak expressed "deep disappointment and regret" on the matter.⁶⁶ And the ROK Prime Minister Han Seung-Soo boarded a helicopter and visited the Dokdo and expressed the commitment to defend the ROK's sovereignty of the Dokdo. In August 2012, President Lee Myung-Bak visited the Dokdo and declared that the ROK has the sovereignty ownership over the islands, and the ROK established the Dokdo guardian signs on a stone to show ROK's sovereignty. Due to the Dokdo issue, the ROK-Japan relationship deteriorated rapidly.

⁶⁶ Myung-Bak Lee, "Remarks on the Issue of Japan's Revised Middle School Textbooks made by Cheong Wa Dae Spokesperson Lee Dong-Kwan," Spokesperson's Briefings, online, The Republic of Korea Cheong Wa Dae, 14 Jul. 2008.

c. Security Issues

As a hot security issue of Northeast Asia, and even the world, Korean Peninsula issue indirectly impacts on the China-ROK-Japan Summit Meeting. Although the Cold War has ended for years, its consequences are far-reaching, and it is difficult to eliminate the long-term impact of the Cold War in Northeast Asia. Currently Northeast Asia is still in the period of order reconstruction after the Cold War. Mechanism of peace and security in Northeast Asia is not established, and many uncertain factors affected the security and stability of the region.

After the World War II, the war broke out on the Korean Peninsula. Today, Northeast Asia is the only remnant of the Cold War area in the world. The Korean Peninsula issue is one of the hot issues in Northeast Asia, and it is also one of the biggest problems of variables in today's world. The Korean Peninsula issue involves many factors, of which the core are security issues, including the Democratic People's Republic of Korea (DPRK) and the ROK relations, and the Korean Peninsula nuclear issue. As all of China, the ROK and Japan are in the Northeast Asian region, and the ROK is the direct party concerned on the Korean Peninsula issue, both China and Japan have serious concerns over the Korean Peninsula issue. Therefore, the Korean Peninsula issue inevitably becomes an important topic discussed in the trilateral summit meeting. And because the problem solving process of the Korean Peninsula issue often encountered obstacles, and China, the ROK and Japan have conflicting interests, the healthy development and the atmosphere of the China-ROK-Japan Summit Meeting will suffer a lot.

I. Inter-Korean Issue

The inter-Korean military confrontation and tensions impact the process of regional mitigation and cooperation.⁶⁷ Today, the Korean Peninsula is still split, and it has been continuously in a state of armistice since 1953. The DPRK and the ROK military confrontation has lasted for more than half a century. There are a large number of troops near the 38th Parallel, and the clouds of military tensions still wander over the Korean Peninsula. Although the inter-Korean relations have been improved much during President Kim Dae-Jung's government (1998-2003) and President Roh Moo-Hyun's government (2003-2008) by the implementation of *Sunshine Policy* on the DPRK, and the summit meeting between President Kim Dae-Jung and Secretary General Kim Jong-Il (June 2000) and President Roh Moo-Hyun's visit to Pyongyang (October 2007) were achieved as historical and remarkable events between the DPRK and the ROK. The inter-Korean relations comprehensively retrogressed during President Lee Myung-Bak's government (2008-2013) by giving up reconciliation policy and pushing for tougher policy on the DPRK.⁶⁸

In this context, a series of events broke out between the DPRK and the ROK, including the November 2009 maritime conflict, the March 2010 Cheonan Ship incident and the November 2010 Yeonpyeong Island shelling incident.⁶⁹ Then the military

⁶⁷ Saili Liu, "Security of Korean Peninsula and China's Tactics for Cooperation with Relevant Parties," *Northeast Asia Forum* 6 (2010): 42-48.

⁶⁸ Samuel S. Kim, ed., *Inter-Korean Relations: Problems and Prospects* (New York: Palgrave MacMillan, 2004); Key-Young Son, *South Korean Engagement Policies and North Korea: Identities, Norms and the Sunshine Policy* (London: Routledge, 2006).

⁶⁹ JianboChen and Jingquan Zhang, "On the New Crisis of Korean Peninsula and the New Change of America's Alliance System in Northeast Asia," *Northeast Asia Forum*

confrontation between the DPRK and the ROK was very intense that even once pushed the situation on the Korean Peninsula to the brink of war. All of these events seriously damaged the inter-Korean relations, and aggravated the anti-DPRK emotion of the people of the ROK.⁷⁰ These events also spread to the trilateral summit meeting mechanism, and made the inter-Korean relations issue, including the Cheonan Ship incident, and the situation of the Korean Peninsula issues become important issues of the trilateral summit meeting. Which also affected the atmosphere of discussion, thus inevitably reduced the attention by all parties, and caused a shift of focus of the trilateral summit meeting. And there is no participation of the DPRK, who is one of the main parties on the Korean Peninsula issues, therefore the discussions are difficult to have direct positive effect on the situation of the Korean Peninsula.

After coming to power in 2013, ROK President Park Geun-Hye has actively promoted the process of the trust on the Korean Peninsula, and delivered the Dresden Declaration on the unification of the Korean Peninsula. At the same time, ROK government requires the DPRK to take substantive and initiative actions on denuclearization. However, the DPRK made negative reaction on the relevant proposals to the ROK. Therefore inter-Korean relations are not effectively improved, and still there is possibility of military conflict between the DPRK and the ROK. This condition of inter-Korean relations negatively impacted to the mitigation of the regional situation, and will also affect the atmosphere of the trilateral summit meeting in the future.

4 (2011): 21-26.

⁷⁰ Sung-Hack Kang, *Korea's Foreign Policy Dilemmas: Defining State Security and the Goal of National Unification* (Folkestone: Global Oriental, 2011).

II. Korean Peninsula Nuclear Issue

The Korean Peninsula nuclear issue is a global hot security issue, which makes Northeast Asian political circumstance more complicated. The Korean Peninsula nuclear crisis has the history of more than 20 years, which aggravated the tensions of Northeast Asian situation and the contradictions between the DPRK and the US, the ROK, and Japan, and strengthened US-ROK and US-Japan alliance. To achieve the denuclearization of the Korean Peninsula is the common concerns of China, the ROK and Japan on the Korean Peninsula nuclear issue, but on the approach, China, the ROK and Japan do not share the same view. Thus, whenever the Korean Peninsula nuclear issue becomes a hot issue, the divergences among China, the ROK and Japan will be conspicuously highlighted, and even the atmosphere of the trilateral cooperation process and the trilateral summit meeting will be affected.

Especially, the DPRK has carried out three times of nuclear tests, and the United Nations Security Council (UNSC) has passed resolutions of sanctions after each nuclear test of the DPRK. The DPRK did not accept but condemned UNSC resolutions, and asserted that the DPRK has reasonable right to develop nuclear power to defense itself under US military and nuclear threat. Due to the Korean Peninsula nuclear issue, the international and unilateral sanctions on the DPRK have been implemented. Especially, the US is strengthening its military deployment in the region and conducting large-scale military exercises with the ROK and Japan by the reason of the Korean Peninsula nuclear issue, which exacerbated the tensions and the uncertainty of

the security situation in Northeast Asia.⁷¹ Most importantly, these actions of the US directly affected China's realistic security interests, so the trilateral summit meeting mechanism is also inevitably affected.

