## Lecture at Renmin University (2025/6/10)

Good afternoon.

Dr. Wang Wen, Dean of Chongyang Institute for Financial Studies, Dean of School of Global Leadership,

Distinguished professors and scholars,

Friends and colleagues,

# <u>Introduction</u>

At the outset, I would like to express my sincere gratitude for the opportunity to join other ambassador colleagues in Beijing and deliver a speech at "RDCY Forum for Area Studies, Ambassador Series" at the distinguished Renmin University. I am honored to be here, a prestigious institution and one of China's top universities. In fact, some of my Japanese colleagues of the Embassy have studied at Renmin University. They are here with us today, and they are very proud to be alumni of this university.

Today, I would like to talk about "The Current State and Future of the Japan-China Relationship."

First, allow me to introduce myself. I joined the Foreign Ministry of Japan in 1983, and my overseas assignments cover Australia, Malaysia, Washington DC of the United Staes, Republic of Korea (RoK) as Deputy Chief of Mission, and most recently Indonesia as Ambassador.

I am not a so-called China-hand diplomat. Throughout my carrier, however, I gained some personal experiences with China. In particular, from 2016 to 2019, I served as the Director-General of the Asian and Oceania Affairs Bureau, and later as Senior Deputy Minister for Foreign Affairs, where I was deeply involved in Japan-China relations. During that time, Prime Minister Abe Shinzo and President Xi Jinping held numerous meetings, and the wheels of Japan-China relations began to turn gradually, leading to Prime Minister Abe's official visit to China in October 2018. I had opportunities to greet and shake hands with President Xi Jinping on several occasions as a member of the Japanese delegation.

Following my posting in Indonesia, I was appointed as the Ambassador to China at the end of 2023. Since then, I have dedicated myself to promoting a more stable and mutually beneficial relationship between Japan and China. Today, drawing on my own experiences, I would like to share my thoughts on the current state of Japan-China relations, the issues we face, and my vision for the future.

### Interacting with China

Since my arrival, I have been prioritizing open communication with Chinese people. I have actively sought opportunities to engage with government officials, business leaders, media representatives, academia, and students, meeting with them in person, listening to their perspectives, and having frank discussions.

China is a vast country with diverse regional characteristics. To gain a multifaceted understanding of China, I have been visiting various parts of this country. In the past year and a half, I have traveled to a total of eighteen cities across ten provinces and four municipalities, experiencing firsthand the unique cultures and landscapes of each region.

For example, during my visit to Dunhuang in Gansu Province, I was deeply impressed by the grandeur of the Mogao Caves, one of the UNESCO World Heritage Sites. The Mogao Caves, a historical hub along the Silk Road, served as a crossroads of various cultures and faiths. Japan learned a great deal about culture and technology from China through the Silk Road. Standing in the presence of such a profound history, I was reminded of the deep cultural ties that have existed between our two countries. My visit to Chongqing revealed not only the vibrancy of a rapidly developing city, but also the warmth and welcoming nature of its people, giving me a strong sense of China's dynamism. The Chongqing cuisine such as hot pot and Chongqing noodles I enjoyed there were particularly delicious, highlighting the richness of local culinary culture. Through my visits to numerous other cities, I have experienced the unique traditions and vitalities of each place and people.

At the same time, I place particular importance on interacting with the younger generation of Chinese who will shape the future Japan-China relations. Visiting Renmin University today and having the opportunity to speak with professors and students is truly invaluable. I have so far visited eleven universities in total, sharing my views on "Current Japan" and directly listening to what students are interested in about Japan.

With the goal of fostering greater interest in Japan among a wider audience, I opened a personal account on Weibo upon my arrival in China and started posting in April last year. This is the first time for a Japanese Ambassador to China to have engaged in such pro-active communication through social media.

Some of you here today may already be following my Weibo account. For those who are not yet, I quietly encourage you to follow me. I hope that by sharing glimpses of my life in China, I may be able to help younger generation of Chinese develop a sense of familiarity with the Japanese people and stimulate their interest in my country.

