

LINE IN THE WATER: THE SOUTHERN KURILES AND THE RUSSIAN-JAPANESE RELATIONSHIP

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Throughout history, the global state system has known no dearth of territorial conflicts. Indeed, disputes over territory have produced horrendous wars with untold millions of casualties. Short of resorting to warfare, such conflicts have also been the most intractable to resolve.

To be sure, among the hundreds of major and less significant territorial disputes present in the world today, Ethiopia and Somalia are engaged in a bloody conflict that is at least partly inflamed by a decades-long territorial disagreement that has its origins in the Western colonization of the Horn of Africa. Similarly, the possibility of a sustainable peace in southeastern Europe depends in no small measure upon which entity will eventually control the long-disputed province of Kosovo, the Serbian government in Belgrade or the Kosovo Albanian authority itself.

Certainly one of the longest-simmering territorial disagreements extant today concerns Japan and the Russian Federation, two powerful countries vying for control of the southern Kurile island chain, known by the Japanese as their “Northern Territories.” The origins of the sixty-two year conflict lie in the waning days of World War II, as Stalin’s armies belatedly joined the war against Japan in the Pacific, capturing much of the Korean peninsula, the southern half of Sakhalin Island, and the southern Kurile islands of Etorofu, Kunashir, Shikotan, as well as the Habomai islets, located mere miles from Japan’s main northern island, Hokkaido.

Since this time, successive Japanese and Soviet governments were involved in negotiations to resolve the issue and to sign a formal peace treaty, but to no avail, as the conflict became embroiled in the developing Cold War confrontation between East and West. With the collapse of communism in 1991, however, renewed interest in resolving the dispute has at times been seen on both sides.

After a fishing dispute in August 2006 left a Japanese citizen dead and brought Russo-Japanese relations to a post-war nadir, both sides attempted to repair their relationship and seemingly entertained a novel resolution to the Kurile conundrum, one that borrowed from Russia’s own recent experience in settling its longstanding territorial difficulties with the People’s Republic of China.

This essay examines the territorial dispute in its historical context, while discussing more specifically the recent twists and turns in the evolving Japanese-Russian relationship. After evaluating the newest proposal brought forward by Prime Minister Abe Shinzō's government in late 2006, the essay also explains why – although it is increasingly in the interests of both countries to settle their territorial differences – it is unlikely that a resolution to the conflict can be found in the near- or medium-term.

The Southern Kuriles (“Northern Territories”) Today and in Historical Perspective

The Kurile island chain, or as the Japanese prefer, the Chishima island grouping, is composed of 56 islands arrayed along the borders of a major tectonic plate intersection that stretches 700 miles from the Kamchatka peninsula to the northernmost Japanese island of Hokkaido.¹ Those islands in question here include the three southernmost islands, Etorufu, Kunashir, and Shikotan, as well as the tiny outcroppings of land comprising the Habomai islets. The closest of these, Kunashir, lies just fifteen miles from Hokkaido. While the Russians regard these islands fundamentally as constituent parts of the Sakhalin Oblast's territorial administrative region, the Japanese claim these islands as their “Northern Territories.”

Roughly 30,000 people inhabit the southern Kurile islands today, with approximately 16,800 Russians making up the majority of the residents on the three largest islands.² Thousands of ethnic Ukrainians, Byelorussians, Tatars, Koreans, Nivkhs, Oroch, and Ainu make up the remainder of the disputed islands' population.³ For most of the islands'

¹ Keiji Hirano, “Residents Still Dream of Return to Russian-held Isles,” *The Japan Times* (October 8, 2006).

² Only Russian border guards are stationed in the Habomai islet groupings. Anatoly Koshkin, “Kuril Islands Dispute Still Haunting Japan and Russia,” *Moscow News* (October 20, 2006).

³ In particular, the Ainu, considered the original inhabitants of ancient Japan, regard the Kurile island chain (including the southernmost complement that are the subject of this essay) as their indigenous homelands. Indeed, many ethnic Ainu organizations regard both Russian and Japanese claims to the islands as illegitimate. As Akibe Tokuhei, a leader of the Ainu Association of Hokkaido, commented, “It is unacceptable that the four islands are historically Japan's own territory.”

inhabitants, fishing is the primary occupation; however, the islands also employ workers in a variety of extractive industries, as significant deposits of sulfur, pyrite, and other metallic ores are found on the isles.

Originally, the Ainu inhabited the islands, though beginning in the eighteenth and nineteenth centuries Japanese and Russian explorers began to survey and settle the island chain. By the middle of the nineteenth century, the expanding Russian and Japanese empires were coming into more frequent contact, making the delimitation of respective “spheres of influence” in the Far East an increasingly important matter. The Treaty of Commerce, Navigation, and Delimitation (also known as the Treaty of Shimoda) signed by Russian Admiral Yefimy Putyatin and officials in the Japanese government on February 7, 1855 established official diplomatic relations between the two rising powers, while also initiating commercial links and resolving certain navigational and border issues. Among the borders delimited by the treaty were those that recognized Japanese control over all of the southern Kurile islands, placing the southern boundary of the Russian-controlled Kurile archipelago to include the island of Urup.⁴ Twenty years later, the two states signed yet another treaty, the 1875 Treaty of St. Petersburg, which, while extending Russian control over Sakhalin island, also reaffirmed Japanese ownership over not merely the southern Kurile islands, but also now the entire Kurile (Chishima) archipelago.

With the turn of a new century, the moribund tsarist state waged war with a renewed, rising, and self-confident nation in the Far East. Russia’s poorly equipped army and navy proved to be no match for Japan’s military forces on either land or sea. Indeed, the crushing Russian naval defeat in the Straits of Tsushima in May 1905, besides bringing long simmering social and political tensions to the fore in St. Petersburg, forced an obstinate, obtuse Tsar Nicholas II to authorize his emissary to initial the Treaty of Portsmouth. Brokered by President Theodore Roosevelt in New Hampshire during the late summer of 1905, the peace treaty encroached upon Russia’s empire in the East, granting to the Japanese rights over

The organization argues that the southern Kuriles should be turned into an “autonomous area of the Ainu nation”; Hirano, “Residents Still Dream”; and Sergei Mingazhev, “Ainu Nation Claims Kurile Islands,” *ITAR-TASS News Agency* (November 14, 2005).

⁴ Urup is located just to the north of Etorufu (Iturup), the northernmost of the southern Kurile islands in question.

Russian-controlled Korea, the southern half of Sakhalin island, as well as the entire Kurile island chain.

As Russian White armies under Kolchak, Denikin, and Wrangel fought Lenin's Bolsheviks in 1918-1921, Japan gained strategic outposts in Russia's Maritime Provinces, most significantly the northern remnants of Sakhalin island. When the Communists vanquished their enemies, Japan was forced to relinquish control of these captured Russian lands, finally ceding control over its remaining possession, the northern half of Sakhalin island, by the mid-1920s.

