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TRI-REGIONAL PARTNERING ON RECONCILIATION IN EAST ASIA: PIVOTAL TO SHAPING THE ORDER OF THE TWENTY-FIRST CENTURY?

Martina Timmermann
The American Institute for Contemporary German Studies strengthens the German-American relationship in an evolving Europe and changing world. The Institute produces objective and original analyses of developments and trends in Germany, Europe, and the United States; creates new transatlantic networks; and facilitates dialogue among the business, political, and academic communities to manage differences and define and promote common interests.

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FOREWORD

Germany’s ability to reconcile with its neighbors—despite their difficult histories—is central to AICGS’ work. By examining the tools used and actors involved in achieving reconciliation among former enemies and victims, we can see the potential for conflict resolution elsewhere around the globe. In particular, applying the lessons learned from the German case is proving both useful and relevant to the ongoing tensions in East Asia.

In this Policy Report, Dr. Martina Timmermann draws on her considerable experience in East Asia, her corporate expertise, and her research while a DAAD/AICGS fellow in Washington to examine the current situation between Japan, China, and South Korea. She suggests that the actors in the region must be “partners in leadership,” and calls on the EU and Germany to act as mediators in the conflict and on the United States to provide stability as the guarantor of security. She draws from successful programs in Europe—town twinning, citizen initiatives, and corporate responsibility—and demonstrates how these could be applied in East Asia to overcome the historically-based tensions.

AICGS is grateful to Dr. Timmermann for sharing her insights, to the German Academic Exchange Service (DAAD) for its generous support of this Policy Report and Dr. Timmermann’s research, and to Jessica Riester Hart for her editorial expertise.

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TRI-REGIONAL PARTNERING ON RECONCILIATION IN EAST ASIA
ABOUT THE AUTHOR

Dr. Martina Timmermann was a DAAD/AICGS Research Fellow from July to August 2014. While at AICGS, Dr. Timmermann explored the potential and options for EU/German involvement as a mediator in East Asia, basing her research on her professional experience at German, Japanese, and American universities and think tanks, the UN, and the corporate sector.

Since 2008, Dr. Timmermann has been Vice President for International Affairs at the Transition and Integration Management Agency (TIMA, established in 1996). TIMA is considered a vanguard consultancy that has made its mark in Euro-Asian business ventures and political projects where integrity, transparency, and ethics are vital for success.

Before joining the corporate sector, Dr. Timmermann served as Director of Studies on Human Rights and Ethics in the Peace and Governance Program at the United Nations University (UNU) Headquarters in Tokyo and as UNU Advisor at UNU-EHS (Environment and Human Security) in Bonn. In that capacity, Dr. Timmermann worked and published on issues of peace and governance, regionalization, public private partnership, sustainability, and human rights, with a continuous focus on Asia and Europe.

Prior to joining UNU, Dr. Timmermann directed a research project on regional identity-building in Southeast Asia and Japan. The project was awarded to her by the German Research Association (DFG) in 1999 and conducted at the Institute of Asian Affairs in Hamburg from 2000-2003. From 1994-1999, Dr. Timmermann was lecturer and assistant professor at the department for International Relations and Foreign Policy at the University of Trier with a focus on Japanese foreign policy. During that time, she also served as president of the “Mittelbau” at the senate of the University of Trier.

In 1998, Dr. Timmermann received her doctorate degree from Ruhr-University Bochum for a study in comparative politics, titled The Power of Collective Thought Patterns: Values, Change and Political Culture in Japan and the United States of America (Leske & Budrich 2000, in German). Her PhD research, which she conducted at Hitotsubashi University in Tokyo from 1993-1994 and at Harvard University’s U.S.-Japan Program and Reischauer Institute in summer 1995, was funded by the Japanese-European Special Exchange Program (SEP), the so-called Takeshita-Initiative.
INTRODUCTION

On 20 December 2014, Kyodo News reported that the number of Japanese feeling hostile toward China and South Korea has reached new heights.¹ Such hostility is a result of conflicting territorial and maritime claims, with the long simmering conflict on World War II history at its emotional core. Due to our increasingly interconnected world, reconciliation of interests and emotions in East Asia is in high demand—not only regionally, but also globally. What is needed, therefore, is a reconciliation process led by mediators who are independent, experienced, mutually respected, free from direct geostrategic interests, and with a clear capacity for empathy. Since the conflicts to be mediated are complex and complicated, a joining of forces via “partnering in leadership” is advisable. This paper suggests a tri-regional partnering in leadership among players from the three regions:

1. East Asia (Japan, China, South Korea),
2. the United States (as main security guarantor), and
3. Europe (with EU/Germany as mediators).

Whereas maritime and territorial conflicts could be mediated by the EU, mediation on history reconciliation should be led by Germany. Such a touchy reconciliation process will need to be started at the track-II civil society level via tri-regional town twinning programs on history reconciliation. This approach would benefit from a unique corporate-driven support initiative on corporate history reconciliation in Japan, mentored (upon Japanese request) by German companies with similar experiences. Such an envisioned tri-regional partnership in leadership approach for reconciliation might indeed turn into a role model for any effort in shaping the international order of the twenty-first century. Its potential structure, strategy, and parameters for success will be discussed in the following report.
The Beijing APEC Summit on 10-11 November 2014 revealed a self-confident President Xi Jinping, whose intention to be a leader in shaping this century’s global world order was clear. The Summit was an important platform for President Xi to emphasize China’s growing global role and his vision for the future of the Asia-Pacific region—one that does not touch upon any Western role as co-shaper.

True to its vision, China has already initiated, mostly in concert with the other BRICS countries (Brazil, Russia, India, and South Africa), several international projects such as the National Development Bank (NDB) and the Asian Infrastructure Investment Bank (AIIB) that aim at decreasing its dependence on Western-dominated multilateral institutions and add to its weight in shaping the emerging international system. The question remains whether the AIIB can become a Chinese-led competitor to the Asian Development Bank (ADB), which is dominated by Japan. China invited Japan, Australia, New Zealand, and other neighbors to join the AIIB and make it a multilateral institution, but has so far been turned down. Although the demand for such a bank is recognized by the regional neighbors, fears of increasing Chinese hegemony are strong.

Even more worrying in this global scenario of shifting power, fear, and aspiration is the increasing challenge to long-valid international rules, norms, and procedures. This can be seen particularly in Europe, where Russian President Vladimir Putin annexed Crimea and eastern Ukraine in pursuit of a “Eurasian Union,” as a challenge to the European Union. Putin views this as necessary in order to create a balancing bloc between the EU to the west and a rising China to the east. Condemning Russia’s actions and looking at the broader impact, German Chancellor Angela Merkel deliberately—and unusually strongly—emphasized the commitment to such long-standing values in her speech at the Lowy Institute in Sydney (after APEC). She made it clear that the conflict between Russia and Ukraine risks becoming an undesirable and destabilizing role model for political players in other regions of the world.

Such fears are valid, as we see in East Asia, where China’s handling of its territorial and maritime claims against its neighbors also bypasses international law. As a consequence, the situation in East Asia has grown increasingly heated over the mélange of conflicting interests on power, energy, food, and water resources in the South and East China seas. China is at the center of these conflicts, with its burgeoning economic, political, maritime, and security interests, compelling Japan, long a regional leader, to stand up to China through economic—and increasingly military—means.

South Korea has seen a tremendous development toward becoming a high tech country, which also drives competition with Japan. And both Koreas, South Korea and North Korea, which are still at odds over nuclearization and unification issues (among others), are each trying to find their political roles, acceptance, and acknowledgment within the region and in the newly developing global theater.

A brief overview of the simmering conflicts illustrates the complexity of issues and stakeholders:

- Territorial disputes over the Spratley islands in the South China Sea among China, Taiwan, Japan, South Korea, Malaysia, Vietnam, the Philippines, and Brunei;
- Territorial disputes over the Senkaku/Diaoyu
islands in the East China Sea among China, Taiwan, and Japan;

- Conflict on unification and de-nuclearization between South Korea and North Korea;

- Territorial dispute over Dokdo/Takeshima island between South Korea and Japan; and

- Territorial dispute over the Kuril islands/Northern Territories between Japan and Russia.

Such a complex set of interest-driven conflicts is further exacerbated by history issues, primarily those from World War II. Japan’s aggression against its neighbors is at the core of the conflict and has been gladly used by all political stakeholders to garner support in difficult political and economic times. The result has been an increasingly explosive emotional mix of growing nationalism on all sides, making any sustainable solution ever more challenging.

The history conflict is but one of several areas of tension. A brief overview highlights the major issues and antagonists:

- Disagreement among Japanese, Korean, Chinese, and U.S. positions regarding the historical fact of, and attendant compensation for, the so-called “Comfort Women.” The term—taken from Japanese ianfu—is used for those women who during WWII were coerced into organized prostitution by the military of Japan;

- Tensions among China, South Korea, ASEAN countries, and Japan about visits by the Japanese prime ministers and Cabinet members to the Yasukuni shrine, which honors the war dead including fourteen convicted class A war criminals;

- Disagreements among China, South Korea, and Japan about the war-related contents and use of history textbooks in Japanese schools;

- Disputes between China and Japan about the nature and size of the Nanjing invasion by Japan in 1937-1938;

- Differing interpretations between South Korea and Japan about the Japanese role during colonialism in Korea, from 1910 to 1945; and

- Diverging positions concerning the need to compensate WWII forced laborers.

This intricate web of conflicts has stalled several other diplomatic efforts that require cooperation and trust in order to tackle current and major global concerns, from nuclear non-proliferation to climate change. To achieve reconciliation on such a diverse range of conflicts will require a mediator but, given the complexity of challenges and stakeholders involved, mediation cannot be done by one party alone. It must be a partnership among governments, business, academia, and civil society of the three stakeholders with interests in the region: the countries of East Asia, the United States, and Europe.

The Meaning of Reconciliation

In the banking industry, reconciliation is “the key process used to determine whether the money leaving an account matches the amount spent, ensuring the two values are balanced at the end of the recording period.” Transferring this definition to other social sectors, reconciliation of interests will be part and parcel of any negotiation process in politics, the economy, and society. Depending on the issue, it will comprise a more or less complex group of actors from government, the corporate sector, finance, and the non-governmental civil society sector.

Reconciliation of interests has been required in all sectors.

