

## The Northern Territories and Russo–Japan Relations

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### Abstract

The recent talks between Japanese Prime Minister, Shinzo Abe and Russian President, Vladimir Putin, indicated an improvement in Japanese–Russian relations, most notably in the fields of trade and energy. However, the territorial dispute over the “Kurile Islands/Northern Territories” continues to overshadow the relationship. This article traces the history of this dispute and considers the prospect for a solution to the issue in light of the upturn in relations in other fields.

### Momentum Injected by the Abe–Putin Meeting

The Liberal Democratic Party’s (LDP) return to power and Shinzo Abe’s “miracle” comeback seem to have generated momentum for Russo–Japanese relations. Indeed, the recent Abe–Putin bilateral talks in Moscow produced various results: setting up a “two-plus-two” framework for dialogue between the foreign and defense ministers to discuss issues including counterterrorism and antipiracy measures; promoting cooperation on developing the Russian Far East’s abundant crude oil and natural gas reserves; creating a fund to facilitate the involvement of Japanese firms in projects in Russia with investment and loan programs.

This enthusiasm is supported by the fact that the volume of Russian–Japanese trade in 2012 reached more than thirty billion dollars, up from eleven billion in 2005. Japan’s currently relies on Russian crude oil for ten percent of its oil imports, up from one percent in 2006. Japanese imports of liquefied natural gas (LNG) from Russia has increased considerably to 8.3 million tons in 2012, from 6 million tons in 2010 after the Sakhalin 2 project began exporting LNG to Japan in 2009. In the economic and energy fields, bilateral relations are undoubtedly reaching a new stage of positive development, most likely passing a point of no return.

The talks on territorial issues also appear hopeful: Abe and Putin declared in a joint statement that they would instruct their foreign ministries to accelerate negotiations to work out a “solution acceptable to both sides.” In a joint press conference, Abe stated, “I was able to build personal trust” with Putin so that talks could be resumed on the possible “return to Japan” of the islets, called the “Northern Territories” in Japan and the “Southern Kuriles” in Russia. Since Junichi Koizumi and Putin met in Japan in November 2005, negotiations on territorial issues have been in deadlock, with both sides criticizing each other and no progress made towards a solution. The recent joint statement was the first in a decade by Japanese and Russian leaders, and represents an excellent chance to move forward on the issue.

### Backdrop of the Territorial Disputes

The disputed islands consist of “four islands,” Etorofu (3,200 square kilometers), Kunashiri (1,500 square kilometers), Shikotan (250 square kilometers) and Habomai (100 square kilometers), which were seized by Soviet forces at the end of World War II from late August to early September of 1945. After Japan renounced all right, title and claim to the Kurile Islands following the signing of the San Francisco Peace Treaty of 1951, Japan and the Soviet Union started negotiations on a bilateral peace treaty. However, negotiations were halted following disagreements on the territorial belongings of the “Southern Kuriles.”

Bilateral talks in 1955 and 1956 were very important. The former was particularly critical because the Soviet Union suddenly proposed that Shikotan and Habomai be transferred to Japan, a proposal that Japan could have accepted. However, pressure from the US and pro-US wings in the LDP strongly criticized the deal, forcing Japan to change its position to demanding a “four islands return,” which included Etorofu and Kunashiri. Japan’s new stance on the Northern Territories infuriated the Soviet side.

A joint declaration on these islands was last issued in 1956, which stated that the Soviet Union agreed to hand over the islands of Habomai and Shikotan to Japan after the signing of a peace treaty as a sign of goodwill. However, Japan claimed that the peace treaty would come only after the Soviet Union/Russia had returned the “four islands.” Tokyo emphasized that “no mention of Etorofu and Kunashiri” meant further negotiations on the territorial issue for the peace treaty should continue.