Thus, by the time Josef Stalin and Emperor Hirohito's government signed a non-aggression pact in 1941, the historical record had clearly demonstrated that successive Russian and Soviet governments recognized the southern Kuriles as definitive Japanese possessions.

Spoils of War or Stolen Goods?

As World War II was ending, Stalin made good on statements he had made earlier to Churchill and Roosevelt beginning in 1943 that his armies would not only join the Allies in the war against Japan within three months of the end of hostilities in Europe, but also re-take former Russian possessions in the Far East, including Sakhalin island and the Kurile island chain. As such, on August 8, 1945 – two days after the atomic bombing of Hiroshima – the Union of Soviet Socialist Republics declared war on Japan and began attacking hastily retreating Japanese forces in northern China.

Ten days later, a Soviet amphibious force of 8,300 attacked the northernmost Kurile island, marshy Shumshu Island, located a mere seven miles from the Kamchatka Peninsula. Fierce fighting ensued, as the island was the home of a major Japanese naval base; however, by August 21, Japanese forces surrendered on the island, leaving the way open for a Soviet "island-hopping" advance down the remainder of the Kurile archipelago. By the fifth of September, three days after the signing of a peace treaty between the United States and Japan, the Soviet's Kurile campaign ended with the capture of the southernmost Kurile islands now in dispute. In the aftermath of this invasion, Stalin ordered the immediate deportation of the 17,300 ethnic Japanese inhabitants of the southern Kuriles to Hokkaido. Over time, these inhabitants were soon replaced with primarily ethnic Russian, Ukrainian, and Byelorussian settlers.⁵

⁵ Of those Japanese displaced, approximately 8,000 still reside in Japan. Many of this group remain committed to the return of the isles to Japan,

In the 1951 San Francisco Peace Treaty that Japan signed with all its wartime opponents, save the U.S.S.R., Japan gave up “all rights, titles and claims to the Kuril Islands and the part of the Sakhalin Island and adjacent islands over which Japan acquired sovereignty under the Portsmouth Treaty of September 5, 1905.”⁶ Although historians are unsure exactly as to why the United States pressured Japan to renounce these possessions in the background of an increasingly tense global inter-bloc rivalry, in the end Japan succumbed to U.S. inducements.⁷

Several problems emerged from these negotiations. Firstly, and perhaps most importantly for the long-term confusion that has eventuated, the 1951 treaty document does not clarify which specific islands are considered as part of the Kurile island chain. This allowed Japan to claim subsequently that Etorufu and Kunashir were not to be considered as part of the 1951 renunciation of claims, as these islands – along with Shikotan and the Habomais islet grouping – had been under Japanese jurisdiction since 1855, the year Japan and Russia first divided the island chain. Truth be told, however, Japan’s position on this is not in keeping with the historical record, as even Yoshida Shigeru, the Japanese Prime Minister at the time of the 1951 signing, claimed in his memoirs quite the reverse. John Foster Dulles, the U.S. Secretary of State, agreed at the time that perhaps only the Habomais islets might be excluded from the list of the Kurile islands so renounced by Japan in the 1951 treaty.⁸ Regardless, the treaty’s failure to enumerate those islands comprising the Kurile chain has brought about the dilemma that plagues the two states to this day.

More immediately, however, the document’s failure to designate to whom Japan was renouncing its claims of jurisdiction and ownership

serving as vocal supporters of nationalist groups who attempt to press irredentist claims upon both the Japanese government and the Russian “occupiers”; Hirano, “Residents Still Dream.”

⁶ “Treaty of Peace with Japan,” September 8, 1951 (downloaded February 9, 2007, <http://www.isop.ucla.edu/eas/documents/peace1951.htm>).

⁷ Some historians claim that the U.S. forced Japan’s hand in order to preserve the Yalta framework for the sake of negotiating an eventual Soviet withdrawal from divided Austria; Gregory Clark, “Northern Territories Dispute Highlights Flawed Diplomacy,” Glocom Platform, March 25, 2005 (accessed December 26, 2006, http://www.glocom.org/debates/20050325_clark_northern/index.html).

⁸ Clark, “Northern Territories.”

caused an infuriated Stalin to give explicit orders to Andrei Gromyko, the Soviet emissary sent to San Francisco to negotiate Japan's surrender of these lands, to withhold his signature from the final Peace Treaty. To be sure, the fact that other Soviet demands were not reflected in the document also doomed their participation in the post-war settlement;⁹ however, the fact that Soviet de jure ownership was not recognized in the document caused Stalin to feel that the U.S. was attempting to go back on commitments it had made at Yalta in 1945.¹⁰

Further Japanese-Russian negotiations over the territories would await the passing of Stalin and the evolution of a new Soviet foreign policy doctrine, "peaceful coexistence." By September 1954, the new post-Stalin government of Georgiy Malenkov and Nikita Khrushchev desired to pursue normalization of relations with Japan once again, this time in the hopes of establishing Japan as a neutral power, as was being done with Austria that same year.

According to Clark, the Japanese delegation to the renewed talks had orders in 1954-1955 to demand only the return of the Shikotan and Habomais islands, as – from the Japanese perspective – these were administratively subordinated to Hokkaido, not the Kurile territorial government, prior to 1945.¹¹ After initially rejecting this demand, the Soviets later agreed to return them, if Japan promised not to enter into an alliance system that might threaten third parties. However, by early 1956 the Japanese delegation hardened their position to include demands for Etorofu and Kunashir, as well.¹²

⁹ The Soviets listed a further thirteen demands at the negotiations, including one sure to draw objections from the Americans, the removal of all foreign troops from Japan; James William Morley, "The Soviet-Japanese Peace Declaration," *Political Science Quarterly* 72 (1957): 370-379.

¹⁰ Koshkin, "Kuril Islands."

¹¹ Clark, "Northern Territories," p. 1.

¹² Matsumoto Shunichi, head of the Japanese delegation, later blamed conservative Prime Minister Shigemitsu and certain unnamed officials within the Foreign Ministry for these additional territorial demands. As well, Matsumoto indicts Dulles, as the U.S. Secretary of State dissuaded Japan from settling claims with the U.S.S.R. in order to anchor, it is argued, Japan into the Western alliance; Morley, "The Soviet-Japanese Peace Declaration," p. 378.