For solving the financial crises in Europe, the banking union was negotiated. In the trade sector we see, for instance, trade negotiations on the Transatlantic Trade and Investment Partnership (TTIP) between the U.S. and the EU, but also the (China excluding) Trans-Pacific Partnership between the U.S. and eleven other Pacific countries or the (China including) Regional Comprehensive Economic Partnership (RCEP) negotiations. Such processes require as much reconciliation of international interests as of national interests within each country.

A separate and even more challenging dimension to
reconciliation is added when interests are closely tied to emotions, as in the case of reconciliation regarding perceptions of history and memory. The definition of reconciliation becomes, then, more complex: “History reconciliation is both a tool and a target in the long and tedious process of mutual learning on the path toward peace and prosperity; undertaken and achieved via complex and step-by-step efforts of various social actors; striving to find and foster a balance of knowledge, rational motives, and interests; subjective perceptions; and emotional factors like love and hate, happiness and sorrow, remorse and forgiveness.”

Factors for Successful Reconciliation and Mediation: Readiness and Qualification

In her book Germany’s Foreign Policy of Reconciliation, Lily Gardner Feldman compares the reconciliation processes between Germany and Israel, France, the Czech Republic, and Poland. Gardner Feldman suggests four important variables for success: history, the role of leadership in the process, institutions involved, and the international context.

Her findings match the memories of Stuart Eizenstat, former U.S. Under Secretary of State, who describes his experiences as a mediator during the German-U.S.-Jewish negotiations on WWII property restitution some twenty years ago. He notes several criteria that need to be taken into consideration for success, beginning with a synergy between certain international political, economic, and social factors to open a window of opportunity for reconciliation and mediation. Mediation is essential, as “Success lies partly in the mediator’s skills, but also with the readiness of the parties. If someone is bent on keeping a conflict going, even the most obvious solution will not work. If everyone wants to see a conflict end, mediation can be a graceful and efficient way to do so.”

Such findings need to be taken into account when developing a framework for reconciliation in East Asia. Is there synergy among international factors? Are the stakeholders in the conflict “ready” to choose reconciliation over conflict? Are they ready to partner? Finally, who would qualify as a mediator for reconciliation?

Regional Stakeholders in East Asia: Ready for Reconciliation?

The United States: In Need of “Partners in Leadership”

Foreign policy starts at the national level, but for much of the past decade, that level in the United States has been gridlocked. Over the past years, the United States has been experiencing a continuous stalemate in domestic politics. To a foreign visitor, the hostility among political camps as well as the highly emotion-alized debates and sensationalized presentation of any issues in the media are worrisome (to put it mildly). Constructive opposition—a key positive feature of German politics—seems to have become a foreign word or simply wishful thinking.

Such a situation not only undermines the president’s ability to lead effectively at the international level—as we saw with Congress’ refusal to give President Obama Trade Promotion Authority (TPA)—but has also weakened the U.S. and its foreign policy.

An apparent weakness or unwillingness to act invites new and ambitious players, such as China, to step in. Increasingly exasperated U.S. partners are left to wonder whether they should wait for the next U.S. administration in 2017 or try to meet the pressing global challenges as thoroughly and as quickly as possible on their own. The risk is a drifting apart of long and valued partners, whose partnership adds to their clout in the international arena and allows them to be part of the solution instead of the problem.

Given the political contention between Congress and the Obama administration, the U.S. is once again in need of reliable “partners in leadership” to balance its international leadership vacuum, as first described by President George H.W. Bush in his October 1990 address to the German nation on the occasion of unification.

One area in need of a joint approach is the situation in East Asia.

Beyond trade negotiations, the security situation in East Asia has turned increasingly tense. Relations between the leaders of China, Japan, and South Korea have soured to such a degree that Daniel...
Sneider reports of Korean representatives approaching the U.S. to function as mediator in dealing with their Japanese counterparts.\(^{17}\) Sneider, as well as experts Jonathan D. Pollack, Richard C. Bush III, and Bruce Jones from Brookings call for strong U.S. leadership and high-level shuttle initiatives in order to ensure peace and stability in a region vital for U.S. interests.\(^{18}\) It makes good sense to bring in a mediator. However, considering the U.S. security obligations with both Japan and South Korea, and given the several recent U.S. initiatives for closer U.S.-China cooperation, it is questionable whether the U.S. could efficiently and effectively work as a mediator in the region. As both a close security partner of South Korea and Japan, the U.S. would almost certainly be accused of taking sides. Both allies are guardedly watching the other’s relations with the United States. Japan, feeling politically attacked by its neighbors, has an especially wounded soul. U.S. comments that the Senkaku islands were rocks not worth fighting a war over with China\(^{19}\); U.S. public criticism of Japan’s attitude toward history issues; the media row over the erection of “Comfort Women” statues in California and New Jersey; and the U.S. “disappointment” after Prime Minister Shinzo Abe’s Yasukuni shrine visit in December 2013—all have resulted in a feeling in Japan of being misunderstood and let down by its longtime security provider and ally. The result has been a Japan turning inward, striving toward a more independent and stronger defense capability, and a change in security policy carried by a stream of increasing nationalism in Japan. The Ministry of Foreign Affairs (MoFA) launched a public diplomacy initiative in 2014 seeking a bigger budget to build Japanese cultural centers like the German Goethe Institutes or the Chinese Confucius Institutes in order to win hearts and minds, make Japanese positions better understood, and foster the overall image of Japan abroad, and especially in the United States.\(^{20}\)

For its part, China would certainly regard any U.S. effort at mediation as another attempt to pursue a China containment strategy. Similarly, Russia (although currently “outlawed”) would want a say in its conflict with Japan on the Kuril Islands/Northern Territories.

Addressing the territorial conflicts on territorial interests would be only the first step. Much more challenging is the emotionally heated core conflict on history issues among the regional neighbors. Still, the historical view in East Asia—as it was in Europe—is by no means restricted to the national players China, Japan, and South Korea.

It is also an issue for the U.S.—as a victorious power in WWII, a war-leading country in Korea, and an occupying force in Japan.\(^{21}\) Indeed, the way Japan has been dealing with its past is to a substantial degree also influenced by American postwar occupation politics under General Douglas MacArthur. By allowing major war criminals, such as Prime Minister Abe’s grandfather, Nobusuke Kishi, to rejoin the government and by keeping the Emperor and exempting him from scrutiny, part of the foundation was laid for the current Japanese position toward its history. It also explains Abe’s position on victor justice at the Tokyo War Crimes Tribunal. For political reasons, Japan was not forced to the same degree as Germany to deal with its past. Such historical responsibility therefore also calls for the United States to live up to its own role and contribute to a fair and transparent discourse.

Given the politically sensitive nature of the situation in East Asia, the U.S. cannot solve the conflict in the region alone. Not only does the U.S. need “partners in leadership” in East Asia, but it would actually benefit from it: “U.S. power, no matter how formidable, benefits from the presence of partners, thanks to both their capacity to supplement American resources and their ability to bestow legitimacy to various U.S. policies.”\(^{22}\) The U.S. appears ready to be “partners in leadership” in East Asia.

Japan, a long-time ally of the U.S., has faced several challenges over the past years. On the national level, Japan has been suffering from a long-stagnating economy, the atomic disaster in Fukushima, another earthquake in Nagano, and a rapidly aging population with all its consequences for Japan’s society and future.

Since Prime Minister Abe’s reelection in 2012, both Abe and his program for economic recovery
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"Abenomics" have been celebrated in Japan and beyond. By April 2014, the Japanese economy had a growth rate of 1.6 percent, and he demonstrated strong economic leadership.

Abe appealed to—and won—the conservative vote by conjuring Japanese nationalism against foreign foes and their marginalizing of Japan for political reasons. His visit as prime minister to the Yasukuni shrine in December 2013 was part of his strategy. It caused a freeze of high-level diplomatic relations with South Korea and China. Indeed, until the APEC Summit in November 2014, there was no direct personal exchange between Abe and President Xi Jinping.

The flaws in relations between regional leaders were made apparent in the way in which Chinese President Xi flagrantly ignored international diplomatic rules during the summit. First, he had Abe come on stage and let him wait, without displaying the flag of the guest country during the hand-shake ceremony. Second, the “talk” with Korean President Park Geun-hye happened over dinner with the seating order done according to country names.

China and South Korea both criticize Japan and especially Prime Minister Abe for its reactionary position on Japan’s role in WWII history. In vain, Japanese diplomats underline their outstanding Official Development Assistance (ODA) efforts to China over the past decades encompassing $36 billion—and twenty-five apologies. Even long-committed activists for peace in Japan state that they no longer understand what the Chinese and Koreans actually want. They feel helpless and ask what else they can do beyond all they have done over the past decades. They imply that China is using the past for political purposes in its increasingly heated competition for political influence.

The same problem applies to South Korea, where the uncompromising relationship of President Park toward Prime Minister Abe has turned back the clock of cooperation and mutual appreciation. The debate with South Korea and its president about the “Comfort Women” issue and the 1993 Kono statement (acknowledging the role of the military in coercing women into military brothels) has led to such anti-Korean feelings in Japan that books written by right-wing activists with expressions like “I hate Korea” become Amazon bestsellers. Recent terror threats against Japanese universities that employ former Asahi Shim bun journalists who had reported on the “Comfort Women” issue some twenty years ago give outside observers from Europe uneasy feelings of déjà vu, remembering the dark times of agitation and persecution in the 1930s.

Nor is the economic forecast bright: The tax increase as part of “Abenomics,” enacted in April 2014, has not brought the expected positive results. In November, Japan Today reported that Japan is facing recession, which will encourage Abe’s critics and may turn public opinion quickly against him. A Kyodo News opinion poll conducted in late November showed Abe’s approval rating slumping for the first time since his election to office, with 47.3 percent of respondents expressing disapproval versus 43.6 percent approval. Abe was trying to regain the offensive, announcing the dissolution of the Diet and calling for a lower house snap election on 14 December 2014 in order to gain public support for his economic program. And he was right: although the election on 14 December showed a postwar low turnout with 52.7 percent of voters, the Liberal Democrats and their partner the Komeito party were reinstated to power with 326 out of 475 seats, ensuring a two-thirds majority. This will enable Abe and his government to make decisions and exercise leadership both on his “Abenomics” and also the change of the famous peace “Article 9” of the constitution. An increase of political tensions in the region is thus foreseeable.

Political tensions have already resulted in riots against Japanese companies abroad. The result was a withdrawal of Japanese investments from China and a reorientation toward Indonesia, India, and Thailand. In 2013, for the first time since 1992, China lost its first place ranking as the most prospective investment destination, as published by the Japan Bank for International Cooperation. China, however, needs Japanese investment—which was seen as one reason why President Xi actually agreed to welcome Prime Minister Abe at the APEC Summit.