III. Analysis based on Interdependence Theory

Inter-Korean relations and the Korean Peninsula nuclear issue originally had no direct relationship with the China-ROK-Japan Summit Meeting mechanism, but whenever events involving the Korean Peninsula, such as the Cheonan Ship incident, the Yeonpyeong Island shelling incident, the DPRK nuclear test and other issues, because the ROK is the party directly involved, and security interests of China and Japan are directly linked, all of these events will inevitably lead to their respective adjustment of policies on the Korean Peninsula. The policy changes in any country will cause the other two countries' relevant changes on their policies. In order to alleviate the damage on national interests caused by the adverse change, the country had to take measures, such as necessary changing or adjusting against the existing policy framework, which is the country's cost to cope with the situation, including direct expenditures and the resulting indirect losses. Thus, there is vulnerability interdependence in the mechanism of the China-ROK-Japan Summit Meeting.

There is long confrontation between the DPRK and the ROK, and each with military sensitivity and vulnerability. Assuming the DPRK to strengthen its military power, or the occurrence of major military security incidents, then will inevitably lead to the

⁷¹ Jianbo Chen and Jingquan Zhang, "On the New Crisis of Korean Peninsula and the New Change of America's Alliance System in Northeast Asia," *Northeast Asia Forum* 4 (2011): 21-26.

increase of the ROK's military sensitivity. In order to maintain the balance of power between the DPRK and the ROK, to cope with the crisis caused by a variety of reasons, the ROK will inevitably adjust its policies, including strengthening its national defense strength, a close military alliance with the US, whose goal is against the DPRK.

Because of traditional friendly and cooperation relations between China and the DPRK,⁷² the treaty between the two countries stipulates that, the Contracting Parties undertake jointly to take all measures to prevent any aggression against any one country of the Contracting Parties. Once when any Contracting Party was attacked by one country or several countries' combined armed forces, thus in a state of war, the other Contracting Party shall immediately do its utmost to give military and other assistance.⁷³ Assuming the ROK to adjust its defense policy to improve military strength and enhance ROK-US alliance, then will lead to the rise of China's military sensitivity, thereby resulting in interests' conflict between China and the ROK. And this will inevitably affect the China-ROK-Japan Summit Meeting mechanism.

By the same token, the Korean Peninsula nuclear issue has the similar effect. From a logical point of view, if the DPRK developed nuclear weapons and long-range ballistic missiles, or launched a nuclear test, this inevitably leads to military sensitivity rise of the ROK. China and Japan's military sensitivity will rise too, for they are close neighbors of Korean Peninsula. And such events will lead to the policy adjustment,

⁷² Department of Policy Planning of Ministry of Foreign Affairs of the People's Republic of China, ed., *China's Foreign Affairs (2014)* (Beijing: World Affairs Press, 2014).

⁷³ Ministry of Foreign Affairs of the People's Republic of China, ed., *Treaty Collection of the People's Republic of China 1961*, Vol. 10 (Beijing: Law Press, 1962).

which is costly thus resulting in vulnerability. And because of the potential confrontation factors in the complex relationship among China, the ROK and Japan, when one country in the three to adjust defense policy due to the Korean Peninsula nuclear issue, also will further increase military sensitivity of the other two parties, and then creates the spillover effect. Of course, in reality, the purpose of Japan's military action against the DPRK nuclear and missile issues is no more than excuses to revive its military capability.

C. WHY THE TRILATERAL SUMMIT MEETING WAS SUSPENDED

In regional cooperation, economy, mutual identification and cooperative mechanism are indispensable elements. If any one of them encounters problem, the cooperation will be difficult.⁷⁴ If economy is quite good, but mutual identification has problems, nationalism caused by historical and territorial issues will impact the trilateral summit meeting. Of course, such issues include indirect factors such as the Korean Peninsula issue. But these problems also existed in the past, why the trilateral summit was able to successfully start, and separate from the 10+3 summit later on? Why now the historical issues are so prominent that the trilateral summit meeting can not be reopened for two years? The reasons can be explained by the interdependence theory, the growing structural contradiction between China and Japan, and the asymmetry of interdependence between China and the ROK, Japan plays as core internal reason, and the influence brought by US regional strategy toward the trilateral summit meeting mechanism is main external reason.

⁷⁴ Akiyoshi Hoshino and Xiaolin Liu, "Building East Asian Community from the Perspectives of Globalization and Regionalization," *World Economics and Politics* 4 (2011): 90-102.

a. Internal Reasons

I. Structural Contradiction between China and Japan

Interdependence does not exclude the possibility of competition and conflict in the distribution of benefits. According to the neo-realism school in international relations theory, the shift of power structure in international system is an important factor in determining international behavior. Because of the change of power balance between countries caused by capacity allocation changes, the country affected had to take on the *balancing*, *bandwagoning*, *buck-passing* or *chain-gang* and other strategic response based on the security needs by “relative income” standards. The most important variable on determining a country’s strategic choice on power changes is the need of domestic politics.

There is structural contradiction between China and Japan, which is increasing by China’s rise. Coupled with China’s great economic development, the comprehensive national strength is rising rapidly, including the hard power, soft power, and international influence. China’s rise made Japan psychologically not comfortable and hard to adapt easily, and Japan is full of doubt and anxiety toward China’s rise.⁷⁵ Before 2010, Japan was the second largest economy in the world, just behind the the US. However, China caught up with and surpassed Japan to become the second largest economy in 2010. From then on, the era of gap was ended between Japan and China, and the two countries began to be neck and neck with each other, not only in Northeast

⁷⁵ Huizhi Zhang, “Comparison of China, Japan and Korea’s Guidelines of East Asian Community,” *Northeast Asia Forum* 2 (2011): 12-19.

Asian economy but also in the world economy. Coupled with long-term economic downturn in Japan's economy and the rapid rise of China, the national sentiment of frustration occurred in Japan with the change of China and Japan's international status. Japan began to worry that its initiative in Asia will receive the challenges from China, and the *China Threat Theory* was getting more and more welcome in Japan, especially in recent years.⁷⁶

The tensions and conflicts between China and Japan can be explained by the security dilemma in realism theory of international politics. One power rising, its neighboring countries will ferment their doubt and apprehension toward this country, and there would be a structural security dilemma between the rising power and its neighbors. China's rise is a historical necessity, which has been and will continue to have enormous political and strategic effects in Northeast Asia and throughout the world, and the impacts of China's rise to the existing international system is inevitable. However the source of the problem is not that China's rise caused new conflicts within the region, but rather the speculation of the intention of China's rise from other countries including Japan and their uneasiness to China's rise.⁷⁷

The structural contradiction between China and Japan has led to the competition for leadership between China and Japan in the trilateral summit meeting mechanism. The contrast between political relations and economic relations is continuously increasing between China and Japan. Both China and Japan are one of the most important

⁷⁶ Changping Fang, "East Asian Integration and China's Strategy in the Region," *Contemporary International Relations* 2 (2011): 35-40.