After initially demanding all of the “Northern Territories” (Japan was only now beginning to refer to the four islands as such) from the Soviet Union and suffering a vigorous Soviet rejection, the Shigemitsu government finally reversed itself again in summer 1956. It was at this time that Shigemitsu was called to London to consult with Secretary Dulles again, this time allegedly to discuss the developing Suez Crisis in the Middle East. At this meeting, Dulles, apparently concerned over the prospects of a sustained Soviet-Japanese thaw, put forward a veiled threat to the Japanese prime minister, arguing that should Japan settle with the Soviet Union over Etorufu and Kunashir, the United States might be granted similar territorial rights to Okinawa.¹³ The Secretary of State also pointed out that an assistance program being developed for Japan might be delayed.¹⁴

Nevertheless, in late 1956 Prime Minister Hatoyama declared his readiness to accept the U.S.S.R.’s invitation to initial a revised agreement. Hatoyama, now in declining health, decided to go forward with an agreement with the Russians, something he had promised the Japanese people he would do upon coming to power in December 1954. Thus, the two parties finally resolved in October to sign a Joint Declaration, later ratified by the two countries’ parliaments in December. The Joint Declaration established that the two powers were hereby normalizing relations and ending the state of war that existed between them since August 8, 1945. In addition, the Soviet government waived Japanese war reparations, resolved to return Japanese prisoners of war, and backed Japan’s bid for membership in the United Nations. Most importantly, the statement promised further talks on a formal peace treaty and, after successfully concluding and signing such a treaty, the Soviet government promised to return the Shikotan and Habomais islands to Japanese jurisdiction.

¹³ Dulles was alluding to Article 26 of the 1951 Peace Treaty, which reads in part, “Should Japan make a peace settlement or war claims settlement with any State granting that State greater advantages than those provided by the present Treaty, those same advantages shall be extended to the parties to the present Treaty” [“Treaty of Peace with Japan”]. Dulles later wrote that the 1951 Peace Treaty signed by Japan doesn’t give Japan the right to transfer “sovereignty over the territories renounced by it therein”; Matthew J. Ouimet, “The Stalemate North of Hokkaido,” *SAIS Review* 26 (2006): 93-108.

¹⁴ Koshkin, “Kuril Islands.”

The Joint Declaration appeared to be a breakthrough of sorts, but for the remainder of the year the Soviets failed to respond to Japanese overtures for early treaty negotiations.¹⁵ When newly-inducted Prime Minister Kishi later suggested a peace treaty was not in the offing unless all four islands, including Etorufu and Kunashir, were returned to Japan, no further progress on the issue was possible for the remainder of the 1950s.¹⁶ With the signing of the U.S.-Japan Mutual Security Treaty in 1960, Japan was brought fully into the Western military alliance; as a result, the Soviets abrogated the 1956 Joint Declaration, thus leaving the status of the south Kuriles in legal limbo for the remainder of the Cold War.

Post-Communism and the Elusive Deal

It wasn't until Mikhail Gorbachev came to power and enunciated his "New Thinking" that the frost overlaying the Soviet-Japanese relationship began to thaw. Understanding that economic reform at home could not be pursued successfully without an end to the global arms race and a reduction in tensions between East and West, Gorbachev sought to gain the support of the Western bloc – including the Japanese government – for his perestroika reform program. As such, he became the first Soviet leader to visit Japan in 1991 and set the ground for "people-to-people" diplomacy by authorizing visa-free travel between the Japanese mainland and the southern Kurile islands.¹⁷ However, Gorbachev made little headway over the territorial issue, as criticisms of weakness by hard-line communists and nationalists undermined his negotiating position.

Throughout his tenure as President, Boris Yeltsin suffered from many of the same nationalist and communist criticisms as had General Secretary Gorbachev. Yeltsin was viewed by many of his opponents as more accommodating to the West than was his predecessor;¹⁸ to be sure,

¹⁵ Morley, "The Soviet-Japanese Peace Declaration," p. 379.

¹⁶ Kishi's new condition brought the Japanese negotiating stance in line with the United States' legal finding (held since September 1956) that all four islands "have always been part of Japan proper and should in justice be acknowledged as under Japanese sovereignty"; Ouimet, "The Stalemate North of Hokkaido," p. 98.

¹⁷ Since then approximately 12,000 citizens from Japan and Russia have made visa-free trips; Hirano, "Residents Still Dream."

¹⁸ At least Gorbachev had not *purposefully* destroyed the Union, as had Yeltsin in December 1991.

Yeltsin's own Foreign Minister, Andrei Kozyrev, had publicly denounced the Soviet abrogation of the 1956 Joint Declaration.¹⁹

At the same time, President Yeltsin was also faced with an equally dysfunctional economy, a fact that in part compelled his administration to curry favor with the Japanese. Indeed, the Japanese government, certain that they held the upper hand in view of Russia's dire economic and political straits, continued to link economic assistance to progress on the territorial issue²⁰. As a result, Yeltsin met Prime Minister Hosokawa Morihiro in Tokyo, Japan in October 1993 and initialed the Tokyo Declaration, a landmark document of sorts that gave greater leverage to Japan in its quest to pry the "Northern Territories" from Russia's grasp.

In the document, the two governments pledge themselves to undertake "serious negotiations on the issue of where Etorufu, Kunashir,

¹⁹ Kozyrev offered the Japanese a deal along the lines of the 1956 Joint Declaration, i.e., a formal peace treaty in exchange for the Shikotan and Habomais islands. After the Japanese responded with demands for Etorufu and Kunashir as well, the Russian administration was forced to retract their proposal; Tsuyoshi Hasegawa, "Why Did Russia and Japan Fail to Achieve Rapprochement?" in Gilbert Rozman, ed., *Japan and Russia: The Tortuous Path to Normalization, 1949-1999* (New York: St. Martin's Press, 2000), p. 146. In order to placate his enemies, Yeltsin ultimately would be forced by an intensifying opposition to sacrifice his pro-Western foreign secretary.

²⁰ Although the dismal state of the Russian economy is often regarded as the chief motivating factor for the document's signing, it should be recognized that the Tokyo Declaration was signed less than two weeks after the parliamentary rebellion (*miatyesh*) took place in Moscow and Yeltsin fervently desired international support for his actions in the events. Indeed, the very first principle discussed in the Tokyo Declaration conveys a "message from the leaders of the G7 countries and the representatives of the European Community" that declares "[w]e regret that the armed clash in Moscow which was provoked by the supporters of the former parliament resulted in many victims. We nevertheless welcome the fact that the situation has ended and law and order is being restored including respect of human rights. We reconfirm that our support remains unchanged for democratic reform and economic reform pursued by President Yeltsin"; Tokyo Declaration on Japan-Russia Relations, October 13, 1993.

Shikotan and the Habomai Islands belong.”²¹ By succeeding in enumerating all four islands – and not merely Shikotan and the Habomai grouping – in the joint statement, the Japanese government believed it had scored a diplomatic triumph, as the document explicitly recognizes that both countries view the two larger islands of Etorufu and Kunashir as part and parcel of the ongoing territorial row. As such, whenever the two sides have since returned to negotiations over ownership of the southern Kuriles, the Japanese trumpet loudly the significance of the 1993 Tokyo Declaration.

