

## Japan's Global Diplomacy: Japan-Russia Relations

Yoko Hirose, Keio University

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### EXECUTIVE SUMMARY

On July 28, Stimson hosted Yoko Hirose, Associate Professor at Keio University, for a roundtable discussion on Japan-Russia relations.

Hirose described Russia as an important neighbor to Japan, but the relationship has been historically complicated by the territorial dispute and the international system. Japan's policy objectives are three-fold: 1) build a suitable partnership relationship with Russia for the region, 2) develop Japan-Russia relations in a comprehensive manner, including security, economic and energy cooperation, and 3) resolve the Northern Territories dispute and conclude a peace treaty.

Hirose's outline of Japan-Russia relations began in the 18<sup>th</sup> and 19<sup>th</sup> century, when relations were generally positive. Japan's victory in the Russo-Japanese War in 1905 changed the regional dynamics, and relations have been strained since Japan's defeat in World War II, largely because a) the USSR broke the Soviet-Japanese Neutrality Pact, b) Japan aligned with the US in the Cold War, and c) the territorial dispute arose. At the collapse of the USSR, Russia's economic and political power was significantly weakened, such that then-President Yeltsin considered returning two of the islands to Japan. Since 2001 though, Russia has begun to regain its power and status. Japan largely concentrated on the Northern Territories issue in the bilateral relationship, distancing itself from Russia's domestic affairs. This limited policy options, so around 2010, Japan implemented a new policy, working to expand and deepen relations with Russia across all aspects. President Putin has signaled his willingness to negotiate the return of two islands, respecting the Soviet-Japanese Joint Declaration of 1956, in the hopes that such a resolution can be win-win for Russia and Japan. Putin and Prime Minister Abe met five times between December 2012 and February 2014, as Abe wants to maintain positive relations with Russia and resolve the dispute. The establishment of a framework for a comprehensive partnership on security affairs, based on 2+2 ministerial meetings, is significant.

US-Russia relations complicate the Japan-Russia relationship, particularly most recently with the Ukraine crisis. The Japanese government does not want to activate sanctions against Russia, but as a G7 member, Japan has activated some. Russia activated retaliatory sanctions, and the resolution of the territorial dispute is considered increasingly unlikely, along with Putin's scheduled autumn visit to Japan. However, Japan will try to maintain relations with Russia, as China's deepening relations with Russia concerns Japan.

Hirose noted the following challenges for Japan's policy towards Russia: 1) differences in stance on the Northern Territories, 2) Russia's attitude of superiority towards Japan, 3) Russia's distrust of the Japan-US alliance, and 4) the Ukraine crisis. Hirose described the complications of Putin's scheduled visit, given sensitivities to the US. Regarding cooperation with the US, Hirose described the importance of 1)

keeping the current world order, including sanctions, 2) preventing reckless attempts by Russia through the basis of the Japan-US security treaty, 3) containing the threat of a Russia-China alliance, and 4) supporting the democratization, liberalization, and economic development of the region. Hirose's policy recommendations for Japan included 1) a flexible policy towards Russia regarding the Northern Territories, 2) diplomacy with a firm attitude as a peaceful sovereign state, 3) cooperation for the peace and prosperity of the Asia-Pacific, and 4) confidence-building measures so as not to isolate Russia.

To a question on Russia's motivations, Hirose answered that Russia's diplomatic priority has shifted from Europe to Asia, and though Russia and China are becoming good partners, they also remain rivals, especially in Central Asia – so Japan is important to Russia. Some participants remarked skepticism of Russia's trustworthiness, fearing that Russia may be playing Japan for economic and technical assistance: pursuit of a resolution could be a waste of Japan's resources. One participant noted that the domestic political context in Russia makes it unlikely that the government would be able to return territories gained at the end of World War II. However, because Putin offered a 2-island return in 2001 and hasn't reversed his position since, some participants thought that resolution remained possible. One participant called the situation a "Greek tragedy," since Russia offered the concession 13 years ago, and 60-some years after the war Japan is finally willing to consider a compromise, and now Ukraine has happened and complicated the situation. Hirose described perceptions that Putin's return to presidency may be a chance for Japan to resolve the dispute. Furthermore, now that Russia is weakened by sanctions, there may be an even better chance for negotiations – but that puts Japan in a dilemma between the US and Russia. Participants noted concern for complications in the US-Japan relationship, were Putin to visit. One participant recommended Japan commit to the "status quo-upholding coalition," given concerns about China.