Still, from a strategic point of view, the mainland market and its rail connection to Europe—to be further enhanced via the envisaged New Silk Road—will also
be of strategic importance to Japanese companies. The bad economic news was thus already preceded by increasing fears among Japanese corporate players of marginalization and being put at a disadvantage with their increasingly competitive neighbors China and South Korea. That China and South Korea just concluded a Free Trade Agreement during the APEC Summit will not assuage that feeling.  

Thus, relations among the three countries are at a point of tension detrimental to the economic—and political—development in the region, and the need for reconciliation is clear. Japan is at a crossroads and certainly in need of partnering for reconciliation in East Asia. It would be well-advised to take the initiative and launch a comprehensive and sustainable program for reconciliation on the history conflict in East Asia. This way, Japan would be back in the driver’s seat and be able to actively shape the scenario for the twenty-first century. If Japan waits too long, it may lose its options for leadership and get stuck in a long-lasting reactionary mode, dominated by its regional neighbors.

China, eager to achieve its vision of an Asian-Pacific future, is ambitious to lead but not interested in military conflict. Despite a growing nationalism in China, the leadership seems to be rational enough to avoid the unnecessary costs of a military conflict, and would prefer to use the much-needed financial resources on its interconnectivity and Silk Road projects, which aim at linking Asia within the continent and with Europe. A joint initiative for reconciliation in its direct neighborhood would therefore be reasonable and desirable.

Finally, South Korea strives to be embedded in a prosperous and promising economic regional mechanism. This was obvious when the free trade agreement with China was signed at the APEC Summit. The FTA with the EU is another pertinent piece in the long-term strategy of interconnectivity. What remains questionable, however, is if South Korea is interested in the strengthening of its economic competitor Japan that could ensue from reconciliation and pave the way for Japanese business on the continent. But with the nuclear threat looming and the unpredictability of its northern neighbor, South Korea’s security partnership with the U.S. and within the region needs to be adequately taken into consideration and strengthened. If the U.S., as the leader in security provision, indicates its readiness and desire for partnering on reconciliation, and China indicates its cooperation, South Korea will be ready and not stay away.

The EU and Germany: Qualified Mediators for Reconciliation?

The U.S. has been asked to perform as mediator in East Asia, but it may not be the best candidate. The first ingredients for a successful mediator are independence, mutual appreciation, and acceptance by all concerned stakeholders. In East Asia, the following qualities would be vital for acceptance:

1. No direct geopolitical interests;
2. experience in regional politics of integration and mediation;
3. integrity, knowledge of the situation, experience in the region;
4. respected and trusted by all parties concerned; and
5. a plausible capacity for empathy for the parties involved.

The United States would not qualify for all such items and an additional party would therefore be beneficial. As interviews with Japanese and South Korean partners in the summer of 2014 highlighted, any third party mediation would only be taken seriously by Japan or South Korea if U.S. security provisions during the reconciliation process were guaranteed. With the U.S. already so involved in the region, the ideal third party is the European Union, for several reasons.

First, the EU is an international role model for successful institution-building and mediation, which has resulted in a lasting peace of over sixty years in its member states. Second, unlike the U.S., the EU has only economic interests in Asia. Third, the EU is appreciated for its process-oriented negotiations that seek a sustainable regional balance among its twenty-eight member states. This requires time,
patience, and a capacity for empathy.

Fourth, the European focus on details and balance (harmony) of interests among its member states (often condemned, and sometimes cursed) has been positively observed in East Asia, where a variety of actors has successfully pushed a process of regional institution-building, most prominently the Association of Southeast Asian Nations (ASEAN), for a peaceful future with a sustainable development and shared prosperity. To such drivers, regionalization does not mean an imitation of Europe with its combination of national, international, and supranational authority, but rather to learn from the successes as well as failures in the European institutionalization process.³²

Finally, regarding the required qualities of “respect” and “trust” for successful mediation, the EU and China have strong economic relations and mutual economic interests, which provide a foundation of trust much needed for dealing with sensitive issues. China and Germany have cultivated a special partnership for the past ten years, the result of Germany’s (current) economic strength and increasing leadership role within the European Union.³³ As of November 2014, Chancellor Merkel has visited China seven times, with the next visit already planned for 2015. With particular regard to WWII, China and Germany have an especially positive bond, founded on the personal integrity and civilian courage of a German businessman (John Rabe) who not only ran Siemens in Nanjing, but also helped save some 200,000 Chinese citizens during the Japanese invasion of Nanjing in 1937. His courage earned him the honorific title “Oscar Schindler of China.”³⁴

South Korea has followed German unification and Germany’s role within the EU with great interest and respect. Quietly and with a deliberately low profile, German diplomacy has served as a source and as a mentor on unification and reconciliation issues. This has been recently supplemented by the founding of a Germany-Korea Forum where such issues can be discussed with representatives from all sectors.

Japan and Germany are perceived as countries with a certain shared set of historical experiences related to WWII. This includes their experiences of defeat, U.S. occupation, rebuilding the country, postwar re-education measures, re-industrialization under a U.S. security umbrella, and the challenging postwar task of reconciling with their direct regional neighbors and victims of their aggression. In contrast to Japan, however, which has been regionally and internationally criticized for its attitude on how to face its war history and for lacking convincing remorse, Germany has managed to be internationally acknowledged for its postwar reconciliation efforts. For example, in 1970, Chancellor Willy Brandt famously knelt at the Warsaw Ghetto Heroes Memorial. His symbolic gesture has been widely perceived as a credible expression of Germany’s national remorse of its atrocities committed during WWII and laid the foundation for Brandt’s “Ostpolitik.” The continuous efforts for reconciliation with Germany’s neighbors France, Poland, and the Czech Republic and with Israel via a broad network of actors, as well as the process of compensating forced laborers by the industrial sector in the 1990s, added to such positive acknowledgement.

Thus, the EU and Germany are uniquely placed to act as mediators—the EU on the rational conflict issues related to territories and sea lanes in East Asia, and Germany on WWII history issues. We must ask, however: are the EU and Germany ready to take on the roles of mediators?³⁵

The EU and Germany: Ready to Mediate?

The EU in 2014—after a long period of internal bickering on financial and economic processes and burden-sharing—has started a new phase with a new team and modernized organizational structures. With the new High Representative for EU foreign policy installed, the first promising signs of change toward a stronger EU role in the global theater are already noticeable. During the first meeting of the EU foreign ministers, for instance, a new atmosphere of teamwork was noted. The new dynamic atmosphere of jointly going forward and giving EU foreign policy a stronger profile in world politics can make use of several existing documents, such as the 2007 Treaty of Lisbon, but especially the 2012 “Guidelines on the EU’s Foreign and Security Policy in East Asia.”³⁶

The preamble of the EU Lisbon treaty includes the ambition to “implement a common foreign and secu-
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Security policy [...] in order to promote peace, security and progress in Europe and in the world” (author’s emphasis). This general goal was further detailed in the subsequent “Guidelines,” referencing the risk of competitive nationalism in East Asia. The document recommends that the EU “be willing, if requested, to share lessons drawn from its own experience in post-war reconciliation, and in confidence-building, preventive diplomacy and conflict resolution more generally, encourage political leaders on all sides to build on their excellent economic relations to establish better political relations and to lead their respective public opinions away from competitive nationalism and towards relations defined in terms of shared interests; promote effective multilateralism (including through EU-ASEAN, ARF, East Asia Summit, and ASEM) and regional integration.”

The Guidelines specifically mention the conflict in the South China Sea, and, while stressing that the EU and its member states do not take any position on the various claims, urge the EU and its member states to “recall the great importance of the South China Sea for the EU (inter alia in the perspective of promoting the rules-based international system, the principle of freedom of navigation, the risk of tensions impacting on the consistent increase in trade and investment, with negative consequences for all, energy security)” and to continue to encourage the parties concerned to resolve disputes through peaceful and cooperative solutions and in accordance with international law (in particular UNCLOS), while encouraging all parties to clarify the basis for their claims.

Although this indicates a readiness for action through making use of the diplomatic strengths of the EU, the question still remains, however, whether the EU as a mediator is actually wanted by the various stakeholders involved. At the latest Shangri-La security conference in Singapore in May 2014, at least, Europe did not seem to play any notable role. While not yet among the “group of players that are usually involved in the debates on Asia-Pacific, however, the EU has started to put East Asia on the radar screen—with an emphasis on China and especially ASEAN, which the EU sees as a natural partner for its vision, mission, regional structure, and population of approximately 600 million.

The EU: Discovering the Asia-Pacific Region

In recent years, the EU has stepped up its engagement in and with the Asia-Pacific region. This includes the economic and cultural realms, and increasingly also the political and security sectors. “Drawing on its economic strength as the largest economy and the largest donor of development aid world-wide, the EU is developing also the other strands of foreign policy following its comprehensive approach: Security policy, including non-traditional security issues, is getting more and more attention, not least because the political and security situation in Asia remains volatile with tensions among regional and other powers. The South China or East China Sea are regular news features in Europe and of course of direct relevance for European security.”

Economic Cooperation

In view of competing regional processes between the U.S. and China, which are vividly reflected in the competing negotiations on the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP), the EU has been striving to secure the economic and trade interests of the organization and its member states by developing a web of free trade agreements and Partnership Agreements. As a result, the EU has become one of the leading trading partners of every Asian country with an annual average growth rate of trade of 5.8 percent (2008-2012). In 2013, Asian partners accounted for 15.3 percent of EU imports (€678 billion) and 12.5 percent of exports (€573 billion). With 17.9 percent of the EU’s total trade, China, Japan, and South Korea are among the top ten trading partners of the EU.

In 2014, the EU and China enjoy one of the world’s most intensive trade relationships. The EU is China’s biggest trading partner while China is the EU’s second biggest after the United States, with trade in goods of €434 billion, and in services of €43 billion in 2012. European companies are the largest investors in South Korea. The EU and South Korea have also become important trading partners, with South Korea the EU’s tenth largest partner and the EU South
Korea’s fourth largest export destination (after China, Japan, and the U.S.). Further strengthening of this development is expected through the EU-South Korea Free Trade Agreement, which aims at integrating the European and Korean economies and removing barriers to trade between the two partners.