⁷⁷ Fengzhi Huang and Xin Jin, "A Multidimensional Survey of China's Security Interest in Northeast Asia," *Northeast Asia Forum* 2 (2011): 3-11.

economic partners to each other. The complementarities of economic structure and the interdependence on economic and trade relations between the two countries continue to be strengthened. However, the bilateral political relations between China and Japan is very cold, especially the leaders of the two countries have not paid visits to each other for quite a long time in recent years.

Because of the shift of power between China and Japan, and Japan's rising doubts and fears to future changes in power structure, Japan increasingly feels that the geographical proximity inevitably produces geopolitical competition with China, and differences in ideology and political system between China and Japan are bound to arouse Japan's doubts toward China's future policy and intention. In response to these changes, the rise of Japan's political goal is not only to revise Japan's peace constitution to become a normal country with collective self-defense rights, but also to enable Japan to cope with a strong China in the future, whether in terms of psychology, national will, national legal system or the comprehensive nation capacity building, including defense forces.

II. Asymmetry of Trilateral Interdependence between China and the ROK, Japan

All of China, the ROK and Japan have benefited from the trilateral cooperation. China has made remarkable economic growth in the past fifteen years since the establishment of the trilateral summit meeting, and its GDP growth and trade growth is far higher than the ROK and Japan. From following data analysis, the conclusion is that, balance will continue to shift in the interdependence among the three countries, the interdependence between China and the ROK, Japan is asymmetric.

Table 11 - GDP of China, the ROK and Japan and the Ratio of the World's (1998-2013)⁷⁸

(Billions of US Dollars, %)

	World	China		ROK		Japan		China, ROK and Japan	
	GDP	GDP	%	GDP	%	GDP	%	GDP	%
2013	73,082	9,240	12.6	1,305	1.8	4,902	6.7	15,446	21.1
2012	72,197	8,229	11.4	1,223	1.7	5,938	8.2	15,390	21.3
2011	70,832	7,322	10.3	1,202	1.7	5,906	8.3	14,430	20.4
2010	63,983	5,931	9.3	1,094	1.7	5,495	8.6	12,520	19.6
2009	58,391	4,990	8.5	902	1.5	5,035	8.6	10,927	18.7
2008	61,652	4,522	7.3	1,002	1.6	4,849	7.9	10,373	16.8
2007	56,224	3,494	6.2	1,123	2.0	4,356	7.7	8,973	16.0
2006	49,889	2,713	5.4	1,012	2.0	4,357	8.7	8,081	16.2
2005	46,040	2,257	4.9	898	2.0	4,572	9.9	7,727	16.8
2004	42,540	1,932	4.5	765	1.8	4,656	10.9	7,352	17.3
2003	37,756	1,641	4.3	681	1.8	4,303	11.4	6,624	17.5
2002	33,624	1,454	4.3	609	1.8	3,981	11.8	6,044	18.0
2001	32,414	1,325	4.1	533	1.6	4,160	12.8	6,018	18.6
2000	32,586	1,198	3.7	562	1.7	4,731	14.5	6,491	19.9
1999	31,569	1,083	3.4	486	1.5	4,433	14.0	6,002	19.0
1998	30,431	1,019	3.4	376	1.2	3,915	12.9	5,311	17.5

Compared with the ROK and Japan, China's GDP growth is the most obvious. As shown in the table 11, from 1998 to 2013, the total GDP of China, the ROK and Japan increased by three times, from 5,311 billion US dollars to 15,446 billion US dollars, and the ratio of China, the ROK and Japan's total GDP of the world increased from 17.5% to 21.1%. China's GDP increased by nine times, from 1,019 billion US dollars to 9,240 billion US dollars, and the ratio of China's GDP of the world increased from 3.4% to 12.6%. The ROK's GDP increased by four times, from 376 billion US dollars to 1,305 billion US dollars, and the ratio of the ROK's GDP of the world increased from

⁷⁸ World Bank, "Gross Domestic Product (Current US\$) (1998-2013)," Open Data, online, The World Bank, 5 Sep. 2014.

1.2% to 1.8%. Japan's GDP increased by 25%, from 3,915 billion US dollars to 4,902 billion US dollars, but the ratio of Japan's GDP of the world decreased from 12.9% to 6.7%. The conclusion is that, since the establishment of the trilateral summit meeting, the total status of China, the ROK and Japan in international economy has improved, and in terms of economic growth China benefited the most, followed by the ROK, and Japan has gained relatively minimal benefits.

Table 12 - Foreign Trade of China, the ROK and Japan and the Ratio of the World's (1998-2013) ⁷⁹

(Billions of US Dollars, %)

	World	China		ROK		Japan		China, ROK, and Japan	
	Trade	Trade	%	Trade	%	Trade	%	Trade	%
2013	37,658	4,160	11.05	1,075	2.86	1,548	4.11	6,783	18.01
2012	37,012	3,867	10.45	1,067	2.88	1,684	4.55	6,619	17.88
2011	36,830	3,642	9.89	1,080	2.93	1,679	4.56	6,400	17.38
2010	30,809	2,974	9.65	892	2.89	1,464	4.75	5,329	17.30
2009	25,335	2,208	8.71	687	2.71	1,133	4.47	4,027	15.89
2008	32,731	2,563	7.83	857	2.62	1,544	4.72	4,964	15.17
2007	28,352	2,177	7.68	728	2.57	1,337	4.71	4,241	14.96
2006	24,591	1,760	7.16	635	2.58	1,226	4.98	3,621	14.73
2005	21,378	1,422	6.65	546	2.55	1,111	5.20	3,078	14.40
2004	18,797	1,155	6.14	478	2.54	1,020	5.43	2,653	14.11
2003	15,458	851	5.51	373	2.41	855	5.53	2,078	13.45
2002	13,238	621	4.69	315	2.38	754	5.70	1,689	12.76
2001	12,679	510	4.02	292	2.30	753	5.94	1,554	12.25
2000	13,182	474	3.60	333	2.52	859	6.51	1,666	12.64
1999	11,642	361	3.10	263	2.26	728	6.25	1,352	11.61
1998	11,186	324	2.90	226	2.02	668	5.98	1,218	10.89

Compared with the ROK and Japan, China's foreign trade growth is the fastest. As shown in the table 12, from 1998 to 2013, the total foreign trade of China, the ROK

⁷⁹ World Trade Organization, "Trade: Merchandise Trade (1998-2013)," International Trade and Market Access Data, online, WTO, 5 Sep. 2014.

and Japan increased by five point five times, from 1,218 billion US dollars to 6,783 billion US dollars, and the ratio of China, the ROK and Japan's total foreign trade of the world increased from 10.89% to 18.01%. China's foreign trade increased by thirteen times, from 324 billion US dollars to 4,160 billion US dollars, and the ratio of China's foreign trade of the world increased from 2.9% to 11.05%. The ROK's foreign trade increased by five times, from 226 billion US dollars to 1,075 billion US dollars, and the ratio of the ROK's foreign trade of the world increased from 2.02% to 2.86%. Japan's foreign trade increased by two times, from 668 billion US dollars to 1,548 billion US dollars, but the ratio of Japan's foreign trade of the world decreased from 5.98% to 4.11%. The conclusion is that, since the establishment of the trilateral summit meeting, the status of China, the ROK and Japan in international trade was improved, and China gained the most benefits, followed by the ROK, and Japan only had relatively minimal gains.