Japan then began to claim Etorofu and Kunashiri were not a part of the Kurile (though they themselves called them the “Southern Kurile”), but an integral and inherent part of Japan. Japan also began to refer to the four islands as the “Northern Territories,” and maintained their return was a necessary condition for the signing of the peace treaty. A national movement for the “Return of the Northern Territories” has been extensively promoted since the 1960s up to the current day. The movement peaked in the early 1980s when US

President Ronald Regan played up the Soviet Union as an “Evil Empire” and Japan’s Prime Minister Yasuhiro Nakasone strongly backed American anti-Soviet foreign policy.

In turn, the Soviet Union reacted to Japan’s campaign. Nikita Khrushchev declared the “two islands transfer” concept from the 1956 agreement null-and-void during the 1960s as the US–Japan alliance was strengthened. This was followed by Leonid Brezhnev’s statement that the Soviet Union and Japan had no territorial disputes in response to Japan’s claims about the return of the islands. As a result, both countries came to view the 1956 agreement in a very negative light.

The gap created by the claims of both countries was not bridged either during the years of Mikhail Gorbachev’s Perestroika in the Soviet Union or Boris Yeltsin’s new Russian foreign policy of the 1990s. Although the new Russia recognized the existence of the territorial issue with Japan and identified the four disputed islands, they failed to confirm the validity of the 1956 agreement, at least, officially.

### Putin’s Impact on the Territorial Issue

The inauguration of Vladimir Putin as President of Russia changed the situation. Possessing an eagerness to resolve border disputes, Putin, along with his Chinese counterpart, finally resolved the historical Russo–Chinese border disputes on Heixiazhi/Bolshoi Ussuriiskii Island in the Amur River near Khabarovsk. This island, which Russia had controlled since 1929, was famous for having caused the military clash over Zhenbao/Damanskii Island in the Ussuri River in 1969. The solution of dividing the islands in half was an amazing development that went beyond conventional thinking about “law and justice.” Indeed, according to spokespersons from both countries, it could possibly be used as a model for territorial solutions on a “future-oriented basis.”

Putin also moved toward solving the territorial issue with Japan. He was the first leader of the Soviet Union/Russia to declare the validity and standing of the 1956 agreement since 1960. When Putin met Prime Minister Yoshiro Mori in Irkutsk in 2001, he announced that Russia had an obligation to reinforce the agreement and would transfer Shikotan and Habomai to Japan. Nevertheless, this fell far short of Japan’s expectations. To extend the reach of the agreement to cover the four islands, Japan proposed the “two plus two” format to discuss an agenda for the transfer of Shikotan and Habomai and for consultations on the status of Kunashiri and Etorofu. Unfortunately, the format did not work well, particularly owing to a political scandal involving diplomats and politicians who had supported the idea. They were portrayed as traitors who had discarded the

“four islands return” policy. Their critics suggested that Russia would not give up Etorofu and Kunashiri after signing the peace treaty and that the negotiations were in practice being ended with the return of only the two small islands. As a result, the negotiations stalled and broke down. Japan readopted its previous position of a “four islands return,” while Russia pressed Japan to recognize the results of World War II. Dmitrii Medvedev, who succeeded Putin as president, caused a worsening in relations between Russia and Japan when he visited Kunashiri in 2010. There was furious protest against his visit throughout Japan. Against the background of Medvedev’s visit to the islands, most Japanese took the view that they missed Putin’s more moderate position, most notably his acceptance of the 1956 agreement. Thus, while Europe and the US referred to Putin as a kind of anti-human rights dictator, Japan celebrated Putin’s return to power as president in 2013.

With the return of Putin, a rosier picture for a solution also returned. Last October, on the eve of the Russian presidential election, when Yoshifumi Wakamiya, the then editor of the *Asahi Shimbun*, a leading newspaper in Japan, met with Putin, and he himself touched on the “Northern Territories” issue, stating that if he were president he would call a “Hajime” (a start in Judo Wrestling) for both foreign ministries and seek a “Hikiwake” (a draw in Judo) by a way of a solution. Although he never detailed a clear program to realize this solution, the Japanese media responded positively to his statements, seeing them as proof of his desire to find a solution.