### Japan-China relations

Now, I would like to touch upon Japan-China relations. Japan and China share a relationship that is sometimes difficult but always indispensable to each other. Here, I would like to stress that successive Japanese Prime Ministers and Chinese Presidents have always shared the greater picture on how to manage our relationship. We call it a "Mutually Beneficial Relationship Based on Common Strategic Interests."

To put it simply, a "Mutually Beneficial Relationship Based on Common Strategic Interests" means that as neighbors separated by only a narrow body of water, both countries inevitably face challenges that may sometimes look unsurmountable. It is crucial, however, for us to manage these outstanding issues effectively and preventing them from negatively affecting the overall relationship, while we endeavor to enhance cooperation for the mutual benefit of both countries and for the international community.

Prime Minister Ishiba Shigeru, who took office September last year, met with Premier Li Qiang in Laos PDR last October and subsequently President Xi Jinping in Peru last November, where they both agreed to fully promote a "Mutually Beneficial Relationship Based on Common Strategic Interests." In December last year, Japan's Foreign Minister Iwaya Takeshi visited China, followed by China's Foreign Minister Wang Yi's visit to Japan March this year, marking a reciprocal exchange of visits by the foreign ministers of both countries.

These meetings have served as catalysts for reinvigorating various exchanges and dialogues between our two countries, which had been disrupted by the COVID19 pandemic. While Japan-China relations are currently on a stable trajectory, it is important to bear in mind that various challenges and unresolved issues still remain.

As major economic powers with global significance, Japan and China play vital roles in promoting peace and development in the region and the world, transcending our bilateral relations. In other words, cooperation between our two countries could make a significant contribution to peace and development in Asia and beyond.

In this context, let me share my personal experience with you. When I was about to be transferred from Indonesia to Beijing, many of my Indonesian friends told me that a stable relationship between Japan and China is crucially important not only for Indonesia and ASEAN, but for the entire Asian region, and earnestly urged me to work towards stabilizing Japan-China relations. I carry those words in my heart as I serve my post in China.

Under the current circumstances, we must continue to engage in dialogue and exchange, effectively managing differences, advancing problem-solving, and expanding areas of practical cooperation. This requires not only the efforts of both governments, but also the broad participation and support of both peoples. We need to work hand-in-hand to ensure that Japan-China relations develop steadily into the future.

The most difficult aspect of current Japan-China relations is the sentiment between the two peoples. Unfortunately, there are still some negative perceptions that linger in Japan regarding China, and vice versa in the Chinese society regarding Japan. This situation cannot be easily remedied overnight.

Yet, what is imperative is to make steady progress, addressing concrete challenges one by one, and proactively promoting practical cooperation. A " Mutually Beneficial Relationship Based on Common Strategic Interests" must not become an empty slogan. Outstanding problems must be resolved, and practical cooperation be enhanced, so that people of both Japan and China feel the benefits of our improved relationship. Let us not forget to make continuous efforts to advance Japan-China relations.

Again, this is not a goal that could be achieved by governments alone. We need the cooperation of all the stakeholders including the business community, media, and academia to drive this process forward. Even if it is only one step at a time, we are committed to working towards this process here in Beijing. We would be really grateful for your support.

Looking ahead, Japan currently holds the Presidency of trilateral Japan-China-RoK cooperation process. We aim to leverage the opportunity of the trilateral summit to be held in Japan in the near future to advance Japan-China relations. Also, Prime Minister Ishiba has expressed his intention to visit China, and I hope to make this happen at an appropriate time in the near future. While no concrete dates have been set at this point, we will continue to move forward step by step.

Given the context of Japan-China relations, I would like to add a brief comment on Japan's relationship with the United States. The United States is Japan's only ally, and therefore maintaining a stable relationship with the United States is crucial for Japan. Of course, Japan-U.S. relations are not problem-free. On the contrary, as we are all well aware of, a significant challenge is currently posed by the large-scale tariff hikes unleashed by President Trump.