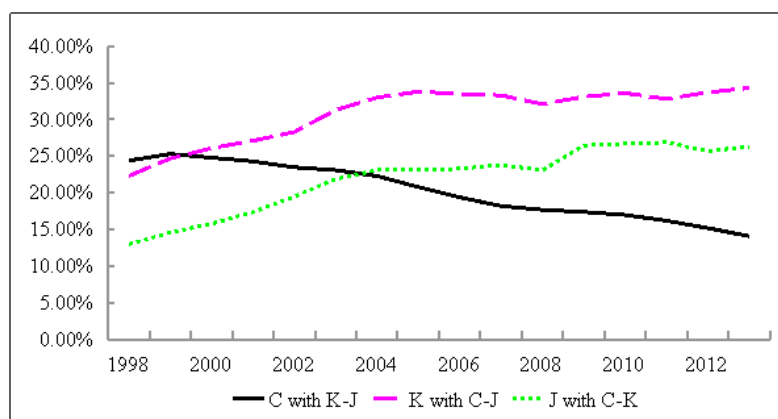


Figure 3 - Changing Trend of the Ratio of Dependence on Foreign Trade of China, the ROK and Japan among them (1998-2013)⁸⁰

⁸⁰ National Bureau of Statistics of China, "Annual: Foreign Trade and Economic Cooperation," National Data, online, NBS, 5 Sep. 2014; Statistics Korea, "Trade, Foreign Exchange, Balance of Payments," Statistical Database, online, Korean Statistical Information Service, 5 Sep. 2014; Ministry of Finance, "Trade and Investment Statistics," Reports and Statistics, online, Japan External Trade Organization, 5 Sep. 2014.

Table 13 - Ratio of Dependence on Foreign Trade of China, the ROK and Japan among Them (1998-2013)⁸¹

(Billions of US Dollars, %)

	China			ROK			Japan		
	With ROK, Japan	With World	%	With China, Japan	With World	%	With China, ROK	With World	%
2013	586.7	4,160.0	14.1	369.0	1,075.2	34.3	407.1	1,548.3	26.3
2012	585.9	3,867.1	15.2	359.6	1,067.5	33.7	432.7	1,684.4	25.7
2011	588.5	3,641.9	16.2	353.6	1,079.6	32.8	450.8	1,678.6	26.9
2010	504.9	2,974.0	17.0	299.6	891.6	33.6	390.3	1,463.8	26.7
2009	385.0	2,207.5	17.4	227.4	686.6	33.1	300.0	1,132.7	26.5
2008	452.8	2,563.3	17.7	275.3	857.3	32.1	355.9	1,544.0	23.1
2007	395.8	2,176.6	18.2	242.5	728.3	33.3	318.6	1,336.6	23.8
2006	341.5	1,760.4	19.4	212.7	634.9	33.5	285.8	1,225.8	23.3
2005	296.3	1,421.9	20.8	184.4	545.7	33.8	256.8	1,110.8	23.1
2004	257.9	1,154.6	22.3	157.9	478.3	33.0	235.7	1,020.2	23.1
2003	196.8	851.0	23.1	116.8	372.6	31.3	187.2	854.8	21.9
2002	146.0	620.8	23.5	89.1	314.6	28.3	146.9	753.9	19.5
2001	123.7	509.7	24.3	79.1	291.5	27.1	130.9	752.6	17.4
2000	117.7	474.3	24.8	86.8	332.8	26.1	135.5	858.8	15.8
1999	91.2	360.6	25.3	65.0	263.4	24.7	106.2	727.6	14.6
1998	79.2	324.0	24.4	50.3	225.6	22.3	87.0	668.4	13.0

According to the analysis of the Ratio of Dependence on Foreign Trade of China, the ROK and Japan, China has gained more prominence in the trilateral cooperation. As shown in the table 13 and figure 3, from 1998 to 2013, the ROK's Foreign Trade Dependence on China and Japan increased from 22.3% to 34.3%, Japan's Foreign Trade Dependence on China and the ROK increased from 13% to 26.3%, however China's Foreign Trade Dependence on the ROK and Japan decreased from 24.4% to

⁸¹ National Bureau of Statistics of China, "Annual: Foreign Trade and Economic Cooperation," National Data, online, NBS, 5 Sep. 2014; Statistics Korea, "Trade, Foreign Exchange, Balance of Payments," Statistical Database, online, Korean Statistical Information Service, 5 Sep. 2014; Ministry of Finance, "Trade and Investment Statistics," Reports and Statistics, online, Japan External Trade Organization, 5 Sep. 2014.

14.1%. In 1998, China's Foreign Trade Dependence on the other two countries among China, the ROK and Japan was the biggest, but in 2013 China's Foreign Trade Dependence among the three countries was the smallest. The conclusion is that, since the establishment of the trilateral summit meeting, China's flexibility in the trade among China, the ROK and Japan has improved remarkably, and China's position in the trilateral cooperation become more initiative; the ROK and Japan become more dependent on the trilateral trade, and they are more restrained and bound in the trilateral cooperation.

b. External Reasons

External factors from the US restrict the trilateral summit meeting. The US is the only superpower in the world, and it not only has global influence, but also the global interests. The US is not an endowed dominant power in Northeast Asia, but due to historical and practical factors, the US has showed the greatest interests and involved the most deeply and actively in promoting East Asian regional cooperation. In particular, as an objective existence, no matter the regional countries realize it or not, the US has enormous strategic, political, economic and security interests in Northeast Asia, and the influence of the US in Northeast Asia is far-reaching and real due to historical and realistic reasons.⁸² Among many issues, security issue has always been the core concern of the US, and it is also the core means for the US to keep its political influence in Northeast Asia.

⁸² Yanjun Guo, "The U.S. and East Asia Security Governance: An Analysis Based on the Externality of Public Goods," *World Economics and Politics* 7 (2010): 36-50.