At various levels, Japanese and Russian government officials met between 1993 and 1999 to try to hammer out a deal. Though both sides repeatedly confirmed their resolve to bring about an early conclusion to peace talks, frequent government changes on Russia’s side and Japanese insistence for the return of all of the “Northern Territories” doomed these consultations. Although by 1997 the two sides agreed to set the year 2000 as the ultimate deadline for the signing of a peace treaty (while agreeing to pursue joint economic development of the disputed territories as the negotiations went forward), the Japanese final proposal for Russia to renounce sovereignty over the islands, while allowing it to administer the territories for some years to come, was ultimately unworkable from the Russian perspective. The Yeltsin administration came to a close on December 31, 1999, bequeathing to its successor the task of resolving the thorny predicament.

Soon after becoming President, Vladimir Putin signaled that he viewed the 1956 Joint Declaration as “the key” to resolving the ongoing dispute; this position ultimately stymied negotiations during his first visit to Japan in September 2000. At their meeting in Irkutsk in mid-2001, President Putin and Prime Minister Mori signed a compromise communiqué that, while defining the 1956 Joint Declaration as the “basic legal document” that would function as the foundation for the peace treaty negotiations, also agreed the sovereignty issue involving the four islands should be determined “on the basis of the 1993 Tokyo Declaration.” Opposition howls regarding a “sell-out” greeted the young Putin

²¹ They further “agree that negotiations towards an early conclusion of a peace treaty through the solution of this issue on the basis of historical and legal facts and based on the documents produced with the two countries’ agreement as well as on the principles of law and justice should continue, and that the relations between the two countries should thus be fully normalized” (Tokyo Declaration on Japan-Russia Relations).

government in parliament, causing the administration to back down and hold back on additional negotiations.²²

The deadlock was broken in April 2002 when the reform-oriented Koizumi Junichirō emerged as Japan's new Prime Minister, signaling early on his intention to improve relations with Russia along a broad spectrum of issues.²³ In particular, Koizumi was interested in improving the prospects for fossil fuel deliveries from Russia to Japan, especially given the growing instability brewing in the Persian Gulf region. President Putin responded by announcing 2003 as the "Year of Japan," sponsoring numerous cultural exhibits and activities throughout Russia.

For the next two years, the territorial row took a back seat to a calculated broadening and deepening in the Russian-Japanese relationship, something the Japanese had not permitted during the previous decade as – from their earlier perspective – the territorial issue trumped all other interests. Motivated in part by Koizumi's desire to establish for his government a foreign policy legacy and his belief that a strategy of meaningful engagement would prompt Putin – once reelected in 2004 – to reciprocate by compromising over the territorial dispute, the new relationship was exemplified best with the signing in Moscow of the 2003 Plan of Action, a comprehensive agenda that included not only peace treaty and territorial negotiations, but also anticipated cooperative developments in the security, trade, and energy arenas, in particular.²⁴

In the aftermath of an election that garnered Putin 70% of the vote, the Japanese believed the President now had the freedom to maneuver to deliver the goods. When the Russian government failed to respond throughout the summer of 2004, the Japanese ratcheted up the pressure, with a planned "inspection" of the southern Kuriles by Koizumi in

²² Ouimet, "The Stalemate North of Hokkaido," p. 100.

²³ The optimism surrounding the new Japanese government's ability to establish better relations with Russia was dampened in June 2002 with the arrest of Suzuki Muneo, an important member of the Japanese House of Representatives, who was in charge of Tokyo's policy towards Russia. Ultimately charged with corruption and sentenced to two years in prison in 2004, Suzuki had actively taken part in searching for a far-reaching compromise with Russia over the peace treaty and the territorial dispute; Vasily Golovnin, "Maker of Russia Policy Sentenced in Japan," *TASS* (February 17, 2005).

²⁴ Ouimet, "The Stalemate North of Hokkaido," p. 101.

September. Ignoring warnings from the Russians that the expedition would harm bilateral relations, Koizumi viewed the islands from a coastguard vessel, remarking that the islands were “native Japanese territories.”²⁵

True to their words, and buffeted by resurgent economic growth and windfall natural resource profits, the Putin administration responded negatively to Koizumi’s provocations. Since then, the Russian government has vigorously insisted that the 1956 Joint Declaration – and not the 1993 Tokyo accords – be the basis of continued negotiations over the fate of the southern Kuriles. Apparently not wanting to needlessly irritate the Koizumi administration further, however, Putin took pains to reiterate in December 2004 that a pipeline route to Japan was still in the offing, although a firm timeline for the project was not established.

From here, relations soured further. Parrying Putin’s remarks, Chief Cabinet Secretary Hosoda Hiroyuki pointed toward the Tokyo Declaration of 1993 as the only way forward toward “solving the problem of ownership of all the four islands.”²⁶ To this challenge, Putin responded that the “1956 Declaration was ratified by both the U.S.S.R. and Japan and Russia is the U.S.S.R.’s legal successor and will fulfill all its international obligations.” He further expressed astonishment that Japan was now raising questions over a document its parliament had ratified, stating “it is incomprehensible that Japan is now seeking the return of the four islands.”²⁷ He further alluded to a possible postponement of his planned state visit to Japan in early 2005. Furthermore, during his speech at the Japan Institute of International Affairs in February 2005, Russian Ambassador to Japan, Aleksandr Losyukov, argued that the President’s visit would not produce a resolution to the territorial dispute in any case. Soon thereafter, Putin’s visit to Japan was put on “indefinite hold.” In the weeks that followed, both houses of the Japanese parliament unanimously endorsed a resolution that expanded territorial claims against Moscow; in addition, Japan’s Education Minister, Nakayama Nariaki, publicly

²⁵ Vladimir Solntsev, “Japan Minister Travels to South Kuriles,” *TASS* (July 7, 2005).

²⁶ Andrei Antonov, “Japan to Settle Territory Issue with Russia on Tokyo Declaration,” *TASS* (December 24, 2004).

