



SPECIAL ASSESSMENT

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Asia's Bilateral Relations

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Russia-Japan Relations: Prisoners of History?

J O H N H . M I L L E R

Executive Summary

- Russo-Japanese relations are bedeviled by a dispute over ownership of the southern Kuriles (or “Northern Territories” as the Japanese call them) that were seized by the Soviets in 1945.
- Fifty years of on-again, off-again negotiations between Moscow and Tokyo aimed at reaching a settlement have foundered on the rocks on Japanese and Russian nationalism.
- The dispute is complicated by mutual dislike and distrust between Russians and Japanese, which stem largely from the troubled historical relationship between the two countries.
- President Putin and Prime Minister Koizumi are nevertheless seeking to build a closer bilateral partnership based on Russo-Japanese cooperation in developing Siberia's energy resources.
- The prospects for this partnership depend in part on Koizumi's ability to demonstrate to the Japanese people that he is making progress toward recovering the disputed islands.
- A Russo-Japanese rapprochement would support U.S. interests by strengthening Koizumi and Putin domestically and enabling them to balance a “rising China” more effectively.
- But given the U.S. role in the genesis of the territorial dispute, anything more than quiet, behind-the-scenes American encouragement of Moscow and Tokyo would be counterproductive.

A lone among the major combatants in World War II, Japan and Russia have yet to sign a peace treaty fully normalizing their relations. The immediate cause of this anomalous situation is the inability of Tokyo and Moscow to agree on the ownership of the Kurile Islands, which the Soviet Union seized and annexed in the closing days of the war. The Soviets adopted the position—maintained by their Russian successors—that they did this in agreement with their then ally, the United States, at the February 1945 Yalta Conference, the decisions of which Japan later accepted. In the Russian view, Japan consequently has no basis for disputing Russian sovereignty over the islands. The Japanese, however, argue that even though they ceded the Kuriles in the 1951 San Francisco Peace Treaty, these do not include the four southernmost islands—Etorofu, Kunashiri, Shikotan, and Habomai—which are an extension of nearby Hokkaido and hence part of Japan. Tokyo therefore insists that these Northern Territories are illegally occupied by Russia and must be returned. The United States supports Japan's position, but it did not begin to do so until the 1950s when the intensification of the Cold War made it necessary to bolster Japanese support for the U.S.-Japan alliance.

The Northern Territories issue, as the Japanese call it, is not the only intractable territorial dispute in East Asia, nor is it a particularly explosive one in terms of its potential to spark conflict. The Japanese government has never been willing or able to contest the Russian occupation of the islands by force or the threat of force. It has instead kept the issue at the forefront of its bilateral dealings with Moscow, steadfastly maintaining its claim to the islands and insisting on their return as the sine qua non of a peace treaty and improved relations.

A settlement holds attractions for both sides. For the Japanese, it would write finis to what they see as the most humiliating legacy of World War II—foreign occupation of part of their national territory. In the view of many, a settlement would also facilitate their access to the rich natural resources of Siberia and the Russian Far East. For the Russians, improved relations with Japan offers the promise of attracting Japanese capital and technology to develop their eastern territories and integrate them with the dynamic East Asian economic region. Geopolitically, a Russo-Japan rapprochement would strengthen the hand of Moscow and Tokyo in dealing with a “rising China,” and support the Great Power ambitions of their political leaders and elites.

THE RECORD OF NEGOTIATIONS

While a deal on the Northern Territories might appear to be in the mutual interest of Russia and Japan, none has been forthcoming. During the Cold War, the issue was framed by Soviet-American rivalry in which Japan was a subordinate player. Stalin refused to discuss the status of the islands but Khrushchev, hoping to weaken the Japanese-American alliance, offered to return the two smallest ones (Shikotan and Habomai) after the conclusion of a peace treaty. The Japanese were tempted, but Washington torpedoed the deal before it could be struck, and Khrushchev withdrew his offer in 1960. The one positive legacy of this episode was the reestablishment of diplomatic ties between Moscow and Tokyo in 1956. Until the late 1980s, however, Soviet-Japanese relations remained frozen. The Soviets dismissed Japan as an American client state and were contemptuous of its lack of military power and political clout in the international arena. Some Soviet observers were impressed by Japan's economic growth