The US has a diplomatic tradition of early intervention in Northeast Asia, which mainly means two approaches. Firstly, for the US, an increasingly integrated Northeast Asia is not in line with the interests of the US in East Asia, and the US does not comply with the existing institutional arrangements in East Asia. The US has clearly stated that it will participate in East Asian institution construction. Secondly, in the process of China's rapid rise, the US comes to realize that this will be disruptive effects for the strategic situation in Northeast Asia. There is a structural contradiction between the rise of China and the US, and the US worries that China will challenge Asia-Pacific security order led by the US. Therefore, the US has tried everything possible to contain China's development, and prevent China from strengthening its regional and international influence. In this background, the US launched a strategy of *Asia-Pacific Rebalancing* and seeks to return to Asia-Pacific, paying more attention to focus on Asia, especially East Asia and Northeast Asia.

The US maintains its dominance and political influence in Northeast Asia mainly by two means. Firstly, the US implements the policy in favor of ideological line in security cooperation. In Northeast Asia, relying on its current dominant position in international structure and alliance relations with the ROK and Japan, the US uses the differences in the political system and ideology and values between China and the ROK, China and Japan, to prompting the ROK and Japan to be always conservative and cautious in cooperation with China. Secondly, the US strengthens its military alliance with Japan and the ROK. US impact is more significant to the ROK and Japan because they are military allies. The US gives the priority to the bilateral alliances in

Northeast Asia and strengthens its military deployments in Northeast Asia.⁸³ US influence also acts on East Asian territory disputes, such as the Diaoyu Islands dispute between China and Japan, which made the bilateral issue more multilateral, regional and international. Japan follows the US in order to maintain its military advantages and keep distance with China.⁸⁴ As US ally, the ROK and Japan rely on economic cooperation with China, but value the security and political relations with the US, which has increased the competition between the China-ROK-Japan cooperation and the US-Japan-ROK cooperation. All of these factors negatively impact the China-ROK-Japan cooperation, and restrict the trilateral summit meeting.

Due to historical and other factors, the ROK and Japan have demand for the US on defense issues, which by domestic law and international mechanisms has become their own structural needs. Since the ROK and Japan are strongly dependent on the US on defense issues, their sensitivity and vulnerability are both very high. This dependence is also conducive to China, so as to cause an effect to the China-ROK-Japan Summit Meeting mechanism. Therefore, from another perspective, there is sensitivity and vulnerability dependence between the alliance of the US and the ROK, Japan, and the China-ROK-Japan Summit Meeting mechanism.

⁸³ Yanlin Tang, "The United States' Reaction and Policy to China's Rise and China's Response," *World Economics and Politics* 3 (2010): 30-45.

⁸⁴ Changping Fang, "East Asian Integration and China's Strategy in the Region," *Contemporary International Relations* 2 (2011): 35-40.

IV. CHINA'S POSITION ON THE CHINA-ROK-JAPAN SUMMIT MEETING

Since the China-ROK-Japan Summit Meeting mechanism was established in 1999, China has attached great importance to the trilateral summit meeting, and has been committed to the development of the trilateral summit meeting. China is playing a more and more important role in the trilateral summit meeting mechanism. Facing the currently obstacles and difficulties in reopening the trilateral summit meeting, China has made great efforts to create good environment and conditions for the resumption of the trilateral summit meeting.

A. EMPHASIS ON THE TRILATERAL SUMMIT MEETING

China reiterated the great importance it has attached to the trilateral summit meeting mechanism.⁸⁵ Successive Chinese leaders have stressed this position of Chinese government. When Chinese President Hu Jintao met with the ROK President Lee Myung-Bak and Japanese Prime Minister Yoshihiko Noda in Beijing on May 14 2012, during the fifth China-ROK-Japan Summit Meeting, he said that the close exchanges among the three leaders reflect the great importance the three nations attach to their relationships and cooperation among them, it is “*very necessary and urgent*” for China, the ROK and Japan to unite more closely for self development, and seek common development. He said, China highly values its ties with the ROK and Japan, and stands ready to work with them to properly handle existing problems and differences, respect

⁸⁵ Jianping Liu, “China in East Asia: Regional Political Experience and Regionalism Thinking,” *World Economics and Politics* 6 (2011): 52-68.

and accommodate each other's major concerns, and promote development of its ties with the two counties.⁸⁶

China has actively expressed the political will to push the resumption of the trilateral summit meeting. During the ninth session of the Northeast Asia Trilateral Forum in China's Jiangsu Province, April 21, 2014, Chinese Assistant Foreign Minister Liu Jianchao said, the Chinese government attaches great importance to the trilateral cooperation, and it is willing to work with friendly forces of the ROK and Japan, together to enhance understanding and resolve differences in order to inject positive energy for the peace, stability and common development of the three countries, and even the sub-region of Northeast Asia.⁸⁷

China made positive comments on the trilateral summit meeting mechanism, emphasizing it is an important way of promoting regional integration. During the fifth China-ROK-Japan Summit Meeting, on May 14, 2012, Chinese President Hu Jintao said, the trilateral cooperation has become an important platform for the three East Asian countries to cement good-neighborly friendship and expand common interests.⁸⁸

During the ninth session of the Northeast Asia Trilateral Forum in China's Jiangsu Province, April 21, 2014, Chinese Assistant Foreign Minister Liu Jianchao said in an interview with Global Times, although the trilateral relationship has experienced ups and downs, the overall look of trilateral institutional cooperation is continuous development, and also brings important benefits to the peoples of the three countries.

⁸⁶ *People's Daily*, 15 May 2012.

⁸⁷ Jianchao Liu, "Speech on the Northeast Asia Trilateral Forum," online, Xinhua Net, 22 Apr. 2014; *Xinhua Daily Telegraph*, 23 April 2014; *Yangzhou Daily*, 23 April 2014.

⁸⁸ *People's Daily*, 15 May 2012.

He said, from a great regional perspective, the trilateral cooperation is an important part of East Asian cooperation, and it is the important driving force of Asian economic integration as well.⁸⁹

Chinese Prime Minister has attended each trilateral summit meeting both inside and outside the framework of 10+3 Summit since the start of the trilateral summit meeting mechanism in 1999. Especially, as the host country, China attached much importance to the second China-ROK-Japan Summit Meeting in Beijing in 2009, and held the Summit Meeting ceremoniously. All long, China has been committed to the development process of the trilateral summit meeting, and China has been playing more and more important role in the trilateral summit meeting mechanism.

B. URGING JAPAN'S ATTITUDE CHANGE ON HISTORICAL ISSUES

China indicated Japan is the Crux Barrier of the Trilateral Summit. China made it clear that the responsibility lies with part of the leaders of Japan and Japanese government. In an interview with *Global Times* on April 21, 2014, Chinese Assistant Foreign Minister Liu Jianchao said implicitly, the leader and the government of one country in the three is adopting wrong policy at present, the present dilemma has affected people's feelings, and produced a great impact on the trilateral cooperation, causing the decline of Japan's bilateral trade with China and the ROK.⁹⁰

⁸⁹ Jianchao Liu, "Interview with Global Times," online, Huanqiu Net, 22 Apr. 2014; *Global Times*, 23 April 2014.

⁹⁰ Jianchao Liu, "Interview with Global Times," online, Huanqiu Net, 22 Apr. 2014; *Global Times*, 23 April 2014.