²⁷ Keizo Nabeshima, “A Return to Northern Basics,” *The Japan Times* (January 24, 2005).

demanded that textbooks use the word “occupied” when referring to the Soviet Union’s acquisition of control over the “Northern Territories.”²⁸

In advance of an eagerly anticipated, albeit now postponed, summit meeting in Japan, Koizumi apparently sought to mollify the Russian President by his arrival in Moscow for 60th anniversary V-E celebrations in May. Koizumi waxed expressively regarding the potential for a “strategic relationship” between Japan and Russia; however, the Russian leader, seemingly aware that the advantage now lay with Russia, did not respond, even failing to confirm a date for his eventual arrival in Japan. To this, Aleksandr Losyukov added further fuel to the fire in the Japanese-Russian relationship, by stating in early June that Tokyo “insists on talks only on its own conditions, which is unacceptable for the Russian side.... We believe that this provision of the declaration of 1956 on the islands is just a step towards a compromise in solving the problem. If this is unacceptable for the other side, then such a proposal is recalled. And we end up in the situation that exists, that is, we control these four islands and there is no question about the turning over of any islands.”²⁹

Chief Cabinet Secretary Hosoda reacted to the troubling signals coming from Moscow, by stating unequivocally in July, “We will determinedly continue the talks maintaining our fundamental attitude envisaging the solution of the problem of ownership of the four islands that are our original territories.”³⁰ Along with this, it was announced that Japan’s State Minister for Okinawa and Northern Territories Affairs, Koike Yoriko, was visiting the disputed territories, calling for the “consolidation of the Japanese society” for the sake of resolving the escalating conflict.³¹

²⁸ Losyukov stated, “As there is no base on which both sides can make concessions at the moment, I am afraid we have no other choice but to accept the fact that the possibility of us reaching any agreement on the issue in the near future does not exist”; “Russian Envoy Says Japan Makes No Concessions on Territorial Dispute,” BBC Worldwide Monitoring (February 9, 2005). Also, Artur Blinov, “A Loser’s Ultimatum,” *Nezavisimaia Gazeta* (March 10, 2005).

²⁹ Vasily Golovnin and Vladimir Solntsev, “Old Promise of Islands to Japan Not Binding – Ambassador,” *TASS* (June 3, 2005).

³⁰ Sergei Mingazhev, “Japanese to Continue Territorial Dispute Talks with Russia,” *TASS* (July 8, 2005).

³¹ Vladimir Solntsev, “Japan Minister Travels to South Kuriles,” *TASS* (July 7, 2005).

In the tit-for-tat, verbal exchange that had been evident ever since Koizumi's own inspection of the "Northern Territories" the year prior, senior Russian military officials, including Defense Minister Sergei Ivanov, spoke out in late July for the continued presence of military units on southern Kurile bases, while calling for major improvements in military and civilian infrastructure to be made in the region.³²

At approximately the same time, however, it was announced that the 2005 Putin state visit to Japan was scheduled for late November. In the weeks before the meeting, Putin nonetheless made clear during an appearance on Russian television that the four-island group existed now under Russian sovereignty and there was no intention to discuss the issue at the upcoming summit, until the dispute had been settled under international law.³³ Apparently not wanting to scuttle the upcoming talks, Prime Minister Koizumi took a softer line, arguing that he did not "take the position that it is impossible to develop bilateral relations without the resolution of territorial problems."³⁴

In the end, the 2005 Summit came and went without much discussion of the territorial dispute, although twelve other bilateral agreements were signed on issues ranging from Russia's accession to the World Trade Organization and the decommissioning of Russian nuclear submarines to the Pacific Pipeline Project and an anti-terrorism action plan.³⁵ At least one major Japanese newspaper placed partial blame for the lack of an islands agreement at the doorstep of the prime minister's office; the editorial concluded that Koizumi's Foreign Ministry had sent "confusing signals" to Russian diplomats in recent years over an acceptable formula for resolving the dispute, while arguing that the prime minister's office had failed to properly recognize new realities on the ground, that is, Russia's enhanced economic and political leverage and Japanese firms' heightened interest in the Russian market, despite the enduring territorial row. The authors maintained that such realities should have long ago compelled the government to rethink and discard its longtime (and

³² Alexander Konovalov, "Russian Minister Calls for Adopting Federal Program for Southern Kuriles," *TASS* (July 29, 2005).

³³ "Japan-Russia Relations," *Asahi Shimbun* (November 23, 2005).

³⁴ Hiroko Tabuchi, "Japan Says Better Ties with Russia Not Dependent on Disputed Islands," *Associated Press* (November 14, 2005).

³⁵ "Japan, Russia Adopt 12 Documents Including Anti-Terror Package," *Japan Economic Newswire* (November 21, 2005).

increasingly outdated) strategy in dealing with the Russians, that is, leveraging Japan's economic power against Russia's territorial intransigence.³⁶

Thus, no major breakthrough on the territorial issue was initiated, nor would one occur during the remainder of Koizumi's tenure as prime minister.³⁷ To be sure, the waning days of the Koizumi government were beleaguered by a fishing dispute near Habomais islands that led to the Russian capture of a Japanese crab fishing trawler and its three crewmen and the shooting death of another.³⁸ This incident garnered wide coverage in both Japanese and Russian media, bringing the Russian-Japanese relationship to a new post-war low.

Abe's New Deal?

With his election as leader of the Liberal Democratic Party, former Chief Cabinet Secretary Abe Shinzō formally took the reins from Japan's most popular post-war prime minister on September 26, 2006. Although possessing little foreign policy experience, Abe signaled from the start a desire to put his own imprint on Japan's foreign relations. As Chief Cabinet Secretary, Abe had previously discussed his intentions to revisit Japan's pacifist constitution; once in power he has sought to gain popular support

³⁶ "Japan-Russia Relations," *Asahi Shimbun* (November 23, 2005).

³⁷ Indeed, before long the conflict heated up again, as in early 2006 the Russian Foreign Ministry issued a "stern warning" to the Japanese government concerning its territorial claims and "interference in Russian domestic affairs"; "Russia's Foreign Ministry Warns Japan," *RFE/RL Newsline* (February 22, 2006).

³⁸ Two crewmembers were released from Russian authorities by the end of August. However, the captain, Sakashita Noboru, was held until October 3, when he admitted his guilt and paid an \$18,500 fine for illegal entry into Russia's territorial waters and "harm caused to the environment"; "Russian Patrol Guards Kill Japanese Fisherman," *EuroNews* (August 16, 2006); "Russia Tells Japan it Will Release Detained Boat Skipper Tuesday," *Japan Economic Newswire* (October 2, 2006). Since then, two additional incidents – ending with Russian seizures of Japanese fishing vessels – have occurred in the region, as Japanese authorities argue that Russian border patrol ships have stepped up harassment of fishing boats that have operated in these waters without incident for many years; "Russia Seizes Japanese Fishing Boat," *RFE/RL Newsline* (January 22, 2007).

for revising Article IX, thereby allowing Japan to assume its rightful place as a major power in world affairs. Abe also signaled his intention to establish greater comity with China by completing a successful visit to Beijing in autumn.³⁹

Abe's new government also made an important overture to Russia in autumn. After the Cabinet's first session ended, the newly reappointed Foreign Minister, Asō Tarō, stated that Tokyo was ready to modify its "tough stance" on the "Northern Territories" issue, arguing, "We must not keep saying that we will win if we get the four islands, or they will win if they get two. If there are no mutual concessions, the two parties will never be able to secure advantages for them."⁴⁰ Three months later, Asō backed up Tokyo's words with a suggestion to divide the southern Kuriles based upon the "Chinese model."⁴¹ Using this area-based approach, Japan stood to gain the uninhabited Habomais island group, Shikotan, Kunashir, as well as 25% of the largest island, Etorufu.⁴²

Whether or not Asō's move was an officially sanctioned government proposal or a probe designed to reveal Russia's flexibility on the issue, the approach was met with considerable interest by Russian

³⁹ This development was made possible by a decision to eschew visits to the controversial Yasukuni Shrine in Tokyo. At the summit meeting, President Hu and Prime Minister Abe agreed to establish a joint academic commission to undertake a study of the historical relationship between the two countries and certain historical questions of great import.