The EU and Japan held their twenty-first summit in November 2013 in Tokyo. In the same year, negotiations were launched for a strategic partnership agreement between the EU and Japan that aims at developing dialogue and cooperation across a wide range of political areas. In addition, negotiations on a free trade agreement were started that should address long-standing trade and investment concerns and unlock further growth and employment opportunities. The European perspective on the prospective value of two such agreements was presented by former President of the Commission, Manuel Barroso, who stated, “The EU and Japan are like-minded partners and share common values and interests. Japan is an important stakeholder in the global order and an essential factor for global growth. Partnering to support global economic growth and stability will be two of the key objectives for the Summit. The negotiations underway on a Strategic Partnership Agreement and a Free Trade Agreement are a concrete demonstration of our special relationship and of our willingness to cooperate and prosper together. […] The strategic partnership agreement will enhance our political cooperation and stimulate further our developing sectoral cooperation, including on research and innovation, energy and people-to-people links.”

With ASEAN, economic cooperation has also clearly intensified. In fact, the EU was the biggest foreign investor in ASEAN, at almost one-third of all investments from abroad. With the prospect of economic integration in ASEAN at the time of ASEAN Economic Community (AEC) finalization in 2015, this trend is expected to increase.

During the same period, the EU was ASEAN’s third largest trading partner after China and Japan (the U.S. was fourth). In trade in services, the EU is the largest trading partner, out-performing the U.S., China, Japan, India, and South Korea. Such development will likely be further strengthened: as soon as the AEC is finalized in 2015, the EU and ASEAN intend to resume negotiations of an interregional ASEAN-EU free trade agreement.

**Political Cooperation**

The EU is leveraging the three strategic partnerships with China, Japan, and South Korea to assist in stabilizing the changing regional order. By providing its experience and expertise on institution-building and integration, conflict prevention, and crisis solution and mediation, the EU aims at establishing itself as a credible political and security player in the region. It pursues a strategy of supporting the development of a more robust regional architecture in close cooperation with ASEAN. Useful vehicles are the Asia-Europe Meeting (ASEM), the East Asia Summit (EAS), and the ASEAN Defense Ministers Plus Meeting. In all its activities for strengthening the stability and transition processes, the EU emphasizes European values that promote the rule of law, the integrity of territories and sovereignty, good governance, democracy, and respect for universal human rights.

European-Chinese diplomatic relations mark their fortieth anniversary in 2015. The EU-China diplomatic partnership started in 1985 as a partnership on trade and cooperation. In the meantime, it has been developed into a Strategic Partnership, including security issues, international affairs, cooperation on climate change, and global economic governance. 2013 saw the tenth anniversary of the EU-China Comprehensive Strategic Partnership, during which new initiatives were launched to take the relationship forward in the next decade.

China’s two centenary goals and the most recent Five Year Plan, on the one hand, and the EU 2020 Strategy, on the other, form the strategic foundation of their jointly adopted EU-China 2020 Strategic Agenda for Cooperation. The implementation of such an agenda will include annual summits comprised of three pillars: an annual High Level Strategic Dialogue, an annual High Level Economic and Trade Dialogue, and a bi-annual People-to-People Dialogue, complemented with regular meetings of counterparts and a broad range of more than fifty sector dialogues on
industrial policy, nuclear energy, consumer protection, customs, social affairs, and education. Human rights are discussed as part of the regular political dialogues and—since 1995—during specific human rights dialogues.\textsuperscript{52}

In Berlin in 2011, then Prime Minister Wen Jiabao underlined that China’s relations with the EU were a focus of Chinese foreign policy, adding that politically, there were no fundamental conflicts of interest or historical problems between the two regions.\textsuperscript{53}

As in the case of China, the EU has upgraded its original framework agreement with South Korea (2001) to a Strategic Partnership (2010). The new EU-South Korea Framework Agreement goes beyond technology, IT, human rights, and issues of international development and also includes a wide array of security issues.

Political and security cooperation between ASEAN and the EU has been progressing through existing ASEAN-EU mechanisms such as an ASEAN-EU Ministerial Meeting and ASEAN-EU Senior Officials' Meeting. In addition, the EU has been included in dialogue and cooperation frameworks initiated by ASEAN, such as the ASEAN Regional Forum (ARF) and the Post Ministerial Conferences (PMCs) 10+1.

After thirty-five years of diplomatic dialogue, EU-ASEAN cooperation was brought to a higher level at the nineteenth ASEAN-EU Ministerial Meeting in Brunei Darussalam (26-27 April 2012). The Brunei Plan of Action to Strengthen the ASEAN-EU Enhanced Partnership (2013-2017) covers a wide range of non-traditional security issues including maritime security, border management, climate change, energy security, cyber and space security, environmental protection, eradication of poverty, economic imbalances, crisis response to disaster and pandemics, as well as gender issues.

On 12 July 2012, the EU became the first regional organization to accede to the Treaty of Amity and Cooperation in Southeast Asia (TAC) at the sidelines of the 45\textsuperscript{th} ASEAN Foreign Ministerial Meeting (AMM)/Post Ministerial Conference (PMC)/19\textsuperscript{th} ASEAN Regional Forum (ARF) held in Phnom Penh.\textsuperscript{54}

**GERMANY: READY TO BE A MEDIATOR ON HISTORY RECONCILIATION?**

German foreign policy is closely embedded in the European multilateral framework. It is also widely regarded as a convincing example of successful reconciliation policy\textsuperscript{55}—both at the pragmatic level of reconciling interests in the multilateral European framework and in the transatlantic partnership, and also at the emotional level regarding history reconciliation. This is why stakeholders from other regions—notably the presidents from South Korea and China during their visits to Germany in 2014—have repeatedly referred to Germany and Europe as reference cases for the East Asian region.

Germany in 2014 is perceived a strong player worldwide. In a recent survey, Germany was voted the most popular country in the world.\textsuperscript{56} But with the perception of Germany as strong and attractive comes the international expectation of Germany taking a stronger role in global affairs.

This has been duly noted. During the 2014 Munich Security Conference, German leading politicians suggested to the international audience that Germany should take over more responsibility in the world.\textsuperscript{57} Indeed, the German foreign policy establishment seems to be ready to take the baton in a partnership in leadership as first noted by former U.S. President George H.W. Bush (at the occasion of German unification in 1990: “Together, building on the values we share, we will be partners in leadership.”\textsuperscript{58}

But is the German population ready for that?

**German Foreign Policy: Agenda 2014**

German foreign policy is in a period of remodeling and strategy development, which includes a re-allocation of German foreign policy interests as well as the need to bring the German public on board for any changes and new undertakings.

This was the background for launching the German Foreign Policy Review 2014 in Berlin. The initiative was started by Foreign Minister Frank-Walter Steinmeier in March 2014 and aims at collecting perspectives, expectations, and suggestions from
inside and outside Germany. It is a deliberate effort to involve the German public, which has long shown only lukewarm interest in topics of international concern, via a series of conferences throughout Germany. Such topics, however, will substantially drive German foreign politics in the future.

Any stronger international role in foreign policy will therefore need to be gradually introduced to the traditionally skeptical and military-averse German public. In a survey conducted by the Koerber Foundation, for instance, only 30 percent of respondents supported a stronger German international role, whereas 70 percent were rather skeptical or very skeptical. The gap between foreign expectations and national willingness is extraordinary and needs to be actively addressed.

In this regard, it may be useful to look at the 51 percent of the German respondents who think that keeping world peace is the most important goal of German foreign policy. With Germany taking over the role as a mediator on history reconciliation in East Asia, such an approach would match the expectation of about half of the German population. In addition, taking over such responsibility would match Germany’s Asia Policy, which is strongly embedded in the European foreign policy framework and emphasizes its desire to foster peace and stability; consider economic interests; integrate the civilian society sector; and consider the environment, good governance, rule of law, human rights, and democracy as core elements of its foreign policy.

German Relations with China, South Korea, and Japan

German economic relations with China have been developing at tremendous speed. German exports to China were 206 percent higher in 2011 than in 2005, compared with only a 24 percent increase in exports to the rest of the European Union and 6.3 percent to the U.S.

In August 2012, on her sixth trip to China, Merkel led the largest German government and business delegation ever to visit the country. Prior to the trip, German officials started to call Chinese-German ties a “special relationship.”

The burgeoning economic interdependence between China and Germany has also helped to form an increasingly close political relationship. The quality of the relationship was highlighted in June 2011, when Chinese Prime Minister Wen Jiabao came to Berlin with thirteen ministers and held cabinet-level consultation with the German government. Until then, Germany had held such an intergovernmental meeting only with the U.S., France, Poland, and Israel.

It was China’s first such high-level intergovernmental negotiation mechanism with an EU member state, clearly underlining Germany’s importance to the Chinese government. For Germany, it was the highest-ranking Chinese delegation since the start of diplomatic relations between Berlin and Beijing in 1972.

The closeness of the partnership with China can be seen by the frequency of mutual governmental visits (accompanied by huge business delegations). During her several meetings, both Chancellor Merkel and President Xi repeatedly pointed to their relationship as being built on solid trust and reliability.

However, with the spiraling developments in Ukraine and Russia and increasing tensions in East Asia, fears in the German business community have been growing about the increasing one-sided dependency of the German business sector on the Chinese market. With China pursuing a powerful approach in the East and South China seas, the odds for a more manifest conflict in East Asia are increasing. As in Europe, important questions regarding sovereignty and international law are at stake. Any enforcement of sanctions policies—like those against Russia—would have an even worse effect on German business than it already has in the case of Russia.

Nonetheless, China’s and Germany’s close political and economic interdependence and balanced cooperation, with eminent corporate players such as Siemens, BASF, Volkswagen, and Daimler, might also serve the cause of reconciliation and mediation. Germany would certainly have sufficient political and economic interest at stake to take the baton and step
in as a mediator on solving the core of the conflicts: the history conflict in East Asia.

Of additional help in this cause might be Germany’s growing partnership with South Korea, which is to a great extent driven by South Korea’s interest in Germany’s unification history and experiences. Since 1990, Germany and South Korea have developed an intense exchange on unification matters, which has only intensified in recent years.

In 2011, a high-ranking bilateral panel of experts scheduled to meet annually was set up to strengthen and institutionalize exchange between the two countries on the internal aspects of reunification. In March 2013, this was followed by a decision of the foreign ministers to complement such initiatives by launching another advisory group on the implications of reunification for foreign policy. It is made up of politicians, academics, and diplomats from both countries. The first meeting took place in Seoul in October 2014.66

The increasing intensity of this bilateral relationship is also reflected by a widening mutual visiting program with South Korean President Park, for instance, visiting Berlin and Dresden from 25 to 28 March 2014, meeting with Federal President Joachim Gauck and Chancellor Angela Merkel.