China has showed firm stance on historical issues. Chinese President Xi Jinping delivered a speech at a memorial ceremony marking the seventy-seventh anniversary of the start of the war of resistance against Japanese invasion on seventh July 2014, “History is history and facts are facts. Nobody can change history and facts. Anyone who intends to deny, distort or beautify history will not find agreement among Chinese people and people of all other countries,” President Xi Jinping said, referring to the concern that Japan is trying to distort the history of the war. “This minority has repeatedly denied or even beautified the history of invasion, undermining mutual trust among states and creating regional tensions. Such behavior has been strongly condemned by the world’s peace-loving people. History is the best textbook, as well as the best dose of sobriety,” said President Xi Jinping, adding that “Chinese people who remember the torment of war have always been in pursuit of peace.”⁹¹

China has repeatedly urged Japan to show sincerity and change wrong attitude on historical issues, consider the history as a mirror and face the future, and requested Japan to properly handle sensitive issues, in order to clear away the obstacles and create conditions for the resumption of the trilateral summit meeting.

China has proposed ways and means to solve the immediate obstacles, which is to squarely face the problem, conduct dialogue and consultations, and draw lessons from history to face the future. Chinese President Xi Jinping delivered a speech at Seoul National University on July 4, 2014 during his visit to the ROK. He said, “problems

⁹¹ Jinping Xi, “Speech on the Memorial of July 7 Incident,” online, Xinhua Net, 7 Jul. 2014; *People’s Daily*, 8 July 2014; *China Daily*, 8 July 2014.

can not be avoided, but the answer can be varied; history can not be changed, but the future can be shaped.” Meanwhile, he said, “to build consensus through dialogue and negotiation, to deal with differences in a amicable spirit, to promote common development in the attitude of win-win and cooperation, to solve the real problem in the future-oriented vision, is the effective way and reliable protection for the countries to live in harmony, and to resolve conflicts and differences, to achieve peace and stability in the region.”⁹²

Chinese Assistant Foreign Minister Liu Jianchao said, “to overcome the current obstacles and problems on the trilateral cooperation, the most important entry point is the historical issues, namely how the Japanese government deal with the history of the war of invasion launched by Japan against other Asian countries. Whether this problem can be solved properly will play an important role on the improvement of the trilateral cooperation relationship. As long as Japan’s leaders to take correct attitude on the issue, the prospects of the trilateral joint cooperation among China, the ROK and Japan will still be promising, because it conforms to the historical trend, in line with the world’s expectations for the three countries. We hope that Japanese politicians could come up with a responsible attitude toward the future, and repair the existing relations with China and the ROK.”⁹³

China has promoted Japan to properly handle the sensitive issues to clear the way for the China-ROK-Japan Summit Meeting. Under the current situation, political and

⁹² Jinping Xi, “Speech at Seoul National University,” online, Xinhua Net, 4 Jul. 2014; *People’s Daily*, 5 July 2014; *China Daily*, 5 July 2014.

⁹³ Jianchao Liu, “Interview with Global Times,” online, Huanqiu Net, 22 Apr. 2014; *Global Times*, 23 April 2014.

security cooperation has lagged behind economic cooperation in Northeast Asia, and traditional issues constrain the trilateral summit meeting. But in the long term of the trilateral cooperation, the related disputes should not be the obstacles in the present and future China-ROK-Japan Summit Meeting. In order to promote sustainable trilateral summit meeting, China has continuously pushed Japan to objectively understand the status quo, and make efforts to handle the sensitive issues properly, in order to get rid of the obstacles of the China-ROK-Japan Summit Meeting.

C. JOINT EFFORTS WITH THE ROK FOR THE RESUMPTION

Chinese government emphasizes the relationship with the ROK and the role of the ROK in the trilateral cooperation mechanism. Chinese President Xi Jinping visited the ROK solely in July 2014, which has broken the convention of Chinese diplomacy on the Korean Peninsula that Chinese top leader always visits the DPRK before the visit to the ROK. During the speech at Seoul National University, President Xi Jinping said, “China and the ROK have become genuine strategic cooperative partners and bilateral relations are at their best in history, China is willing to become a partner of Korea to achieve common development, make joint efforts to regional peace, work to revitalize Asia, and promote world prosperity and partnership, so that a broad Asian continent and the vast marine become a major platform for China-ROK cooperation.”⁹⁴

China and the ROK have common historical and cultural traditions and positive identity in Northeast Asia. Under the joint efforts of both sides, there is a high level of

⁹⁴ Jinping Xi, “Speech at Seoul National University,” online, Xinhua Net, 4 Jul. 2014; *People’s Daily*, 5 July 2014; *China Daily*, 5 July 2014.

strategic mutual trust between China and the ROK both on bilateral and trilateral cooperation. China and the ROK have maintained close high-level exchanges, established a series of mechanisms for dialogue and communication from the leaders to the working-level. The two sides are hand in hand working hard to become partners of achieving common development, committing to regional peace and revitalization of Asia, and the prosperity of the world.⁹⁵

China appropriately deals with the sensitive issues between China and the ROK in order to create a good circumstance for the development of China-ROK relations. Though there are also some sensitive issues such as the Suyan Islet and other issues which could rouse domestic nationalism between China and the ROK, in general there is no fundamental conflict of interest and structural contradiction between China and the ROK. Chinese government believes that specific issues in China-ROK relations are the problems in the process of the development of bilateral relations.

D. PUSHING THE TRILATERAL FTA AS DRIVING FORCE

In order to restart the trilateral summit meeting as soon as possible, China has actively pushed the trilateral FTA to create motivation and good conditions for the trilateral summit meeting. Former Chinese Vice Premier, Zeng Peiyan said in the speech at the ninth session of the Northeast Asia Trilateral Forum on April 22, 2014, “China, the ROK and Japan should prioritize negotiations over their proposed FTA to benefit regional economic integration.” He stressed, “This will not only help the three

⁹⁵ Shaohua Yu, “Security Situation in Northeast Asia and China-ROK Strategic Cooperation,” *International Studies* 5 (2010): 30-35.

countries to weather international economic risks but also alleviate tensions in political and security areas.”⁹⁶

The China-ROK-Japan FTA serves the common interests of the three countries, and the progress of the trilateral FTA could be the driving force of the China-ROK-Japan Summit Meeting. For agricultural and fishery industries, the China-ROK-Japan FTA can serve to reform the agricultural sector and prepare the countries for global integration in agricultural trade as a good opportunity. For service sectors, the liberalization of the services would raise the competitiveness of service sectors by improving the competition and quality of services. In addition, since many service products are used as intermediary in manufacturing goods, the liberalization of service would also improve the competitiveness of manufacturing industries. The trade in services among China, the ROK and Japan is becoming increasingly important. Thus, the China-ROK-Japan FTA could be used as a means of raising competitiveness in the service industries of the three countries, as well as upgrading their economies.