⁴⁰ Andrey Ivanov, "Tokyo Moved A Little," *Kommersant* (September 28, 2006).

⁴¹ In 2005, the Russian Federation and China resolved their remaining territorial differences by calculating the square mileage of three disputed islands and dividing these possessions equally. It was this method that Asō was proposing, declaring that "If we continue to debate over the 'two islands,' or 'three islands' or 'four islands' without taking into consideration their actual size, these discussions will never get anywhere"; Velisarios Kattoulas, "Split Kuriles in Two, Says Minister," *The Times* (December 14, 2006). Another source claims that the impetus for the "equal shares" approach initially came from the Russian side in late November; "Russia Said to Offer Japan New Formula on Territorial Dispute," *RFE/RL Newsline* (January 3, 2007).

⁴² The line dividing Etorufu was proposed as the boundary between the two states; Kattoulas, "Split Kuriles in Two, Says Minister."

authorities and experts.⁴³ While warning Japan's government from sending "mixed messages" to its Russian counterpart, Foreign Minister Sergei Lavrov did raise expectations that Russia's "strategic dialogue" with Japan – top-level negotiations covering an entire gamut of issues – would begin in earnest in 2007.⁴⁴ By January's end, both sides claimed to have been satisfied with the outcome of high-level, "intensive meetings" held in Moscow; indeed, the talks ended with an announcement of an upcoming visit to Russia by Prime Minister Abe in early 2007.⁴⁵

Prospects for Resolution

As this article goes to press, there appears to be a very small window of opportunity for Japan and Russia to achieve a breakthrough over the territorial row. If struck, such a compromise could lead to further important agreements in the economic, energy, and security arenas. Indeed, a Kurile compromise would altogether transform the existing bilateral relationship, perhaps finally adding substance to the "strategic dialogue" that has been entertained for the better part of the last decade. Yet, while certain common interests encourage moderation on either side, others constrain the two actors from making meaningful, historic concessions.

For the Japanese, paramount among the former are concerns over obtaining access to long-term supplies of energy resources, particularly in view of the mounting instability in the Middle East. Japan imports roughly 5.5 million barrels of oil per day (bbl/d), with approximately 4.2 million bbl/d arriving from the destabilized Persian Gulf region; indeed, Japan's dependence upon Persian Gulf oil deliveries has increased from 57% of its oil needs to a high of 78% in 2003.⁴⁶ Diversifying energy imports is,

⁴³ "Japanese Foreign Minister Calls for Dividing Kuriles with Russia," *BBC Monitoring* (December 14, 2006); and "Update: Aso's Kurils Proposal Unrealistic, But May Spur Talks – Experts," *RIA Novosti* (December 14, 2006).

⁴⁴ "Russia Plans to Open Strategic Dialogue with Japan Next Year," *RIA Novosti* (December 16, 2006).

⁴⁵ Jonathan Eyal, "Russia-Japan Relations Set to Improve with Visits," *The Straits Times* (January 26, 2007).

⁴⁶ C.I.A. World Factbook (<http://www.cia.gov/cia/publications/factbook/print/ja.html>). Also, "Persian Gulf Oil and Gas Exports Fact Sheet," E.I.A. Country Analysis Briefs (September 8, 2004, <http://www.eia.doe.gov/emeu/cabs/pgulf.html>).

therefore, an important strategic goal of Japan, leading the government to support – both symbolically and financially – the construction of a costly, \$10 billion, 4,200 kilometer Russian pipeline from Taishet near Lake Baikal to Nakhodka on the Pacific coastline. Thus, energy is one arena in which Russian and Japanese interests arguably coincide; however, since the Pacific Pipeline Project was announced in 2002, Russia appears to have left undecided the pipeline's initial destination – either to Daqing, China or Nakhodka on the Pacific – as a tactic to squeeze the best deal from either Beijing or Tokyo.⁴⁷ Finding the middle ground in the southern Kuriles dispute may permit Japan to diversify oil imports while allowing Russia to diversify the costs of a pipeline that could ostensibly deliver oil to not only Japan, but also to other Pacific Rim importing countries, China included.⁴⁸

In the backdrop of a comprehensive territorial agreement, the budding bilateral trade relationship would also be enhanced and expanded. Indeed, the past several years have witnessed considerable trade growth; the volume of trade between the two countries has increased from \$6.4 billion in 2003 to well over \$10 billion in 2005.⁴⁹ At the same time, however, even though trade grew almost 60% over the period, the aggregate bilateral trade numbers pale in comparison with the value of that between either Russia and China or China and Japan, in particular.⁵⁰ To be sure, the removal of the Kurile controversy would also eliminate a major barrier to improved

⁴⁷ Kozo Mizoguchi, "Japan Official Urges Russia on Pipeline," *Associated Press* (April 21, 2005); Kaori Kaneko, "Pipeline Takes Center Stage Between Japan, Russia," *Agence France Presse* (November 22, 2005); and Peter Harmsen, "Ukraine Row Has China, Japan Worry About Over-Reliance on Russian Energy," *Agence France Presse* (January 8, 2006).

⁴⁸ To the author's knowledge, there is presently no plan to extend the "China spur" beyond Daqing; if constructed first, this spur destination would leave the volume of Russian exports wholly dependent upon domestic Chinese demand.

⁴⁹ Dmitry Kosyrev, "Japan and Russia," *The Statesman* (November 19, 2005).

⁵⁰ In 2004, Russia accounted for only 0.7% of Japan's foreign trade. Trade between the two countries in 2004 was a mere 4.5% of Japan's trade with China. Vladimir Solntsev, "Russia-Japan Trade Turnover May Reach 8,000 Million USD – View," *TASS* (October 20, 2004); and Sergei Mingazhev, "Talk About Border Delimitation with Japan Premature – View," *TASS* (November 2, 2004).

economic ties, opening Russia fully to Japan's formidable electronics and automotive industries while securing for Russia's extractive industries an additional market.