The U.S. tariff measures are not acceptable to us. We have already explained to the U.S. side the impact of these measures on Japan's economy and have urged them to promptly reconsider their relevant policies.

Furthermore, Japan has always thrived within a rules-based multilateral free trading system. Therefore, as a matter of principle, upholding and enhancing this system remains a paramount importance for Japan. Japan has been negotiating with the United States based on this principle.

At the same time, China is Japan's largest trading partner, and a range of factors, including historical bonds and geographical proximity, give Japan-China relations a unique and profound significance. Both relations with China and with the United States are vitally important to Japan, and there is no "panacea" for ensuring a smooth relationship with either. What is best is to maintain broad communication both with China and with the United States and to make our best efforts for stable relationships with both.

### Japan-China Economic relations

Next, I would like to talk about the importance of Japan-China

economic relations. China is the world's second-largest economy, and its sustained development is indispensable not just for China itself, but for the entire world. This year's "Two Sessions" focused the importance of expanding consumption, promoting high-level opening up, and developing new quality productive forces. Inevitably, these areas of development will have a significant impact on Japan-China economic relations. The expansion of consumption is going to further stimulate the Chinese market, thereby creating new business opportunities for Japanese companies. Currently, over 10,000 Japanese companies are operating throughout China with bases at over 30,000 locations. We all know that the Chinese market is highly competitive, and foreign business communities, including Japanese, face numerous challenges and difficulties.

A considerable number of Japanese companies, however, have likened China to a "fitness center." Despite the competitive and challenging market environment in China, they see this market as an ideal place to hone their skills and enhance their global competitiveness. These Japanese companies hold a firm belief that they cannot compete globally without succeeding in the Chinese market.

From this perspective, many Japanese companies are collaborating with Chinese partners to develop and conduct research on such areas as electric vehicles and autonomous driving technology, amongst others. This is a good example of both countries learning from and growing with each other. The increasing number of Japanese corporations are also forming partnership with Chinese counterparts to tap into third-country markets.

Also, as our leaders have reconfirmed in the past meetings, we identify significant opportunities for cooperation in areas such as the environment, new energy, and disaster prevention and mitigation. Moreover, as Japan and China both face the common challenge of aging populations and declining birthrates, deeper cooperation is expected in areas such as elderly welfare and healthcare. While cooperation in such areas is only just beginning, some companies have already started initiatives such as developing housing projects for senior citizens. In the future, Japanese companies may also establish and operate diverse types of senior care facilities in China.

In addition, Japanese companies have been providing Chinese consumers with their proficient services, cultivated over many years in the Japanese market. Japanese brands such as Uniqlo, Sushiro, Saizeriya, Muji, and Nitori have gained recognition among Chinese consumers. As Japan has gone through the 30 years' deflation after the burst of the bubble economy in early 1990s, these companies created their unique business model in Japan so that they can offer high-quality products with affordable prices. Their business model became quite a success in China as well, and it is encouraging to see that many Chinese customers have embraced Japanese services.

That's said, however, Japanese business communities here are not entirely satisfied with the current situation where they do not always enjoy the level-playing field with domestic Chinese companies. We are conveying these concerns of Japanese companies to the Chinese governments and urging them to pay closer attention to these opinions.

Let me take this opportunity to appeal to you the changing nature of Japanese companies. From your perspective, they might seem to have lost their former luster. It may be true that the era is over when Japan-made home appliances such as refrigerators, washing machines, and televisions dominated the world. Japanese companies, however, continue to pursue tenacious businesses in many areas. They are less visible to you now, as their focus has shifted away from "B to C" to "B to B." In other words, they are now not directly targeting Chinese consumers, but playing a greater role as suppliers of core components to Chinese business partners.