To promote the China-ROK-Japan FTA is faced with difficulties and obstacles, and the current progress is not smooth. The establishment of an FTA basically requires tariff elimination. All of China, the ROK and Japan have difficulties to meet this requirement. The industrial division of labor is not in balance. The ROK and Japan have competitive edges in automobile, electronic industry and machine tool industries, but they are weak in agricultural and food industries. Agriculture and food processing

⁹⁶ Peiyan Zeng, “Speech on the Northeast Asia Trilateral Forum,” online, Xinhua Net, 22 Apr. 2014; *Xinhua Daily Telegraph*, 23 April 2014; *Yangzhou Daily*, 23 April 2014

are sensitive in the ROK and Japan. So the ROK and Japan may worry that they will become loser after the China-ROK-Japan FTA because of the openness of agriculture and food, which will be opposed by the farmers. China-ROK-Japan FTA negotiations have been completed for five rounds until now, but it will take long time to finish all the trilateral negotiations because of many interest conflicts among the three countries.⁹⁷

China is pushing China-ROK FTA as the breakthrough for the China-ROK-Japan FTA. The bilateral FTA among the three countries has not been formed yet, undoubtedly, the weakness of bilateral FTA among the three countries could give negative effects to China-ROK-Japan FTA negotiation.⁹⁸ However, compared to China-ROK-Japan trilateral FTA, the bilateral FTA is much easier to be promoted. Japan-ROK official negotiation for FTA was started in 2003 after several joint studies at different levels for three years, but it only continued for six times for about one year, and was suspended even without exchanging the offer lists. China-Japan FTA negotiation has not been started yet. Compared to Japan-ROK and China-Japan FTA negotiation, China-ROK FTA negotiation is more advanced, but it has also experienced a tortuous process. In spite of the Joint Research of China-ROK FTA started in 2005, the trilateral FTA negotiation was not started until 2012. Twelve rounds of negotiation were finished, and the mode negotiation was finished, the substance negotiation was begun. During

⁹⁷ Young-So Kim, "The Outline of a Northeast Asian FTA and Korea's Choice," *Korean Observations on Foreign Relations* 1 (2010): 139-160; In-Kyo Cheong, *China-Japan-Korea FTA: Current Progress and Task* (diss., Korea Institute for International Economic Policy, 2003).

⁹⁸ Development Research Center of the State Council of China, National Institute for Research Advancement of Japan and Korea Institute for International Economic Policy of Korea, *Joint Report and Policy Recommendation on Economic Effects of a Possible China-Japan-Korea FTA* (Trilateral Joint Research Working Group, 2003).

Chinese President Xi Jinping's visit to the ROK in July 2014, the two leaders of China and the ROK have decided to make joint efforts to complete China-ROK FTA negotiations during 2014.

E. MAINTAINING STABILITY ON THE KOREAN PENINSULA

China's policy on the Korean Peninsula is clear and continuous, which is to stick to solving problems through dialogue and consultation, encouraging the improvement of relations between the ROK and the DPRK, supporting the Korean Peninsula to eventually realize the independent peaceful reunification. Chinese President Xi Jinping said in the speech at Seoul National University on July 4, 2014, "China hopes the relationship between the ROK and the DPRK continues to improve. China supports peace and reunification on the Korean Peninsula, and the nuclear issue should be resolved through dialogue."⁹⁹

China has continuously promoted the Six Party Talks to solve the Korean Peninsula nuclear issue. The Six-Party Talks on Korean Peninsula nuclear issue that was initiated by China in 2003 is a new diplomatic attempt to solve regional security issue. The history proved that the Six-Party Talks participated by major countries within and outside the region such as China, the US, the Russian Federation(Russia), the DPRK, the ROK and Japan, is the only existing effective mechanism on exploring security issues among the relevant countries. It is a creative initiative to solve complex regional issues through dialogue and consultation, and is also an effective platform to solve the

⁹⁹ Jinping Xi, "Speech at Seoul National University," online, Xinhua Net, 4 Jul. 2014; *People's Daily*, 5 July 2014; *China Daily*, 5 July 2014.

problem of the Korean Peninsula and achieve lasting peace and stability in Northeast Asia.

Since the start of the Six-Party Talks, September 19 (9.19) Joint Statement and other important achievements have been reached. The 9.19 Joint Statement not only guided the process of the Six-Party Talks and all parties' actions as a programmatic document, but also pointed out the direction for long-term peace and stability in Northeast Asia. In 9.19 Joint Statement, the establishment of peace and security mechanism of Northeast Asia was explicitly proposed, and the establishment of the working group on Northeast Asia peace and security mechanism led by Russia was set up, and it has been actively explored for the establishment of this mechanism.

China has pushed the relevant parties to make joint efforts to resume the Six-Party Talks as soon as possible. Currently, due to various complicated reasons, the Six-Party Talks are suspended. Considering the reality of mutual trust deficit among the countries in Northeast Asia area, to gradually promote the construction of a regional multilateral peace and security mechanism based on the Six-Party Talks, is the easiest and viable option that can be achieved by all the relevant parties and all the parties' interests can be taken into account. China has actively explored to establish Northeast Asian peace and security mechanism. Under the principle of consensus, the mechanism construction can be promoted by the spirit of easy issues first and guided by the principle of gradual and orderly progressing step by step. The Six-Party Talks can become the incubator of Northeast Asian peace and security mechanism, and Northeast

Asian peace and security mechanism can be an early or mid harvest result in the Six-Party Talks.¹⁰⁰

F. EFFORTS TO ELIMINATE NEIGHBORS' DOUBTS ON CHINA'S RISE

The Chinese government has proposed the strategy of peaceful development and harmonious world, advocated a new security concept of mutual trust, mutual benefit, equality and cooperation, and further proposed a new concept of Asian security of which core contents are common security, comprehensive security, cooperative security and sustainable security.

China's rise will continue to have enormous political and strategic effect in Northeast Asia and throughout the world, and the doubt and uneasiness of other countries especially the neighboring countries toward China's rise will exist for quite a long time. Facing with this reality, China got to realize all possible realistic and psychological impacts that its rise may bring to other countries.¹⁰¹ In the implementation of its Northeast Asian strategy and promoting sub-regional cooperation mechanism including the China-ROK-Japan Summit Meeting, China strives to minimize the impacts of its rising as far as possible, and reduce the pressures from the regional countries, and eliminate the worries and anxieties that its rising objectively brings to Japan, the ROK through various means.

¹⁰⁰ Yin Lu, "Challenges Facing the Nuclear Non-proliferation in Northeast Asia," *International Studies* 5 (2010): 36-41.

¹⁰¹ Xiaoming Zhang, "The Rise of China and Community Building in East Asia," *Korean Institute for National Unification* 4 (2006): 75-100.