The exchange among civil society has also substantially increased. As of 2014, representatives of the civil society sectors in Germany and South Korea have been meeting for twelve years to discuss current issues relating to bilateral relations in the framework of the German-Korean Forum. The thirteenth meeting of the forum was held in Seoul in July 2014.67

Economically, Germany is the third largest European investor in South Korea, with a foreign direct investment (FDI) totaling approximately $9.1 billion (from 1962 to 2013). In 2013, German companies invested $248 million in South Korea.

On trade, Germany is South Korea’s principal European trading partner.68 Conversely, South Korea is the third most important market for German goods in Asia after China and Japan,69 which bears a particular importance for German industrial production. Many German products rely on the supply of components from high-tech Japan which—because of their complexity and quality—are hardly replaceable, such as in the field of electronic control and memory modules.

Even more important is the close network of diplomatic and civil society ties between Germany and Japan. Such ties bind, as could be seen in 2011 when Japan and Germany celebrated 150 years of diplomatic relations.

2014 has seen a lively exchange of political visits between Germany and Japan. This is indicative for the increasing need to partner on meeting and solving many international challenges. The regional security situations in Ukraine and Russia, as well as in the Middle East, have been as much a constant point of exchange as the regional situation in East Asia. This was reflected in the several visits of Japanese Foreign Minister Fumio Kishida and State Minister Minoru Kiuchi to Germany. In addition, Prime Minister Abe visited Berlin in March and German Foreign Minister Steinmeier went to Tokyo. The most recent visit of a German delegation, in October, was led by the Chairman of the Parliamentary Group of the CDU/CSU, Volker Kauder. For spring 2015, Chancellor Merkel is scheduled to visit Japan in preparation of the G7 meeting in Germany.

Continuous exchange among the German federal ministries on foreign affairs, defense, labor, social affairs, and education have been complementing the individual examples mentioned above. And as with the German-Korean Forum, there is also a German-Japanese Forum that meets annually for exchange on vital matters of bilateral concern. The Secretariat of this Forum is the Japanese-German Center (JGCB) in Berlin, set up by Prime Minister Yasuhiro Nakasone in 1985, and key organizer and facilitator of German-Japanese events.

An additional point of common interest between Germany and Japan is reform of the UN Security Council. In Article III of a joint paper, titled “On future cooperation between Japan and Germany,” signed on 30 April 2014, Japan and Germany announced the strengthening of mutual understanding with relation to the situation in East Asia, as well as an extension of bilateral cooperation related to the North Korean nuclear program.
As the example of Europe shows, reconciliation is a long and complex process with many stakeholders. And for practical reasons as much as sustainability, no stakeholder can or should take sole lead and responsibility for this challenging process. "Partnering in leadership" and implementation is the most promising path toward sustainable success.

The demand for reconciliation in East Asia is pressing, and the sooner such complex challenges are met, the better the chances to contribute to a peaceful, prosperous, and stable order in the region and beyond. The window of opportunity—i.e., the current readiness of the international situation and involved stakeholders—needs to be used now while there are still alive victims and witnesses to the times and deeds of the past. This may well be the last opportunity for anchoring a truthful and sustainable reconciliation process benefitting the future generations in a new global order. Thus, "partnering in leadership" and implementation on reconciliation needs to include the government, but even more so, it needs the nongovernmental sector in order to succeed. At the local level, an important example for a possible implementation of reconciliation on history is through city partnerships: "At a more local level, partnerships are also proving a powerful tool in knowledge sharing and policy influence. Innovative networks such as C40, the International Council for Local Environmental Initiatives and the World Association of Major Metropolises are enabling city based partnerships on issues ranging from climate change and disaster relief, education schemes and IT hubs."70 Furthermore, "as city leaders become increasingly assertive on the global stage, there are likely to be further mechanisms for partnership and exchange on global challenges."71

Against the backdrop of the current situation in East Asia and the above findings, a comprehensive approach for pragmatic and emotional reconciliation is needed. Reconciliation of pragmatic interests on territorial and maritime claims should be led by diplomacy; reconciliation of highly emotionalized issues such as WWII history should be driven by civil society and the corporate sector. In short, the approach should include three levels and forms of partnering:

- At the governmental level: the U.S., as leading guarantor of security for Japan, South Korea, and Taiwan, "partners in leadership" with the EU/Germany, who takes the lead on mediating reconciliation in East Asia;

- At the civil society level: U.S.-EU city networks "partner in leadership" with Chinese, Japanese, Korean, and ASEAN sister city networks on a comprehensive program for history reconciliation.

- At the corporate level: Japanese companies take the lead in history reconciliation by driving a corporate history reconciliation process, partnering with German companies if and when advice in such process is needed and sought, and keeping the process open for cooperation with partners in the U.S., China, South Korea, and ASEAN.

Transatlantic "Partnering in Leadership" for Reconciliation in East Asia

Cooperating with third parties is not new to the U.S.72 It has served its cause whenever needed and helped to sustain U.S. hegemony. The principle of "partnering in leadership," however, requires a mindset that also allows room for sharing leadership. This is not easy for a generation of U.S. leaders that
is used to being in the driver’s seat of decision-making. With a U.S. severely weakened by internal fighting and gridlock for the foreseeable future—and with the new challenges and emerging new drivers and new generations outside the U.S. who no longer accept the existing structures, institutions, or old patterns of power—such a hegemonic mindset and resulting actions will not work in this rapidly changing world. Thus, there is a need to get used to thinking of “partnership in leadership”—most preferably with parties that have proven to be reliable partners in the past. Such a partnership has to be complementary in character and should rest on and make optimal use of the individual strengths of each partner.

With regard to East Asia, the indisputable strength of the U.S. is its military capability, which has made it a security guarantor to Japan and South Korea (as well as Western Europe). It is therefore no surprise that Japanese and Korean interview partners could not imagine any kind of approach for reconciliation without the U.S. as leader and guarantor of security in the region. China, in contrast, prefers the less military-oriented European process-driven approach of economic development and negotiation.

The political gridlock among China, South Korea, and Japan has led to an alarming level of nationalism in all three countries. In 2013, former Japanese ambassador Kazuhiko Togo noted “The only true danger regarding this issue [between Korea and Japan] is the possibility that a real explosion of emotional nationalism takes place in Japan. So long as this does not happen, Korea and Japan can find a modality to coexist with the situation around the islands, and Prime Minister Abe and President Park have a clear window of opportunity.”

What Ambassador Togo feared only one year ago has actually happened: there has been a strong rise of nationalism in Japan, manifested in the support for Prime Minister Abe’s stance on Yasukuni by large parts of parliament; in the conservative national media’s “mobbing” of the leftist-liberal voice on the “Comfort Women” issue and of Asahi Shimbun; and an in increase in military modernization and shift in Japanese security policy that puts into question even the long-valued peace constitution. Such developments raise concerns in China and South Korea again—a perfect example of conflict escalation.

Tri-Regional Citizen and City-Partnership for Reconciliation

In December 2006, the European Union started a “Europe for Citizens” program for 2007-2013. The European Parliament and the Council adopted the program, putting in place the legal framework for a wide range of activities and organizations promoting “active European citizenship.” Through this initiative, the involvement of citizens and civil society organizations should become a driving force in the process of European integration.

General and specific objectives of the Europe for Citizens Program were to contribute to interaction of the citizens and make them active participants in constructing the often-quoted “ever closer Europe.” This was to be achieved by “developing a sense of European identity, based on common values, history and culture; fostering a sense of ownership of the European Union among its citizens, and by enhancing tolerance and mutual understanding between European citizens respecting and promoting cultural and linguistic diversity.”

Participants of the program were invited to leave their national perspectives and approach an issue from a higher European perspective. Alternatively, they were requested to compare different national points of view. Such a transnational dimension “should be accompanied whenever possible by a strong local dimension.”

The Program was implemented through four so-called actions and measures:

Action 1, promoting Active European Citizenship by bringing people from local communities across Europe together to share their experiences, opinions, and values to jointly build a prosperous and peaceful European future, based on remembering the past; Action 2, initiating Active Civil Society in Europe, provided support for civil society organizations and think tanks; Action 3, organizing high level visibility events under the headline “Together for Europe”; and Action 4, fostering active European remembrance via
organizing and supporting projects commemorating the victims of Nazism and Stalinism.

MAKING 2015 THE OCCASION FOR A TRi-REGIONAL CITIZEN PROGRAM FOR RECONCILIATION

In November 2012, in response to a growing Euroskepticism reinforced by the economic and financial crises and in commemoration of the twentieth anniversary of the Treaty of Maastricht, the EU Commission declared 2013 the European Year of Citizens. The initiative was pushed by the High Commissioner for Justice and Vice President of the European Commission, Viviane Reding. A British native, she knew firsthand how controversial the debate in the UK had become—culminating in the threat by Prime Minister David Cameron to leave the EU if a national referendum in Britain called for it.

Thus, the European Year of Citizens was endorsed by the European Parliament and the Council and adopted on 21 November 2012. Furthermore, Reding started a last-minute initiative that included EU-wide public debates with high-ranking EU politicians on matters that were supposed to be close to the European voters’ hearts—and fears.

Such a program and its activities (recently extended to 2014-2020) could be an example for other regions. Even more ambitious, the EU citizen program could become one important column and anchor for joint tri-regional citizen initiatives on reconciliation in East Asia.

2015 will be an important milestone for memory across the globe, with the seventieth anniversary of the end of WWII. Thus, 2015 could be the “Citizen Year of Reconciliation” in Europe, the U.S., and Asia. Emulating the European example, such a year could be the catalyst for a much more comprehensive civil society approach to history reconciliation in East Asia, supported by civil society networks in Europe, East Asia, and the U.S. This “Tri-Regional Citizen Program for Reconciliation” should be funded by all of its participants, as befits a true partnership. One tangible vehicle for such a comprehensive partnership approach could be the twin or sister city initiative as was used in the “Europe for Citizen Program.”

MAKING TRi-REGIONAL TOWN TWINNING A VEHICLE FOR IMPLEMENTATION

European town twinning initiatives were developed in the aftermaths the two world wars. In 1944, Coventry formed the first partnership with then Volgograd (later Stalingrad), a city that was equally destroyed by war. In 1947 and 1956, respectively, the devastated German cities of Kiel and Dresden joined the partnership. By 2014, Europe has created the densest network of city and town twinnings on the globe.