One participant noted that the freezing of additional investment (primarily energy) projects has actually created substantial trouble for Russia. Hirose noted that Japan does not want to inflict further sanctions on Russia, and Foreign Minister Kishida is currently meeting with Germany's foreign minister likely with hopes to maintain the present situation. One participant replied that the EU is imposing new sanctions, as is likely the US, so the pressure will be difficult to balance.

On the strategic value of the islands, Hirose noted that energy resources include coal, and potentially natural gas, oils, and rare earth. More importantly, the surrounding sea is a huge fishing ground, so has financial and security implications for Japanese fishermen.

The participants discussed Japan's energy dilemma, as Japan's energy dependence on Russia has increased since the loss of nuclear plants after the Great East Japan Earthquake. Because nuclear power remains controversial in Japan, energy cooperation with Russia is perceived positively.

One participant suggested a "mini" rather than "maxi" deal to resolve the islands, forgoing the security partnership. However, others responded that because extensive cooperation has already been happening, the territory is the major issue that cannot be resolved. The participants discussed Japan's priorities in this, particularly the differences between government and academia. While the Japanese government maintains that all four islands are sovereign territory, the San Francisco peace agreement

challenges that understanding.<sup>1</sup> The participants discussed the value of Hokkaido University Professor Iwashita's proposal for a return of three islands, since Habomai and Shikotan are very small compared to Etorofu and Kunashiri. The plan had been received very negatively in Japan by the media and MOFA, so was soon dropped, but Iwashita's polls in Nemuro suggest that the majority of residents would favor even a two-island resolution to the current situation, as even 40% of the fishing rights would be beneficial. One participant noted that Abe seems to support the three-island return, based on his appointment of former-Prime Minister Mori as his personal representative to Russia. However, it is unlikely that Russia would accept such a proposal. Another option could be two-plus-alpha, with alpha potentially as fishing rights. One participant suggested a two island split, with sovereignty discussions for the remaining islands at a later time. Another participant argued that Russia would not accept that.

On the importance of the Northern Territories for the Japanese public, the younger generation was described as less interested (compared to the Senkaku and Takeshima disputes); furthermore, the population in the surrounding area is disappearing. However, general sentiment toward Russia is negative. Another participant described the issue as politically radioactive, much like the North Korea abduction issue, as Japan perceives the islands to have been illegally taken in violation of the Neutrality Treaty. After some argument on the legalities, the participants agreed that resolution can only happen through a political, rather than legal, agreement. Hirose concluded that Abe has enough political support and time in office to be capable of a resolution. However, the issue will be difficult for Russia. Russia and China have been stressing their mutual recognition of history, and Russia's past stance towards territorial disputes is telling. Russia will only concede half the territory if it is markedly in its interest. Even if the Ukraine crisis is resolved and Abe remains in power, it will be difficult for Japan to recover the Northern Territories.

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<sup>1</sup> To this, an article in Gilbert Rozman's book, *Japan and Russia: The Torturous Path to Normalization, 1949 – 1999* was raised, which recognized that the Japanese government, in discussions prior to the San Francisco Peace Treaty, had decided that Etorofu and Kunishiri were part of the Kurile chain, so that when they signed the peace treaty renouncing claims on the Kurile islands, they did in fact renounce claims to Etorofu and Kunishiri knowingly. The reports that recognize this are classified in Japan but accessible in the National Archives. A problem of the San Francisco Peace Treaty is the understanding of the word "Tsushima Island." In the treaty, Japan abandoned the Tsushima islands, but since Kunashiri and Etorofu are considered "Southern Tsushima," there is some controversy as to whether they were included in the treaty.