and potential to contribute to Siberia's development. But the Soviet leadership was indifferent to this potential and presented an inflexible face to Tokyo, denying that a territorial dispute even existed. Japan's conservative leaders, for their part, reverted to the position that the return of all four islands was the precondition for a peace treaty and any improvement in relations. Soviet intransigence and belligerence were not entirely unwelcome to conservative Japanese leaders insofar as they provided a rationale for the American alliance and the buildup of the Self Defense Forces. Soviet-Japanese relations became even frostier in the late 1970s and early 1980s as a result of Moscow's displeasure with Japan's endorsement of China's stand against Soviet "hegemonism," and Japanese alarm over the expansion of the Soviet Pacific fleet. Prime Minister Nakasone (1982-87) seized on the enhanced Soviet threat to strengthen military cooperation with the United States and assert Japan's identity as a Great Power.

The advent of Gorbachev marked a sea change in Soviet-Japanese relations. Intrigued by the possibility of using Japan to develop the stagnant and backward economy of the Soviet Far East, Gorbachev signaled flexibility by acknowledging the disputed status of the Northern Territories (or "South Kuriles" as the Soviets called them) and offering to negotiate a settlement. But while Tokyo welcomed this overture, it was suspicious of Gorbachev's intentions and skeptical of his willingness to deliver substantive concessions. The Japanese consequently stuck to their Cold War position that a peace treaty and large-scale Japanese economic assistance would depend on Soviet agreement to return the four disputed islands. This, however, was too much for Moscow hardliners to swallow and it fell to Gorbachev's Russian successor, President Yeltsin, to try to cut a deal with Tokyo. Yeltsin was no less interested in attracting Japanese aid and investment, but Japan's insistence on prior territorial concessions continued to pose a stumbling block inasmuch as such concessions were perceived by Russian nationalists as a humiliating surrender to foreign pressure and blandishments. Yeltsin, his hands tied by domestic resistance, could offer little more than a declaration of his intention to resolve the Northern Territories issue, and negotiations petered out in deadlock in the early 1990s. Stymied in his attempt to achieve a breakthrough with Japan, Yeltsin shifted his focus to developing a "strategic partnership" with China based in part on their common opposition to perceived U.S. "hegemonism."

The launching of a new round of summit meetings in 1997-98 between Yeltsin and Prime Minister Hashimoto again raised hopes that a settlement might be in the offing. The two leaders agreed to work toward the conclusion of a peace treaty by 2000, which many assumed would include a resolution of the Northern Territories issue. The impetus for this apparent breakthrough came partly from common concerns over China's rapidly increasing economic, military, and political power. The Russians had second thoughts about putting all their eggs in China's basket, and the Japanese were worried about Beijing's bellicose and unfriendly posture. Tokyo was also concerned by talk in Washington about forming a "partnership" with Beijing that did not seem to include Japan. The path toward an accommodation between Moscow and Tokyo was smoothed by Hashimoto's dropping of Japan's insistence on Russian territorial concessions as a precondition of Japanese economic assistance. Not a few Russians interpreted this to mean that Japan was willing to underwrite Siberian development without a quid pro quo on the Northern Territories. This, however, was not what Hashimoto had in mind. Rather, he expected an unconditional offer of Japanese largess to elicit Russian flexibility on the Northern Territories. When this flexibility was not forthcoming—Yeltsin refused to discuss territorial concessions—negotiations collapsed amid mutual recriminations and disillusionment.