The concept of twin towns (or sister cities in the U.S.) builds on legal and social agreements between towns and cities as well as provinces, regions, and other geographically-defined entities, all with the goal of fostering economic and cultural ties. After its origin in Europe, the sister city project expanded to the U.S. by President Dwight D. Eisenhower. On the occasion of his White House Summit on Citizen Diplomacy in 1956 he reasoned, “If we are going to take advantage of the assumption that all people want peace, then the problem is for people to get together and to leap governments—if necessary to evade governments—to work out not one method, but thousands of methods by which people can gradually learn a little bit more of each other.”

Eisenhower envisioned that the newly founded sister city organization would become a vehicle for fostering bonds among people from different communities around the world. To Eisenhower, private citizens were the key to building solid intercultural partnerships that independently strive to pave the way toward sustainable peace and prosperity.

In East Asia, there are strong sister city networks between Japan and the United States, China and Europe, and South Korea and the United States. Within East Asia, however, there is still ample room for twinning. One of the most illustrative examples is Beijing, which has twenty-one city partnerships with Europe (including Berlin and Brussels), eleven partnerships with Asian capitals (Tokyo, Seoul, Manila, Hanoi, Jakarta, and Bangkok, among others), nine with the Americas (including Washington, DC and New York City), three with Oceania, and three with Africa. The example of Beijing and its sister cities reflects the great opportunities for comprehensive
history reconciliation via a tri-regional sister city approach for implementing a more comprehensive tri-regional citizen initiative.

Still, there is yet another issue to address, which will be vital for all actors involved in such an initiative: Any reconciliation on history issues will depend on tangible and credible facts as mutually shared reference points for reconciliation to avoid political fights and their politically-motivated manipulation. What is needed, therefore, is a new and pragmatic approach for creating indisputable (and thus not easily manipulated) facts about what happened during World War II. It is here where the corporate sector can and should occupy the driver’s seat.

Corporate Leadership and Partnering for History Reconciliation

The tensions in East Asia have also affected the Japanese business sector. Although Japan had a long-standing policy of separating politics and economics (seiki bunri) in its relationship with China, this was abandoned in 2010 when the Japanese Coast Guard arrested a Chinese fishing boat captain and detained his ship in the area of the Senkaku/Diaoyu Islands. The incident fanned the flames of the territorial dispute between the two nations and culminated in the Noda government’s purchase of the islands from their private owner. The islands’ subsequent nationalization further infuriated the Chinese, and Abe’s visit to the Yasukuni shrine in December 2013 finally froze the Chinese-Japanese relationship.

With Chinese-Japanese animosities evolving into open hostilities in China, the Japanese manufacturing sector has sought to avoid complications and move to Indonesia, India, and Thailand. It is obvious, however, that the Chinese market cannot be ignored by Japanese business; neither can China relinquish Japanese investments. Something needs to be done to calm the heated situation and avoid—if not lessen—political gridlock.

Now that the policy of separation of business and politics has been abandoned, the corporate business sector—unburdened by the need to please the electorate—should take an active and strategic role in setting the path for history reconciliation. The first step will be to have their corporate histories worked out by historians and published for public view. The result would be a jigsaw puzzle of corporate histories that could serve as an unquestionable framework of reference in the process of tri-regional history reconciliation.

INCENTIVES FOR THE JAPANESE CORPORATE SECTOR TO LEAD

There are several political and financial advantages that speak for the Japanese corporate sector to take the lead:

- A corporate initiative for history reconciliation driven by Japanese companies would be unexpected and therefore most probably welcomed as a credible sign of real Japanese effort.
- If done with international experts on corporate history research, the results would contribute substantially to regaining trust among the regional stakeholders and citizens—with the potential for a spill-over effect to the political sector.
- Such an initiative would thereby support the newly launched public diplomacy initiative of the Japanese foreign ministry, which aims at improving the Japanese image worldwide, and especially in the United States.
- It could pave the way for other joint and promising business projects in the future, for instance, in participating in promising continental and U.S. infrastructure markets.
- By partnering with German companies on history reconciliation, Japan would foster its relations with the EU and Germany and enhance opportunities for future cooperation as envisaged in the free trade agreement and Special Partnership Program.

Even more important, the financial markets have detected the value of corporate social responsibility for sustainable business. This has not only been reflected in a strengthening of financial institutions focusing on sustainable businesses, but also in UN organizations like the UN Global Compact with its catalogue of ten principles including transparency,
human rights, and labor rights. The UN’s Guiding Principles on Business and Human Rights are considered path-breaking for future business and investment policies.

THE UN GUIDING PRINCIPLES AND THE U.S. NATIONAL PLAN FOR CORPORATE BEHAVIOR

In 2011, the UN Human Rights Council accepted the Guiding Principles on Business and Human Rights, authored by Special Rapporteur John Ruggie. He outlined the thrust of the guidelines that “rests on three pillars: the state duty to protect against human rights abuses by third parties, including business, through appropriate policies, regulation, and adjudication; the corporate responsibility to respect human rights, which means to act with due diligence to avoid infringing on the rights of others and to address adverse impacts that occur; and greater access by victims to effective remedy, both judicial and non-judicial.”90

These guiding principles will increasingly be used as reference by financial investors.

David Schilling, the director of human rights for the Interfaith Center on Corporate Responsibility (ICCR), described the guidelines “as a significant breakthrough and an indispensable resource for investors in assessing the human rights performance of companies and supporting greater accountability and transparency, not only in their own operations but in their supply chains.” To him, investors “are catalysts for embedding the Guiding Principles into business practice.”91

After issuing the guidelines, countries were requested to develop national plans for corporate behavior. On 24 September 2014, with reference to such Guidelines, the Obama administration announced the development of a U.S. National Plan for Corporate Behavior92 with a particular focus on anti-corruption. This touches upon the quest for transparency, accountability, and corporate responsibility beyond the existing environment.

Given the current efforts by the U.S. to achieve international standard setting, it is foreseeable that the envisaged National Plan for Corporate Behavior will also serve as a framework for standard setting of future procurement policies of the public sector in the United States.

THE VALUE OF CORPORATE RESPONSIBILITY

The value of corporate responsibility for sustainable return on investment has also been recognized by the financial sector of Japan, as evidenced by the Stewardship Code of Japan’s Financial Service Agency issued in February 2014. The Code defines stewardship responsibility as a self-commitment that is vitally important for the development not only of the company itself, but also for the overall development and prosperity of Japan. "Responsibility of institutional investors who hold corporate stocks is to enhance the medium- to long-term return on investment for their clients and beneficiaries. [...] By fulfilling their stewardship responsibilities properly in line with this Code, institutional investors will also be able to contribute to the growth of the economy as a whole."93

To promote sustainable growth of the investee company and enhance the medium- and long-term return on investment, institutional investors (such as pension funds) are requested to follow seven principles:

- Formulate and disclose a policy to fulfill their stewardship responsibilities
- Formulate and disclose a policy on how they manage conflicts of interest
- Monitor investee’s situations appropriately
- Understand in common with the investee and work to solve problems through constructive engagement with the investee
- Have a policy on voting and disclosure voting activity
- Report periodically on how they fulfill their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries
- Have knowledge of the investee and their business environment, and consolidate skills and dialogue
resources needed to make proper judgments in fulfilling their stewardship activities.

In sum, Japanese investors are being made responsible for investing in those companies that take all the required measures to develop a sustainable business. Companies under consideration will increasingly be those who focus on sustainable growth with a promising medium and long-term perspective for return on investment. This can only happen in a stable and welcoming local and regional environment. Providing full transparency on current and past activities will enable the investors to gain a clear picture for their investment decisions and lay a solid corporate ground for required local and regional acceptance by clients and consumers.

The time seems ripe for a corporate initiative on history reconciliation by the Japanese corporate sector. Such an initiative will be a challenge requiring courage, resources, and partners for support.

INCENTIVES FOR JAPANESE-GERMAN CORPORATE PARTNERING

The path toward reconciliation via history reconciliation is a long and rocky one, as the German corporate sector can attest. But it is worth it, as the example of the recent speech by the former Ambassador from Israel to the Federal Republic of Germany, Avi Primor, shows.

At the invitation of the German War Graves Commission (Volksbund Deutsche Kriegs-gräberfürsorge), Primor gave a keynote speech to the German Bundestag on 16 November 2014, the official German holiday for remembering all victims of World Wars I and II.

In his widely noted speech, Primor referred to Germany as the only country that has erected memorials of its crimes rather than of its successes. In this way, Germany has made such memories (and shame) eternal. His observations are not only limited to the government sector, because the process has been driven by German civil society. Primor’s speech, for instance, was organized on behalf of the Commission, an institution whose mission is to organize events for remembering all victims of the First and Second World Wars.

The corporate sector plays another vital role in this process. After some reluctance, an increasing number of companies have decided to have their roles during the wars researched and published in internationally-available books. This way, such companies (following Primor’s logic) have created memorials of their corporate history “for eternity.”

Company histories have been published by some of the major corporate players, most prominently Deutsche Bank, BASF, Bosch, Volkswagen, BMW, Daimler, MAN, Krupp, DEGUSSA, Allianz, and others. The trend has grown in volume since 2003.

One of the most recent and notable examples is the report on the car manufacturer Audi, a subsidiary of Volkswagen. In May 2014, initiated by the new generation of board members, Audi published its history with detailed coverage of its role during WWII and its use and treatment of slave and forced laborers. The historians’ findings surprised many at Audi and around Germany, triggering an intense discussion on individual responsibilities of eminent corporate leaders during WWII, many of whom had previously been spared from serious analysis and debate. However, Audi proactively faced this challenge and has thereby freed itself from the shadows of its past. Through its initiative for transparency it has wisely prepared itself for future global business and financial market requirements, which include the quest for transparency, business ethics, and corporate responsibility.

The German corporate sector did not volunteer to face its past but was compelled to in 1996 with the compensation initiative for forced laborers. At the time, some German companies wanted to raise their business clout in the United States but were told by U.S. representatives that they must first and adequately deal with their past during World War II. The situation was not easy. Many companies had settled claims with forced laborers before and did not see why they should pay compensation again. Several companies did not even have direct ties with events and persons during WWII because they were founded only afterward. With several class action
suits and the threat of severe reputational damage pending, a group of German companies decided to join forces and deal with that history issue thoroughly and once and for all. Their approach needed the mediation of the U.S. government, who was requested to put a cap on the process and exclude any future claims that might arise. Such cooperation worked well.