After his inauguration as president, he did not clarify his message, but again made similar suggestions to former Japanese Prime Minister Yoshiro Mori at a meeting in Moscow last February. Mori has made the joint statement with Putin in Irkutsk in 2001. Putin mentioned the significance of the 1956 joint declaration and explained that a “Hikiwake” was a mutually acceptable solution. He also added that identifying a “Hikiwake” was very difficult.

### Realities of the Territorial Issue and Future Cooperation

The term “mutually acceptable solution” is archaic, and has been often repeated even in the Koizumi period. No fruit has yet come from the term itself. Abe himself, after a recent meeting with Putin, recognized that both countries differ greatly in their perceptions of the territorial issue. Putin, however, did comment that they sincerely hoped to solve the problem.

Most Japanese are likely to overestimate Putin’s move. Though he sincerely emphasized the importance of the 1956 promise, Russia intends to hand the two islands over to Japan only as a gesture of goodwill.

From Russia's point of view, there is no basis for Japan's claims over Etorofu and Kunashiri. For Putin, there is no sense in accepting a "three islands option," including Kunashiri as well as Shikotan and Habomai, or for cutting the disputed areas into halves as he did with China. Under the latter option, Japan would get the three islands and one-fourth of Etorofu Island. Some Japanese politicians such as vice premier Taro Aso still have hope that such a solution can be realized, though Putin clearly distinguishes Russia's situation with Japan from their situation with China.

Even if the two sides agreed on the "two islands transfer," Putin would most likely not let the transfer be unconditional. The 1956 declaration does not touch on the format and details of the factual transfer to Japan. On one hand, the islands could be transferred to Japan under Russia's sovereignty. On the other hand, Japan could take over sovereignty immediately, in which case how and when should further negotiations proceed? Probably, Russia would urge Japan to compensate them for the period of Russian management of the two islands and to cover the necessary costs for moving facilities and people back to other Russian territories. In this sense, the current difficulties are just the tip of the iceberg, and many more problems would appear once both parties started substantial discussions on Shikotan and Habomai. However, Japan still retains its old official position of a "four islands return." A famous former Russian diplomat who had conducted negotiations in the 1990s commented that Japan was essentially asking Russia to play a soccer game with the result of "4-0" in favor of Japan already agreed. Nobody wants to participate in a game in which the result has been decided beforehand.

A new trend may be evident from a recent Japanese

opinion poll. According to a recent *Mainichi Shimbun* poll, 67 percent agreed to a more flexible approach in Japan's policy on the "Northern Territories" issue, while only 29 percent favored the official government line on the "four islands return." During the Koizumi period, all of the polls showed that the majority of people supported the official policy. This drastic change of opinions could cause a big change in the policy preference of Japan on the territorial issue in the future. Nevertheless, the roadmap for a final solution is still vague and even if Japan's current policy is revised, the results of the game cannot be predicted.

In conclusion, Russia and Japan go back and forth at the entrance of substantial negotiations, sharing a common hope for an unforeseeable future. We should not count on a rosier perspective over the issue emerging. Probably, without Japan jettisoning its traditional position on the four islands, no progress can be made. Even if Japan were to change its approach, many challenges would follow. This is a long story that awaits an ending, either happy or unhappy.

The bottom line is that Russia and Japan have kept the same lines for a long time. Both countries repeatedly feature the territorial negotiations as a foreign policy issue, but fail to make any progress. In contrast, relations are gaining momentum towards further interaction and cooperation in the fields of energy, economy and strategy. It is not yet known whether the deepening ties between Russia and Japan will pave the way for a territorial solution. Russo-Japanese relations may well reach a new stage of cooperation regardless of the existence of the territorial issue. This is a probable consequence of the latest Abe-Putin summit.

#### *About the Author*

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