In the Northeast Asian geo-political realm, the interests of Russia and Japan also converge over North Korea, as well as the growing political, economic, and military influence of a resurgent China. Japan, in particular, is concerned about the illicit drug trade that Kim Jong-Il's regime engages in, while both powers have substantial cause to worry about North Korea's nuclear weapons and missile production programs.⁵¹ In the absence of any lingering territorial dispute, Japan and Russia working closer together in the context of an ongoing Six-Party Process may help to avert the worst excesses of Kim's maladministration. Above all, though, both Russia and Japan have reason to be troubled about an emerging, expansionist China. On the Japanese side, recent polls indicate the number of citizens who felt fearful of China has hit the highest level in 30 years.⁵² Especially with Japan paring back its military expenditures over the next decade, the government of Japan would like to develop a closer relationship with Russia to counter-balance China in Asia. As a Teikyo University expert in defense matters stated, "As long as Japan and Russia are in cooperation, China would not be able to move against us."⁵³

As for Russia, the government is extremely concerned about the "economic isolation" of the Far Eastern provinces from the rest of the country, worried that a depopulated East could encourage bordering states to encroach upon Russia's sovereignty in the region.⁵⁴ Since 1990, for example, the Far Eastern provinces' population has declined by over 20%, while Chinese immigration – both legal and illegal – has increased by over half a million annually.⁵⁵ Such developments have caused President Putin

⁵¹ North Korea's communist regime is reportedly the source of much of Japan's methamphetamine troubles. As well, Russia has expressed reservations concerning the increasingly close connection between Iran and North Korea's nuclear and medium-range missile experts.

⁵² James Brooke, "Quietly, Japan and Russia Build Closer Ties," *The International Herald Tribune* (January 11, 2005).

⁵³ Ibid.

⁵⁴ Oleg Shchedrov, "Putin Hopes Giant Resort will Revive Far East," *Reuters* (January 29, 2007).

⁵⁵ "Population of Russian Far East Shrinking by Almost 300 a Day – Envoy," *Interfax* (December 20, 2006).

to convene a series of high-level Security Council meetings to discuss the Far Eastern region and to establish a special governmental Commission on the Socio-Economic Development of the Far Eastern Federal District, which will reportedly consider measures to revive the region's dilapidated transport infrastructure and encourage the development of extractive-based industries.⁵⁶ Putin believes that, without an increase in population levels brought about by an improvement in the overall socio-economic development of the region, a "serious threat to our political and economic positions in the Asia-Pacific region, and to Russia's national security, without exaggeration" will develop.⁵⁷ Thus, substantial Japanese investment into the region – ushered in by a lasting territorial agreement concerning the southern Kurile islands – could assist the Russian government in reversing the socio-economic decline in the Far East, while averting growing Chinese influence.

While Japan and Russia share certain economic and strategic interests, one cannot deny the existence of still other economic and political barriers that serve to limit movement forward toward substantial territorial concessions. For one, the interests of Japan's vital fishing industry would best be served by obtaining an exclusive right to angle in the lucrative waters surrounding the "Northern Territories."⁵⁸ As well, for any Japanese government to consider a territorial compromise, it has to deal with a small, but very vocal refugee community, that is, those 8,000 living Kurile islanders who were exiled from their homeland at the end of World War II. Since the average age of this cohort in early 2006 was 73.5 years, to avoid opposition from this quarter it may be prudent for the Japanese government to eschew an agreement with the Russians for another decade.⁵⁹

Political pressures from the outspoken and overtly nationalist extreme right in Japan also may leave the present government with little room to maneuver. The "Northern Territories" has become a cause celebre for nationalists, who were angered by former Prime Minister Koizumi's initial overtures to the Russians in 2002 but were ultimately placated by him

⁵⁶ "Isolation of Russian Far East Threat to National Security – Putin," *RIA Novosti* (December 20, 2006).

⁵⁷ "President Warns of Far East's Isolation," *RFE/RL Newswire* (December 21, 2006).

⁵⁸ Others claim rich oil and natural gas deposits are located in the immediate environs of the southern Kuriles.

⁵⁹ Hirano, "Residents Still Dream."

in part due to his controversial visits to the Yasukuni Shrine.⁶⁰ In view of the considerable degree of maneuver that will be required to reach a Kurile settlement, one wonders whether Prime Minister Abe would be able to withstand the political mudslinging from this important electoral constituency, particularly in view of his recent visit to China.⁶¹ In the final analysis, Abe's own plummeting poll numbers may scuttle the chance for a desired breakthrough. As his approval ratings have slumped by 30 points since taking office, the Prime Minister's policy response will perhaps become more cautious and conventional, especially in view of his party's defeat in the upper house elections of summer 2007.⁶²

At the same time, Russia's hand is today perhaps more constrained than Japan's to offer major concessions in the Pacific. Indeed, as a result of important domestic economic and political considerations, Russia under Putin is unable to give Japan more than that offered in 1956. Added to these pressures, too, is the necessity for Putin (and his chosen successor) to project Russia as a rising global power that is reclaiming its once vaunted position of influence on the world stage.

First off, Russia's empowered military continues to view the southern Kuriles as important geo-strategic possessions. By retaining control over them, Russia's navy, in particular, can check access to the Sea of Okhotsk, effectively preserving it as an internal "Russian lake."⁶³

Also, due to Russia's phenomenal economic growth of the past eight years, as well as record high oil and natural gas prices that have contributed to a \$300 billion stabilization fund, Russia's government is aware it holds the economic upper hand vis-à-vis the Japanese. Thus, the "investment card" – once bandied about by successive Japanese governments as an incentive to previous Russian governments to grant territorial concessions – has much less leverage today than it did prior to 1998. Furthermore, with Japanese business interests making major

⁶⁰ David Pilling, "Japanese in Push to Get Islands back from Russia," *The Financial Times* (February 8, 2005).

⁶¹ Although Abe's proposals to revisit Article IX of the Japanese Constitution and promote greater patriotism have garnered him the support of the nationalists, his recent overtures to China and South Korea have not played well in nationalist circles.

⁶² David Pilling, "Budget Boycott Puts Abe under Pressure," *The Financial Times* (February 5, 2007).