Japanese companies will need to consider their histories and how to deal with them. If they decide to launch a joint initiative for making their corporate histories transparent—including the period of WWII—they would take a courageous step toward history reconciliation in East Asia. In doing so, they would create a new area of historical realities that could become the core reference for indisputable facts and thus serve the envisaged tri-regional citizen program on history reconciliation.

In this undoubtedly rocky endeavor, exchange with partnering German companies who have successfully weathered the challenges of revealing their pasts might be useful and help ease the burden.

CORPORATE HISTORY RECONCILIATION AS REPUTATION MANAGEMENT FOR JAPAN

The corporate sector of Japan has a unique opportunity to calm the emotionally heated public debate in Japan and the region—a debate that has increasingly diminished Japan’s worldwide reputation.

The scandal about Asahi Shimbun and its false reporting on “Comfort Women” issues has stained the image of the media as a democratic fourth force. In addition, the campaign against Asahi by conservative papers and terror threats against Japanese universities who employ former Asahi reporters have caused unease among observers in Europe and the U.S. Outside of Asia, people have started wondering what is going on in Japan and—worse—who and what to believe.

With the media having lost substantial credibility and integrity, the corporate sector can counter the negative trend by taking the lead and offering a responsible approach for history reconciliation. In doing so, companies will enhance their own reputations as well as Japan’s international reputation—which may not only serve business interests, but also become a most welcome asset when facing pending law suits for forced labor compensation with South Korea and China.

In February 2014, for the first time, Chinese and Korean former forced laborers sued the Japanese company Mitsubishi Heavy Industries for compensation. The Japan Times reported in April that, “the Beijing No. 1 Intermediate People’s Court decided to hear a lawsuit filed by 40 Chinese who demand compensation from two Japanese companies for forced labor during World War II—the first time that a Chinese court has agreed to hear such a case. After the Beijing court’s decision, similar lawsuits followed. These lawsuits together with the April 19 seizure of the vessel owned by Mitsui O.S.K. Lines have raised alarms for Japanese companies doing business.”

In December 2013, Kazuhiko Togo, Director of the Institute for World Affairs at Kyoto Sangyo University and former Ambassador of Japan to the Netherlands, pointed to the danger of further damage to Japan’s reputation: “The Korean government calculated that there are 299 Japanese companies that could be prosecuted for using forced labor. If all these companies’ property is confiscated, one by one under full media exposure, state-to-state relations between Japan and Korea would be damaged for the foreseeable future.”

In October 2014, the Seoul Central District Court sentenced Japanese machinery maker Nachi-Fujikoshi to pay 80-100 million South Korean won (KRW) to twenty-eight plaintiffs who had worked as forced laborers during WWII. At least five similar cases, including against Mitsubishi Heavy Industries and Nippon Steel, are pending. Nachi-Fujikoshi is the fourth company to be ordered to pay damages.

The pressure on Japan’s corporate sector is increasing. This may be one reason why two private sector groups in Japan and China in October 2014 signed an agreement to establish a foundation to provide financial support to Chinese victims of chemical weapons abandoned by Japanese troops during World War II. However, individual approaches are tricky, as could be seen in Germany in the 1990s, as
The success of the German model suggests that it might be wise for the 299 concerned companies in Japan to strive for a joint corporate initiative in order to arrive at a final settlement. Any such initiative would need the support of those governments where claims have been registered or are pending. The complex process would require the involvement of the regional stakeholders in East Asia, but might benefit from partnering with players who were involved in the German negotiations.
CONCLUSIONS: PARTNERING FOR THE TWENTY-FIRST CENTURY

Today’s changing world order is highly emotional. Fears of decline and losing influence are countered by desires for creative change and new shared leadership in the international system. Conflicts are therefore ingrained. Still, in this new emerging order the challenges have multiplied and changed in kind. The majority of challenges are therefore impossible to solve alone, including the regional conflicts in East Asia. Partnering, using the different strengths and qualities of different parties, is therefore the most promising approach.

Still, partnering among three regions with different cultural backgrounds is a challenge—even more so if one is a global hegemonic power, the second a regional economic but weak military power, and the third seen as the global powerhouse of the twenty-first century. Partnering among governments, civil society, and the corporate sector from all three regions on a highly emotional issue like history reconciliation in East Asia therefore seems a mission impossible, but it is the most promising path for success.

As outlined in the beginning, there are two ingredients for success: a) the right international window of opportunity, meaning a unique synergy of interests and readiness for reconciliation among the involved stakeholders, and b) the qualification and skills of the “right” mediators.

We may now have an opportunity for success, if we are quick and determined to act.

The EU is in the process of positioning itself as a stronger political player on the global stage. It would be ready to step in and qualify as a mediator on the territorial and maritime conflicts in East Asia. Germany would qualify as a mediator on history reconciliation—but would it be ready? With the current German Foreign Policy Review 2014 still under way, this remains to be seen. The project would certainly have the potential to meet both the internal expectations of the military-averse German public and the demand from international players to adopt more international responsibility.

The military power, the United States, is in a position that—by any reasonable standards—would benefit from a partner in mediation in East Asia, but would the current U.S. foreign policy elite accept (and respect) a partner in leadership? This would require a shift in mindset, which is still dominated by hegemonic thinking. Still, the pressure for action in East Asia is increasing—and the United States would be well-advised to partner with a reliable friend who has only economic interests in a stable East Asian region and very good to excellent relations with the concerned stakeholders in North- and Southeast Asia.

Success of such a partnership in leadership endeavor would have the potential for becoming a transatlantic role model for future projects based on fair burden-sharing in acknowledgment and consideration of each other’s particular strengths. In short: the project would be a blueprint for a transatlantic partnership befitting the twenty-first century.

Would the Asian players be ready?

Over the past two years, Japan has felt marginalized and victimized, resulting in a nationalist turn inward. The political gridlock among Japanese, South Korean, and Chinese leaders has begun to affect the Japanese corporate sector and economic opportunities. Japanese business has started to invest else-

TRI-REGIONAL PARTNERING ON RECONCILIATION IN EAST ASIA

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where in the region with Indonesia, India, and Thailand serving as their top destinations. In the long run, however, Japan will need the continental and Eurasian market for future growth. Instead of turning away from China and South Korea, Japan would therefore be well-advised to take the driver’s seat in solving the most eminent and core conflict—history reconciliation—and thereby pave the way for a strong Japanese involvement in the regional and global order of the twenty-first century. German mediation and support by the corporate sector has the potential to be welcomed by Japan.

China—despite of its recent sabre rattling—does not really have an interest in military conflict. Any military conflict right now would take away valuable resources China needs for its various economic programs that aim at building an Asia-Pacific future with no Western interference. For that reason, it is not in Chinese interest to relinquish Japanese investments and have the current conflict on regional leadership turn into a military matter. While China prefers bilateral negotiations, it is wise enough to see that the current situation does not allow for that approach. That Japan feels increasingly cornered by its neighbors and “helpless” should be taken seriously.

That South Korea sees its economic opportunities in Russia and China was obvious when concluding the free trade agreement with China at the recent APEC Summit. With regard to its unstable situation with North Korea and its need for security guarantees by the U.S., it would not reject a reconciliation measure supported by its close ally. Besides, with the EU and Germany coming on board as mediators, South Korea might see another opportunity for strengthening its strategic partnerships with such players—an opportunity that might also be seen in China.

Mediation by the EU on interest-related issues could be done via regular diplomatic channels. Mediation on history is more challenging and complex. Due to the political gridlock on history issues among the regional governmental players, the initiative would need to be driven by civil society at the so-called Track II level. An interregional U.S.-EU-East Asia Citizen Program for History Reconciliation in 2015-2020, comparable to the EU Citizen Initiative in 2007-2013, would therefore be promising. It would help avoid the intraregional blame and shame culture and open the debates at the national and transnational levels among all participants. This process would be beneficial for all regional participants.

As in Europe where the Citizen Program for 2007-2013 was launched in celebration of the anniversary of the Maastricht Treaty and 2013 was made the EU Year of the Citizen, 2015 with its seventieth anniversary of the end of WWII can be the launching year for a comprehensive interregional initiative for history reconciliation. U.S., EU, and East Asian leaders could declare 2015 the “Citizen Year of Reconciliation,” which might then become the catalyst for the more comprehensive “Interregional Citizen Program for History Reconciliation in 2015-2020” (with the option to be extended to 2025 when successful). Important vehicles for its implementation would be an interregional sister city initiative for history reconciliation. With Japan, China, and South Korea, in the framework of a meeting of their culture ministers, each nominating an Asian City of Culture 2014,110 a fertile ground for the initiative seems to be there.

Like any real partnership, the financial and organizational burden for the Trilateral Citizen Program for History Reconciliation should be equally shared among the EU, the U.S., and Japan, China, and South Korea.

The corporate initiative for history reconciliation, i.e., the examination and publication of their histories, should be funded by the corporate sector. It could be complemented with governmental funding at a later stage—for instance, if and when there should be a plan for setting up a joint fund for forced labor compensation—like in Germany before.

In any case, the interregional efforts for history reconciliation need to start at the Track II, i.e., corporate and civil society, level. It can be upgraded to Track I.5 with governmental representatives when appropriate.

One more tangible goal should be to create a joint location for joint remembering and mourning. Pessimists are reminded to take a look at the recent keynote by Avi Primor at the occasion of the German National People’s Mourning Day (Volkstrauertag), which underlined that a joint mourning among former
enemies, perpetrators, and victims is not only possible, but a prerequisite for the future of any nation.

A first benchmarking for a presentation of the achievements could be in 2020—a year full of major and highly symbolic events but most prominently, the Olympics in Tokyo and the finalizing of the ASEAN Economic Community. 2020 might also be the year when other interested parties like ASEAN, Taiwan, North Korea, and Australia could join the Interregional Citizen Program for History Reconciliation program (2015-2020). The final timeline could be (but would not have to be) 2025, the year when APEC wants to have achieved its goal of regional connectivity.

It would be a perfect platform to demonstrate a peaceful, sustainable, and interconnected Asia-Pacific—achieved via interregional partnership in leadership for reconciliation, which will thus become pivotal to shaping the order of the twenty-first century.


4 William P. Grimes “ Abe will clearly undermine the ADB, Japan’s signature performance in regional institution building and a long-time contributor to regional integration and cooperation,” NBR Forum Discussion, 1 November 2014.