Yeltsin's and Hashimoto's successors continued the elusive quest for a settlement, since the incentive for trying to reach one remained even though the prospect of cutting a quick deal was now diminished. President Putin aroused a flurry of excitement in 2000-1 by hinting to Prime Minister Mori that he might be willing to revive the 1956 formula—that is, return the two smallest islands in return for a peace treaty. Mori made it clear, however, that Japan was not prepared to accept any arrangement that excluded the other two islands. Prime Minister Koizumi adopted an even tougher line on taking office in 2001, suggesting that progress in expanding Russo-Japanese relations would require a package reversion of all four islands. However, he subsequently adopted a more flexible position. At their January 2003 Moscow summit, Putin and Koizumi agreed to a ten-point “action plan” that called for an across-the-board deepening of bilateral cooperation with the territorial issue being only one item and not necessarily the most important. Indeed, Koizumi has shown greater willingness than many of his predecessors to set aside the Northern Territories problem to seek closer ties with Moscow. One reason is Putin's usefulness as a go-between and possible moderating influence on the volatile and unpredictable North Koreans. Another is the lure of Siberian energy development. Koizumi is particularly interested in a Japanese proposal to construct a 2,500 mile pipeline linking Angarsk oil field near Irkutsk with the Russian port of Nakhodka on the Japan Sea. Should this multibillion-dollar project come to fruition, it would mark a great leap forward in Russo-Japanese economic cooperation, spurring increased Japanese investment in Siberia and the Russian Far East.

THE PROSPECTS FOR PROGRESS

Will economic motives succeed where diplomacy has failed in bringing to closure the territorial dispute between Russia and Japan? Perhaps. Since the 1960s, there has been a compelling logic to the mating of Siberian resources with Japanese capital and technology. It is not implausible to predict that this marriage will now be consummated in the context of growing regional energy demand and tightening supplies. A closer Russo-Japanese partnership, based largely on energy cooperation, would serve U.S. interests in several ways. It would, for example, contribute to the economic development and political stability of the Russian Far East, reducing the potential for a weakening of Moscow's control or an economic breakdown that would almost certainly invite a scramble for concessions and spheres of influence by neighboring powers. In addition to bolstering Putin's domestic authority, stronger Japanese support would give him another card to play in balancing Chinese influence and greater incentive to tailor Russian policy to mesh with American and Japanese objectives in dealing with such issues as the North Korean nuclear crisis. It is also in the U.S. interest that Koizumi and Japan “stand tall” on the international stage, and a rapprochement with Russia would help him do this. The days when Americans could seriously debate whether Japan is a “partner or rival” are long gone. Koizumi is the strongest and most effective Japanese proponent of U.S.-Japan political-military cooperation since Nakasone. Like Nakasone, moreover, he needs foreign policy successes to buttress his campaign for domestic economic reform, which the United States supports.

Caution is, however, in order in assessing the prospects for a Russo-Japanese rapprochement. The Angarsk-Nakhodka pipeline is not yet a done deal. Nor is there any assurance that this or other joint energy projects will lead to a “boom” in Japanese investment forecast by their promoters. Fifteen years of expansive rhetoric by Japanese and Russian leaders about the glowing future of Russo-Japanese economic cooperation is belied by the meager results to date. Japan provides less than 2 percent of total foreign investment in Russia, and its two-way trade with Russia is only about a tenth that of South Korea. The main reason for this situation is the unattractiveness of Siberia and the Russian Far East to Japanese investors. Inadequate infrastructure and legal protection, capricious local political bosses, and the growing influence of Russian organized crime have discouraged all but the boldest Japanese entrepreneurs, and many of them have been burned in business ventures gone awry.

During the 1990s, many Japanese were seized by the vision of a “Japan Sea economic zone” linking northern Japan and the Russian Far East. Enthusiasts pointed to economic complementarities and predicted that growing trade, investment, tourism, and cultural ties would promote mutual understanding and common interests, paving the way for a settlement of the Northern Territories issue. (The 25,000 Russian residents of the disputed islands, many of whom were unhappy over their perceived neglect by Moscow, were the prime targets.) The initiative on the Japanese side came mainly from prefectural governments in Hokkaido and the Japan Sea coast, which hoped that ties with Russia would spur local growth, reducing the developmental gap with eastern and southern Japan. Although the jury is still out on the Japan Sea regional concept, skeptics point out that it has had little effect in softening Russian attitudes on the Northern Territories—which are, in any case, determined in Moscow—or promoting meaningful economic integration between northern Japan and the Russian Far East. Trade has grown, but much of it consists of illegal exchanges of Japanese used cars for Russian shellfish, a trade partly controlled by Russian and Japanese criminal syndicates.