⁶³ Konovalov, "Russian Minister Calls."

investments in Russia's economy, Japan's economic leverage is further undermined.⁶⁴

Furthermore, Russia's leaders are cognizant of Japan's overwhelming energy vulnerability, in particular since the 2003 Iraq invasion. Indeed, the recent Sakhalin-II imbroglio between the Russian government, on the one hand, and Royal Dutch Shell and its Japanese partners, Mitsui and Mitsubishi, on the other, conveniently demonstrates that on energy matters, Russia once again holds all the cards.⁶⁵

Certain political factors also may preclude a comprehensive territorial settlement. For one, domestic public opinion is solidly against returning the southern Kuriles to Japan, with few believing the issue to be an urgent one. Recent opinion polls have shown that at least 73% of Russian respondents have gone on record as opposing their return, while another 64% stated that they would take a less favorable view of the President if the Kuriles were returned.⁶⁶ At the same time, Japanese officials and commentators – and at least one noted Russian analyst – believe that, were President Putin to spend some political capital and persuade the Russian public how territorial concessions would benefit the

⁶⁴ For example, Toyota Motor Corporation, Japan's largest automobile manufacturer, is building a manufacturing plant in St. Petersburg that will have the capacity to make 15,000 vehicles per year; Kozo Mizoguchi, "Japan Says it will Endorse Russia's W.T.O. Bid," *Associated Press* (April 22, 2005).

⁶⁵ Russia's Gazprom acquired a majority stake in the massive Sakhalin-II natural gas project, formerly controlled only by Shell, Mitsui, and Mitsubishi, in late 2006. The Russian Environmental Ministry charged the foreign operators were damaging the region's environment, although many critics claim the government's real intentions were to both assert state control over important natural resource deposits and to use "energy supply as a diplomatic card" with Japan; "Russia Ready for 'Fair' Energy Deals with Asia: Putin," *Agence France Presse* (November 17, 2006); Arkady Ostrovsky, "Russia Seals Deal for Shell Project," *The Financial Times* (December 22, 2006); and Abraham Lustgarten, "Shell Shake Down," *Fortune* (February 5, 2007).

⁶⁶ "Focus: Japan, Russia Avoid Islands Dispute," *TASS* (November 23, 2005); and "Public Opinion in Russia, Japan Reject Any Compromise on Territorial Dispute," *BBC Monitoring* (November 18, 2006).

country, ultimately Russian society would accept a territorial compromise that would redraw the borders.⁶⁷

Still, this argument disregards other important factors constraining Putin's maneuver: the rising influence of the "siloviki" under Putin and his own concerns for his "legacy." Should Putin step down from a position of real influence in Russian politics after 2008, it appears probable he would want to safeguard his record for history as the first Russian leader in the last quarter-century who has restored Russians' self-confidence and re-established Russia as a major world player.⁶⁸ Also, if Putin were to grant Japan significant territorial concessions this would place him at odds with a core group of supporters he has successfully promoted to positions of power throughout his tenure, the "siloviki." The "siloviki" (from "silovye struktury" or "power structures") are high-ranking members of the intelligence, law enforcement, and armed services bureaucracies who are centralizing statist, economic nationalists, and "great power" conservatives.⁶⁹ During the last three years, this group has increasingly held greater sway over Russian policy, as privately-held natural resource monopolies have been taken over by the state. As evidenced in a recent foreign policy briefing, the "silovik" line also appears to eschew compromise where issues of sovereignty arise:

Foreign policy autonomy for Russia is an unconditional imperative. In the modern, increasingly globalized world, by no means everyone can afford that. But for us it is a key issue, a question of sovereignty. Our country is not suited to being managed, or having its foreign policy managed, from outside. We

⁶⁷ Rustem Falyakhov, "Continuing the Old Dispute Deprives both Sides of Potential Benefits," *Gazeta* (November 18, 2005). The Japanese, in particular, believe that with 70% approval ratings, President Putin now has a political opportunity that certainly his predecessor did not.

⁶⁸ Many experts believe that Putin may stage a "constitutional coup" to remain as Russia's leader after 2008. Such scenarios include either inaugurating a constitutional amendment that would remove the present two-term limit or re-establishing Russia's regime as a parliamentary republic, with Putin holding executive power as prime minister.

⁶⁹ Ian Bremmer and Samuel Charap, "The Siloviki in Putin's Russia: Who They Are and What They Want," *The Washington Quarterly* 30 (2006-07): 83-92.

do not try to please everyone – we simply proceed from our own clear and pragmatic interests. Let me remind you that our country tried particularly hard to ‘please’ others in the age of Czar Nicholas I and in the last Soviet years: we know what that led to.⁷⁰

In addition, President Putin and the siloviki would probably not countenance a Kurile turnover for the precedent this might set for other territorial-based conflicts with which Russia is currently engaged, such as ongoing discussions with the Baltic states, Ukraine, and Georgia over disputed territories and access to Russian military bases, as well as, of course, the Chechen armed conflict.

It appears, therefore, that from the Russian perspective a breakthrough in the negotiations along the lines of the “Chinese model” has limited chances for success. The opportunity that exists, such as it is, grows ever more remote the closer Russian parliamentary and presidential elections come.⁷¹ It is surely not Putin’s intention to saddle his Unified Russia party and his chosen presidential successor with controversial and potentially unpopular concessions in the immediate run-up to the elections; to be sure, opposition communist and nationalist parties have not hesitated to take advantage of the issue in the past.⁷²

Conclusion

The southern Kurile or “Northern Territories” issue has plagued the Russian-Japanese relationship for over sixty years. Movement toward a permanent resolution early on was frozen by an ensuing Cold War. In the 1990s, a deal again seemed possible, yet in hindsight it appears the Japanese asked too much of a weakened Yeltsin administration, criticized by opposition forces for being far too compliant to the West.

Circumstances have changed: Russia is now led by a popular politician, who has restored the country’s equilibrium, both in terms of Russia’s domestic economic footing and its international standing. And, both Russia and Japan have certain mutual economic and political goals in

⁷⁰ “Foreign Minister Lavrov Argues Foreign Policy Autonomy ‘Imperative’ for Russia,” *Moskovskiy Novosti* (January 19, 2007).

⁷¹ Parliamentary and presidential elections are to be held in December 2007 and March 2008, respectively.

⁷² Yulia Petrovskaya et al., “Kremlin Isn’t Giving Islands to Japanese Yet,” *Nezavisimaya Gazeta* (November 16, 2004).

common, particularly in view of increasing global natural resource vulnerabilities and opportunities, as well as a resurgent China. It may appear to some, therefore, that the time for a comprehensive territorial agreement has come, with the broad outline of the eventual compact within view.

In the final analysis, however, certain critical factors work against this territorial understanding. For one, Japan's leverage has been unquestionably weakened since Putin first met Prime Minister Mori in 2000, while domestic political interests continue to constrain an enfeebled Abe administration. Also, the reinvigoration of Russia's economy and the revitalization of its oil and natural gas industries strengthen Russia's hand in the dispute, while domestic political considerations also reduce the maneuverability of even an extremely popular and altogether dominant president. Thus, for a successful territorial deal to be brokered – and, consequently, for a full flowering in a potential Russian-Japanese “strategic relationship” to transpire – actors on both sides of the dispute would have to transcend such overwhelming obstacles and offer greater flexibility than it appears is currently possible.