5 The 21 founding member countries agree the basic parameter determining the capital structure of the new bank will be relative GDP which would give China a 67.1 percent shareholding, with the next in line being India at 13.3 percent. Still, if the U.S., Japan, South Korea, and Australia joined the bank, China’s share would fall to 24.5 percent. See: James Laurenceson, “Abe’s awkward APEC moment over Asian infrastructure bank,” The Conversation, 9 November 2014; http://theconversation.com/abotts-awkward-apec-moment-over-asian-infrastructure-bank-33830 (19 November 2014).


12 Author’s definition.


15 This does not necessarily evolve this way, because there is some hope that the new Republican majority will vote and provide President Obama with TPA, thereby putting him and the United States into the long-lost leadership position in global negotiations on TTIP between the U.S. and the EU and TPP in Asia-Pacific. See: Julie Pace, “Progress but no deal in TPP trade talks,” Japan Today, 11 November 2014.


26 The economy unexpectedly shrank at a 1.6 percent annualized pace, throwing Japan into recession and setting the stage for Abe to delay an unpopular sales tax hike and call a snap election just two years after he took office. “This is absolutely not something in which we should be debating an increase in the consumption tax,” said Etsuro Honda, a University of Shizuoka professor and a prominent outside architect of Abe’s reflationary policies.” See http://www.japantoday.com/category/politics/view/abe-adviser-honda-calls-for-stimulus-after-shocking-gdp (17 November 2014); William White, “Japan’s stimulus plan is not courageous but foolhardy,” Financial Times, 20 November 2014, http://www.ft.com/intl/cms/s/0/5dfdd5f2-6e56-11e4-afe5-00144feabdc0.html?siteedition=intl#axzz3KrnTTawy (26 November 2014).


29 Aurelia George Mulgan, “Abe's humiliation in Beijing. The atmosphere of his meeting with Xi suggest there is little cause for optimism in bilateral relations,” The Diplomat, 17 November 2014 (21 November 2014).


31 Confidential talks with representatives from government, academia, and the corporate sector in Washington, DC on 10, 17, 23 July 2014 and 19, 25 August 2014 and 9 September 2014.
43 This has also been seen as critical for the EU-China relations, as discussed by Hans Kundnani and Jonas Parello-Plesner from the European Council on Foreign Relations. See: "China and Germany: Why the Emerging Special Relationship matters for Europe," ECFR 85, May 2012.

34 Oscar Schindler was a German industrialist who saved 1,200 Jewish people from extinction in the concentration camp of Auschwitz by employing them in his enamelware and ammunitions factories, which were located in occupied Poland and Czechoslovakia.

35 Adam Taylor, "This is why Germany doesn’t want China anywhere near Berlin’s holocaust memorial," The Washington Post, 28 March 2014.


40 Council of the European Union, General Secretariat, Guidelines on the EU’s Foreign and Security Policy in East Asia, doc. 11492/12 (N° prev. doc. 10331/12), 15 June 2012, Chapter IV/a.


42 Partnership and Cooperation or Framework Agreements are currently (2014) negotiated with Afghanistan, Australia, Brunei, China, Japan, Malaysia, New Zealand; initialed with Singapore and Thailand; signed with Mongolia, Philippines, and Vietnam; and already in force with Indonesia, Pakistan, and the Republic of Korea. Particular Framework Participation Agreements on Crisis Management are in force with the Republic of Korea and New Zealand. Negotiations on Free Trade or Comprehensive Economic Partnership Agreement (CEPA) are ongoing with India, Japan, Malaysia, Thailand, and Vietnam; initialed with Singapore; and in force with the Republic of Korea. Intense negotiations for an Investment Agreement are ongoing with China.

43 Among the three, China is leading with 12.5 percent, followed by Japan—with some distance—with 3.2 percent and South Korea with 2.2 percent. EURO Asia Fact Sheet, 14 July 2014. The data refer to 2013.

44 EU-China Fact Sheet. See also, EU-China 2020 Strategic Agenda for Cooperation.


46 In 2012, 21.4 percent of EU outward investment was destined to Asia ($57 billion), while 13 percent originated in the region of ASEAN ($38 billion). With a share of 22 percent in 2013, the EU continues to be ASEAN’s biggest source of Foreign Direct Investment. See: http://eeas.europa.eu/asia/index_en.htm

47 Total trade between ASEAN and the EU slightly grew by 1.5 percent, amounting to $246.2 billion in 2013. Exports to the EU slightly declined by 0.4 percent amounting to $124.4 billion, while imports from the EU rose 3.5 percent totaling $121.8 billion. See: ASEAN fact sheets economy and trade 2013, 6 June 2014.

48 The ASEAN Economic Community (AEC) is the finalization of regional economic integration by 2015 of the ten economies of the ASEAN Member States, namely Brunei Darussalam, Cambodia, Lao PDR, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam. In addition, AEC’s institutionalization process towards AEC has been supported by EU through measures like the launch of ARISE (ASEAN Regional Integration Support from the EU) which aims to support the capacities of the ASEAN Member States in harmonizing and implementing policies and regulations in economic sectors. The signing ceremony of ARISE Programme took place at the conclusion of the 20th ASEAN-EU JCC held on 17 January 2013 at the ASEAN Secretariat. See: ASEAN fact sheet economy and trade 2013, 6 June 2014.

49 India is the fourth strategic partnership but for the sake of argument and brevity only mentioned here.


54 Overview of ASEAN-EU Dialogue Relations, published by the ASEAN Secretariat, 6 June 2014.


63 In her delegation of seven cabinet ministers and nearly two dozen leading German corporate executives, among others the heads of Siemens AG, SAP AG, Volkswagen AG, ThyssenKrupp AG, and BASF SE.

64 In 2013, according to the German Federal Statistical Office, Russia was the eleventh largest destination for German exports; China was the fifth largest. German exports to Russia accounted for €36 billion; German exports to China accounted for €67 billion. China is now the biggest market for Volkswagen (the biggest foreign carmaker in China) and for the Mercedes S-Class. See Hans Kundnani, “The nightmare for German business: an ‘Asian Crimea’” European Council Foreign Affairs, 2 June 2014, http://www.ecfr.eu/article/commentary_the_nightmare_for_german_business_an_asian_crimea267?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%2
53A+ECFR.c9+%28The+European+Council+on+Foreign+Relations%29 3A+Russia+and+the+Eastern+Neighborhood (17 November 2014).
65 Ibid.
66 See: http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laendereinfs/01-Nodes/Korea/Republik_node.html (18 November 2014).
67 The forum takes place alternately in South Korea and Germany and is held in tandem with a bilateral youth forum.
68 According to South Korean figures, in 2013 bilateral trade was worth approximately $27.2 billion, with a balance of trade surplus of $11.4 billion in Germany’s favor, which ranked 16th among Germany’s foreign trading partners on imports and 15th on exports.
69 See: http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laendereinfs/01-Nodes/Japan_node.html (15 November 2014).
72 See Ashley J. Tellis, op.cit.
73 Confidential talks with representatives from government, academia, and the corporate sector in Washington, DC, on 10, 17, 23 July 2014 and 19 and 25 August 2014 and 9 September 2014.
74 Kazuhiyo Togo “Impasse in Japan-Korea Relations is an Opportunity for Resolution” PacNet #86, 3 December 2013.
81 Ibid., p. 5-9.
82 Ibid., p. 7.
83 Ibid., p. 49.
84 EU Citizen Year evaluation report 2014, Page 7 ff.
86 Mary Griffin, “What is the point of Coventry’s twin towns?” Coventry Telegraph, 2 August 2011.
95 See: https://www.db.com/de/content/company/Historisches-Institut.htm. Since 1988, one of the focal points of the Historical Institute’s research has been on the National Socialist period. A general summary of the history of the bank during the years 1933-1945, written by Harold James, Princeton University, was published in 1995 as a chapter of ‘The Deutsche Bank 1870-1995.” In 2003, Harold James published a fully revised edition of this new book with a new title “The Nazi Dictatorship and the Deutsche Bank,” which brings together all of the recent results in historical research.
99 Andreas Heusler, Mark Spoerer, Helmut Trischler, Rüstung, Kriegswirtschaft und Zwangsarbeit im “Dritten Reich”: Im Auftrag von MTU Aero Engines and BMW Group , März 2010. 2001 schlossen sich MTU und BMW zur Projektgruppe “Gemeinsames Erinnern” zusammen. Im Rahmen des Projektes “Gemeinsames Erinnern” laden die MTU Aero Engines und die BMW Group im März 2007 zu einem Symposium, um die neuesten wissenschaftlichen Erkenntnisse zu diesem Themenkomplex vorzustellen und zu diskutieren.
102 Peter Batty, The House of Krupp: The Steel Dynasty That Armed the Nazis (2002).
103 Peter Hayes, From Cooperation to Complicity: DEGUSSA in the Third Reich (2004).
109 Beijing Review, Vol. 57, No 45, 6 November 2014, p.5; “The signing between the China Foundation for Human Rights Development and a group of Japanese lawyers supporting the Chinese victims took place in Harbin, the capital of Heilongjiang Province, northeastern China, on Tuesday, according to Xinhua. It is believed to be the first time for private organizations from the two countries to jointly establish a foundation for victims of chemical weapons left in China by the now-defunct Imperial Japanese Army. The new foundation will help the victims cover their living and medical expenses.”
110 “Culture minister Hakubun Shimomura nominated Yokohama, a historic port city known for international exchanges, while China’s envoy chose Quanzhou, an ancient trading port in southern Fujian province, and South Korea’s representative selected Gwangju, for its more than 2,000-year history. The three cities will serve as the principal venues for a series of cultural and arts exchange programs to be organized next year to promote mutual understanding among the three neighbors. The three countries also agreed at the meeting in Gwangju to hold the next trilateral meeting of cultural ministers next year in Japan. (…) The three sides will designate new East Asia Cities of Culture from 2015.” See: http://culture360.asef.org/news/2014-east-asia-cities-of-culture-designated-in-japan-china-and-korea/#f7fhv9Ou.duf (15 November 2014).
Located in Washington, D.C., the American Institute for Contemporary German Studies is an independent, non-profit public policy organization that works in Germany and the United States to address current and emerging policy challenges. Founded in 1983, the Institute is affiliated with The Johns Hopkins University. The Institute is governed by its own Board of Trustees, which includes prominent German and American leaders from the business, policy, and academic communities.

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TRI-REGIONAL PARTNERING ON RECONCILIATION IN EAST ASIA: PIVOTAL TO SHAPING THE ORDER OF THE TWENTY-FIRST CENTURY?

Martina Timmermann