One can anticipate that the Japanese incentive to invest in Russia will increase if Koizumi throws the weight of the Japanese government behind otherwise risky ventures by providing low-interest loans and investment guarantees. At some point, however, he is likely to encounter demands from Japanese irredentists that such backing be linked to tangible progress in recovering the Northern Territories. Many Soviets were wont to dismiss the irredentists as right-wing extremists who command little support among the “peace loving” majority of Japanese. This view is, however, ill founded and, to the extent it survives among Russians, it constitutes a fertile source of misunderstanding. Although Northern Territories activists are relatively few in number, they are well organized and funded and are by no means an inconsequential factor in Japanese electoral politics. Their preoccupation with recovering the islands is, to be sure, not widely shared. Most Japanese do not consider the Northern Territories a front burner issue and attach little importance to the timing or modalities of their return. But this does not mean that they are indifferent to their recovery. Polls reflect a widespread belief that the islands are part of Japan and must be handed back eventually. No Japanese prime minister has dared to challenge this consensus by renouncing or shelving Japan’s territorial claim and, with Japanese nationalism on the rise, none is likely to do so in the future.

A TROUBLED HISTORY

While few Japanese know or care very much about the barren and fog-shrouded islands that comprise the Northern Territories, these unattractive pieces of real estate carry symbolic associations that matter a great deal to many. In addition to being the last foreign-occupied part of their homeland, the islands evoke memories of what the Japanese regard as an unprovoked Russian “stab in the back” at a moment of national vulnerability, which was motivated by little more than revenge and territorial aggrandizement. Japanese images of the “Russo-Japanese War” of August 1905—fleeing Japanese civilians being massacred in Korea and Manchuria, and hundreds of thousands of surrendering Japanese soldiers being marched off to Soviet gulags—have faded over the years, but they have not entirely disappeared. Nor has it been forgotten that the Soviet assault on the southern Kuriles began after Japan’s capitulation on August 15 and continued even after the formal surrender ceremony in Tokyo Bay on September 2. For many if not most Japanese, the recovery of these islands is thus equated with righting a historic wrong and effacing a national humiliation.

The Russians, of course, hold quite different views on the Soviet attack on Japan and seizure of the Kuriles. From their perspective, these actions were part of the “Great Patriotic War” against Nazism and fascism. Although Japan concluded a neutrality pact with the Soviet Union in 1941 and played no part in the European war, it was an ally of Nazi Germany and a virulently anticommunist fascist state. It was, moreover, an expansionist one that threatened the Soviet Far East. Japan had attempted to seize this region in the context of the 1918-21 Siberian Intervention, and its military probes across the Manchurian border resulted in an undeclared Soviet-Japanese war in 1939. Considered from this standpoint, the Soviet strike against Japan in 1945 was a legitimate act of self-defense against a still dangerous fascist aggressor. Moreover, whatever Stalin’s reasons for taking the Kuriles—probably their strategic value in guarding the approaches to the Sea of Okhotsk—Russia’s historical claim to the islands is, in the Russian view, at least as strong as Japan’s.

Clashing Russian and Japanese views on the significance of the war are not counterbalanced by any reservoir of goodwill between the two peoples. Indeed, the events of 1945 intensified a pattern of rivalry and hostility that stretches back into the nineteenth century and forward to the present. In the early 1800s, Japan’s northern borderlands—the Kuriles, Sakhalin, and Hokkaido—formed a tempting target for Russian expansion, since they were undefended and inhabited by non-Japanese hunter-fishers. The Japanese had never occupied these areas or attempted to assert more than the haziest jurisdiction over them. Conflicting territorial claims, punctuated by skirmishes and shows of force, led to an 1875 treaty that gave Sakhalin to Russia and the Kuriles to Japan. This, however, was not an entirely satisfactory arrangement to either side. Nor did it end Russo-Japanese rivalry, which shifted in the 1890s and early 1900s to control over Korea and Manchuria. Their military showdown in the war of 1904-5, fought mainly in Manchuria, resulted in a Japanese victory, but at a heavy cost in Japanese lives and treasure. As part of the peace settlement, Tokyo demanded and got back southern Sakhalin, which it had never been reconciled to giving up in 1875.

