

Multicriterial macroeconomic evaluation of Chinese and Japanese economic levels in connection to resolving their Senkaku Islands territorial dispute

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Abstract: Japan and China are great powers of the region of East Asia and their territorial disputes and its development is highly important for international relations. The instability in their relationship resulting from the animosity in their territorial dispute resolving process could affect the regional relations and potentially the environment of global international relations beyond the region, as well. Therefore it is important to be aware of the dispute resolving process and all the factors which influence it. This study examines the macroeconomic situations in China and Japan and evaluates their current state of development.

The aim of the article is to conduct a multicriterial analysis of the economic situation of Japan and China while the whole analysis is conducted in connection on Senkaku Islands territorial dispute resolving process. Multicriterial analysis of the chosen examines chosen macroeconomic magnitudes – real GDP, unemployment and inflation (deflation respectively) rate, the share of current account of balance of payments on GDP, the public finance (national budget deficit) and government debt on GDP. Despite some of the difficulties in both economies, they were evaluated as strong and it was presumed that both Japan and China will try to fortify their position in international relations and presumably will try to negotiate while discussing territory disputes without any compromises that would reduce their economic gains. This presumption was affirmed in the third chapter where it seemed that economic reasons for owning the territory were prevailing (especially when there are mineral reserves found in the vicinity of disputed territory) whereas the strategic position of the territory is an important aspect of resolving disputes, as well.

Keywords: multicriterial analysis, China, Japan, Senkaku Islands dispute

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