China repeatedly emphasized that China adheres to the road of peaceful development, and completely abandon the road of hegemony and expansion which big powerful countries have always sought on bilateral and multilateral, regional and international arena in the history. Chinese President Xi Jinping refuted the notion that China is a threat to the region, he said, “China will always be a country that maintains peace, promotes cooperation, and is open-minded to learn from others.” President Xi Jinping also called for “building an open, merging, and developing community in Asia.”¹⁰²

Facing the cold bilateral political relations between China and Japan, China pushed forward Japan to accept China’s peaceful rise and seek win-win cooperation with China. China made efforts to increase national friendship between China and Japan by civil and personal exchanges which could actively promote the political relations between China and Japan.

China emphasized to Japan that, the Sino-Japanese friendship is the trend of the times. For China and Japan, no matter how the world changes, no matter how the other developed, regardless of the will of each other, the two adjacent location can not be changed, its huge impact on the peace and security of Northeast Asia can not be changed, the interdependence of two economies in the region can not be changed. How to resolve the historical grudges and establish a new framework in line with the twenty-first century is an important issue lies in front of China and Japan.

¹⁰² Jinping Xi, “Speech at Seoul National University,” online, Xinhua Net, 4 Jul. 2014; *People’s Daily*, 5 July 2014; *China Daily*, 5 July 2014.

China seeks to appropriately handle US factors on the trilateral cooperation. In the background of China's increasing economic and comprehensive national strength, the US doubts on China's rise are also increasing, and the US has deep distrust on the future development of China.¹⁰³ Especially since the American Neo-Conservatism entered the political arena, the Cold War mentality of making alliances through values and seeking unilateral security through military force balance has become popular again, which has made many contradictions faced by other countries unresolved, but immobilized and enhanced constantly. This caused great obstacles to regional security cooperation, and is not conducive to the lasting peace and sustainable development in the region.

China-US relations have global significance in today's world. China fully assesses the effects of its rise to the US, and its realistic interests in the region, and fully understands the regional and international influence of maintaining good China-US relations. In order to properly handle American factors, China carries out active interactions with U.S. in the process of regional cooperation. This is helpful for China to optimize its foreign strategy, and construct Northeast Asian strategy which is both in line with China's strategic needs and today's international relations in Northeast Asia.

¹⁰³ Xiaoming Zhang, "The US's Role in East Asian Regionalization: A Hinder or a Promoter?" *World Economics and Politics* 7 (2010): 4-16.

V. RECOMMENDATIONS

As Robert O. Keohane and Joseph S. Nye have said, “We live in an era of interdependence.”¹⁰⁴ The close economic interdependence among China, the ROK and Japan promoted the rise of the China-ROK-Japan Summit Meeting. Since the trilateral summit meeting mechanism was established in 1999, after fifteen years of development, great achievements have been made, and under the impetus of the leader level mechanism of the trilateral summit meeting, all of China, the ROK and Japan have benefited from the trilateral cooperation mechanism.

Like marriage, in international cooperation, enjoying the benefits of closer international economic relations comes at the expense of giving up a certain degree of autonomy of the country. There are also high costs on the trilateral interdependence among China, the ROK and Japan, resulting sensitivity and vulnerability of interdependence. Currently, there are some difficulties and obstacles on the trilateral summit meeting, which requires concessions of all the three countries.

Relying on its unique advantage, with the increasing influence in the region and all over the world, China could play a significant role to enable the trilateral summit meeting mechanism to overcome the obstacles and restart the trilateral summit meeting. On promoting long-term trilateral cooperation, objectively China should face

¹⁰⁴ Robert O. Keohane and Joseph S. Nye, *Power and Interdependence*, 3rd ed. (London: Longman, 2000).

the reality of geopolitical region, and avoid the competition for leadership with Japan in the framework of China-ROK-Japan Summit Meeting, and continue to play the role as a good facilitator, coordinator, and builder, uphold the principle of mutual benefit and concept of win-win outcome, sharing its development opportunities and common interests with the ROK and Japan, so that the common prosperities of all the three countries in the region could be promoted, and the peoples of the three countries could live a happier life.

In today's world of globalization, the China-ROK-Japan Summit Meeting mechanism corresponds with the international trend, and it could benefit the three countries and the peoples. To overcome the current difficulties to reopen the China-ROK-Japan Summit Meeting, all the three countries should make joint efforts:

Firstly, China, the ROK and Japan should abandon the Cold War mentality and zero-sum thinking, and promote the construction of security mechanism in Northeast Asia. Peace and development are the two major themes in today's world. The three countries should always view the maintenance of regional peace and stability as a starting point, consider the economic developments and achievements as well as mutual benefits of the countries in the region as the fundamental policy objectives, and establish a new security concept that is based on equality and trust, cooperation and win-win, and strive to create a harmonious order, and make joint efforts for lasting peace, security and prosperity in Northeast Asia, in order to benefit all the three countries and make contribution to Asia and the world.

Secondly, China, the ROK and Japan should properly handle sensitive issues and promote mutual trust and understanding. The three countries should set their overall interests on top of sensitive issues such as territorial issues, historical issues, enhancing mutual trust and deepening mutual understanding through dialogue, and jointly seek the proper way to a peaceful solution on the issues, and all of them should give more tolerance to each other on various disputes. The three countries could set aside the disputes first before they can find an acceptable solution together.

Thirdly, the three countries should promote practical trilateral cooperation in various fields, from the shallower to the deeper. The non-traditional security cooperation not only conforms to the trend of globalization, but also has significant “spillover” effects, and makes up for the shortcomings of traditional security cooperation. So the three countries could start cooperation from anti-terrorism, combating cross-border crimes, environmental protection, nuclear safety and natural disaster prevention, maritime relief, public health and food safety and other non-traditional security issues, from the easy issues to the difficult ones. Also, the three countries should strengthen the guidance and nurturing of national feelings by more extensive civil and personnel exchanges, in order to create good environment for the trilateral summit meeting.

Fourthly, the three countries should perfectionalize the institutional construction. The trilateral cooperation secretariat (TCS) should play a significant role in promoting China-ROK-Japan Summit Meeting. Currently, TCS is still in the initial stage. Due to the technical reasons such as limited scale of institutions, inadequate staffing and the lack of political authority, TCS does not have sufficient policy incentives to play a role

in coordination of the trilateral summit meeting. The three countries should give more political authority to TCS to improve its political status. For example, TCS could regularly promote official's meetings, such as foreign minister level meetings, or academic conferences to enhance mutual trust and understanding, and reduce the restriction factors of the trilateral summit meeting, and help the three governments to unload more political burden. Meanwhile, the function of TCS needs to be strengthened, the internal sector needs to be future improved, and the scale of staff needs to be enlarged, in order to meet the need of the trilateral summit meeting mechanism.

Fifthly, the trilateral summit meeting mechanism could attract broad participation of the regional countries including the DPRK, Mongolia, Russia and the extraterritorial countries such as the US, ASEAN and other countries and international organizations, in order to ease the external resistance and gain more motivation. The three countries should actively conduct dialogue of the trilateral summit meeting mechanism with other international organizations, in order to maintain peace and stability of internal and external environment by the in-depth dialogue and policy coordination in security field, and seek to achieve a common, comprehensive, cooperative, sustainable security for all the countries in the region.

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