The Russo-Japanese war brought only a wary truce between Japan and Russia. The Japanese dug into their newly won sphere of influence in southern Manchuria and prepared for an expected “war of revenge” by the Russians. The latter withdrew to

northern Manchuria and nursed hopes of regaining their lost holdings in the south, particularly the strategic naval base of Port Arthur and South Sakhalin. For about a decade (1907-17), the two sides put aside their enmity to cooperate in developing Manchuria and, as nominal allies in World War I, fighting Germany. But this relative “honeymoon” broke down with the Bolshevik seizure of power in Russia in 1917 and the ensuing Russian civil war. Japan employed the Allied Siberian Intervention as an opportunity to try—unsuccessfully—to set up anticommunist client states in Siberia and the Russian Far East. The rise of Soviet power in the late 1920s and 1930s confronted Japan with an implacable ideological foe and a new threat to its “Manchurian lifeline.” Until 1941, a military strike against the Soviet Far East was high on Japan’s list of strategic options and was favored by many army leaders.

Even if Stalin had not entered the war against Japan in 1945, it is unlikely that postwar Soviet-Japanese relations would have prospered. As Japan’s wartime leaders contemplated defeat in 1944-45, their greatest fear—next to national annihilation—was Japan’s Sovietization. This fear carried over into the postwar period when it was fed by the rise of the Japanese left with pro-Soviet leanings. The threat, as perceived by Japanese conservatives, was less about communism itself than communism harnessed to what they saw as the inveterately hostile purposes of Russia. Conservatives had no such aversion to Mao’s China, which communist or not was still Chinese and hence favorably disposed to Japan—or so the Japanese imagined. Dislike and distrust of “Soviet Russia” survived the decline of the Japanese left in the 1970s, and were not restricted to the conservative elite. The Soviet Union consistently topped the list of “least liked countries” in opinion polls. The Soviets’ negative image was partly inspired by Cold War provocations such as the 1983 downing of a Korean airliner off northern Japan. But it also reflected historical memories and myths about Russian behavior, which had pre-Cold War roots. These negative associations persisted even after the demise of the Soviet Union and the emergence of “democratic Russia,” casting a pall over Russo-Japanese relations to the present.

CONCLUSION

International relations are replete with reversals of supposedly permanent national rivalries and antagonisms. Why should Russo-Japanese relations be any different? After all, the intensity of their mutual hostility does not approach that of other national feuds such as those between Greece and Turkey, and India and Pakistan. Moreover, the logic of Japanese and Russian national interests seems to dictate closer economic and political cooperation. And Putin and Koizumi, both strong and popular leaders, appear determined to move in this direction. The question is thus perhaps not whether Russo-Japanese relations will improve, but how fast and far they can develop before the Northern Territories issue reemerges as a roadblock.

The record of bilateral negotiations on this issue suggests that a territorial settlement may be politically out of reach—the islands are too “loaded” with historical and nationalist baggage to be tradable or expendable to either side. In this sense, the Russians and Japanese are “prisoners of history.” But this does not necessarily mean that they are locked into a permanent stalemate. The Japanese may be unwilling to renounce or shelve their claim to the disputed islands, but having already waited nearly sixty years, they are in no hurry to get them back. There is, in other words, an opportunity to expand Russo-

Japanese cooperation as long as most Japanese continue to see the islands' eventual return as a live proposition. Considered from this angle, Koizumi's main challenge is not to "resolve" the Northern Territories issue, but rather to maintain sufficient progress toward a territorial settlement to prevent Japanese irredentists from taking control of the issue and turning it into a political football. Given the unpromising history of Russo-Japanese relations, and the consequent mutual dislike and distrust of Russians and Japanese, this will not be an easy task. Nor is there much the United States can, or probably should do other than offering quiet encouragement. Washington's historical role in the genesis of the Northern Territories problem and the Soviet attack on Japan in 1945 is not inconsiderable. High profile mediation efforts would invite attention to this role and potentially draw the United States into the cross fire between Japanese and Russian nationalists. This is one relationship the United States should observe from the sidelines.

The views expressed in this publication are those of the author(s) and do not necessarily reflect the official policy or position of APCSS, U.S. Pacific Command, the U.S. Department of Defense, or the U.S. Government.

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