For example, consider your mobile phone. There are between 800 and 1,000 tiny components called "multilayer capacitors" inside a phone. Japanese companies manufacture at least more than half of those capacitors. They are constantly striving to supply capacitors that are smaller and more durable. In this way, an increasing number of Japanese companies are conducting inconspicuous but tenacious business activities all around the world. Hopefully, this piece of information will be helpful for you as you consider future career paths after graduation.

#### <u>People-to-people Exchanges</u>

Let me turn to people-to-people exchanges between Japan and China. While travel between the two countries has been recovering in recent years after the COVID19 pandemic subsided, it is not yet fully back to pre-pandemic levels. Of course, the number of visitors from China to Japan is steadily increasing, with seven million people last year and an expected surge to over ten million this year. However, a sizable portion of these visitors are so-called "repeaters" who have already experienced Japan, and we need to encourage so-called "first-timers" of Chinese to visit Japan. There is also a need to introduce the charms of Japan's regional areas to more Chinese people.

Regarding Japanese people visiting China, there has been a noticeable increase in businesspeople visiting China after the Chinese government resumed visa-free entry for Japanese citizens at the end of November last year. This has made it more convenient for them to conduct business-related consultations in China. Unfortunately, there are still some Japanese who feel anxious about visiting China due to differing reasons. We continue to raise this issue with the Chinese government on various occasions.

As the old proverb goes, "Seeing is believing." It is vitally important to actually visit a country and understand its people through firsthand experiences. We will continue to work towards a more vibrant exchange between Japan and China, so that peoples of both countries could experience the benefits of improved relations firsthand. In this context, allow me to remind you that the Osaka-Kansai Expo opened in April, and since then many Chinese people are visiting Osaka. This event is a fantastic opportunity to promote international exchanges. During the Expo, 30 Chinese provinces, autonomous regions, and municipalities will each host a week of regional activities.

July 11th is designated as National Day for China. The Expo website has announced a schedule of activities for each Chinese province. I encourage you to choose a time to visit the Expo that aligns with the activities of a region with which you are familiar. The Chinese Pavilion is now one of the most popular facilities for visitors to the Expo, attracting more than 10,000 people per day.

We hope to fully leverage the Osaka-Kansai Expo to promote even more diverse exchanges and deepen friendship and cooperation within the international community, particularly with China. The new bonds forged through this Expo will further strengthen future Japan-China relations.

Despite facing challenges due to our shared history as neighbors, Japan and China have learned from each other and grown together through over 2,000 years of interaction. I often cite the example of Kūkai, a Japanese monk, who traveled to China during the Tang Dynasty in the 8th century, studied the Esoteric Buddhism at the Qinglong Temple in Xi'an, and brought his learnings back to Japan. The Esoteric Buddhism, to this day, continues to be passed down unbroken in Mount Koya of Wakayama Prefecture in Japan.

In China, the Esoteric Buddhism gradually faded away, but Chinese monks from the Qinglong Temple in recent years visited Mount Koya to learn and brought it back to China. This exchange of knowledge across a time span of 1,200 years is profoundly moving, and I am quite certain that there are abundant similar examples.

#### **Conclusion**

This year marks the 80th anniversary of the end of World War II. Japan has repeatedly expressed the feeling of deep remorse and heartfelt apology for its action during the war. Such position articulated by successive cabinets will remain unshakable into the future. At the same time, Japan for the past 80 years has contributed to world peace and prosperity. While taking silent pride in the path we have walked as a peace-loving nation for as long as 80 years, we remain determined never to deviate from this steadfast course. In fact, Prime Minister Ishiba, as recently as at the end of last month, reiterated this determination of ours during his address at a forum in Japan. I hope that Chinese friends understand such determination amongst the Japanese people.

This 80th anniversary serves as a pivotal moment to build a new relationship for the future. Especially in addressing common challenges such as environmental issues and responding to our aging societies, we must build a relationship where both people on both sides can feel the benefits through cooperation. Let us work together to further develop a future-oriented Japan-China relationship that deepens trust between our nations and shares peace and prosperity.

In closing, I would like to renew my appreciation for your presence and kind attention today.

(End)