# Japan's Policy on the Territorial Dispute with Russia under the Second Abe Administration

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This article analyzes the diplomatic strategy employed by Prime Minister Abe Shinzō regarding the dispute with Russia over the Northern Territories (South Kuril Islands). After returning to the post of prime minister in December 2012, Abe put much emphasis on approaching Russia in order to strengthen mutually beneficial economic exchange as well as to counterbalance the Chinese influence in the region. Nevertheless, the territorial dispute with Russia over the Northern Territories remained an obstacle in achieving full partnership between both countries. This article argues that, despite Abe's strong command over foreign policy-making and his eagerness to establish a relationship of trust with President Vladimir Putin, the unstable international environment has complicated the resolution of the dispute. The analysis relies on the neoclassical-realist interpretation of foreign policymaking. According to this theory, it is the structure of the international system that delineates the constraints on the rational foreign policy of a given country. At the same time, however, depending on circumstances, domestic-level factors might exert a significant impact on the pace and intensity of diplomatic endeavors. <sup>1</sup> In this vein, the policy agenda, political strategy, and institutional prowess of the Abe Cabinet were important factors in pushing forward negotiations over the territorial dispute with Russia. Nevertheless, it is the international determinants that most heavily influenced the extent to which President Putin was willing to compromise on the Northern Territories issue.

Keywords: Japan, Russia, foreign policy, neoclassical realism, Abe Shinzō, Northern Territories (South Kuril Islands)

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<sup>&</sup>lt;sup>1</sup> G. Rose, 'Neoclassical Realism and Theories of Foreign Policy', *World Politics*, 1998, Vol. 51, No. 1, pp. 144-172.

# An Overview of the Dispute over the Northern Territories (South Kuril Islands)

The territorial dispute between Japan and Russia stems from different interpretations of bilateral treaties from the 19th century. Both sides delineated mutual borders for the first time in the Treaty of Shimoda of 1855. While Japan maintained control over the islands up to Etorofu (Iturup) in the north, Russia gained possession of the Kuril Islands up to Uruppu (Urup) in the south. In the Treaty of Saint Petersburg of 1875, in turn, Moscow agreed to transfer sovereignty over all Kuril Islands to Tokyo in exchange for gaining full rights to Sakhalin. When Japan announced its unconditional surrender on August 15, 1945, it had to accept the terms of the Potsdam Declaration that limited its territory to the four main islands of Honshu, Hokkaido, Kyushu, and Shikoku, as well as minor islands to be determined by the allied powers. While Tokyo had to renounce the Kuril Islands to the Soviet Union, there was a disagreement over the territorial scope of the archipelago. Referring to the treaties of Shimoda and Saint Petersburg, Japan claimed that the islands of Etorofu, Kunashiri (Kunashir), Habomai, and Shikotan belonged to Hokkaido and as such were called Northern Territories (Hoppō Ryōdo). Moscow, in turn, treated them as the South Kuril Islands, and thus occupied them in 1945. According to the San Francisco Peace Treaty of 1951, Tokyo renounced all rights to the Kuril Islands, though the limits of the archipelago were not clarified and the Soviet Union did not sign the treaty. When Japan eventually normalized the diplomatic relations with the Soviet Union in October 1956, Moscow promised to return the Habomai and Shikotan islands to Japan after the signing of the bilateral peace treaty. Nevertheless, in 1960 the Soviet Union stated that the withdrawal of foreign military forces from Japan would be an additional condition for handing over the two islands to Japan.<sup>2</sup>

Succeeding Japanese governments tried to convince Moscow to compromise on the territorial dispute, but to no avail. The greatest opportunity of resolving the dispute appeared after the collapse of the Soviet Union. In the 1990s, Russia suffered from a severe economic crisis and seemed more willing to cede some of the islands in exchange for a financial assistance. During his visit to Tokyo in March 1992, the Russian Foreign Minister Andrei Kozyrev unofficially proposed to first reach an agreement on returning Habomai and Shikotan to Japan, afterwards start negotiations on sovereignty over Etorofu and Kunashiri, and eventually sign the peace treaty. Although it was a far-reaching concession from Moscow, Tokyo refused. The Miyazawa government presumably believed that owing to Japan's economic superiority it would be able to convince Russia to return all four islands at once.<sup>3</sup>

<sup>&</sup>lt;sup>2</sup> Ministry of Foreign Affairs of Japan, 'Joint Compendium of Documents on the History of Territorial Issue between Japan and Russia', September 1992, https://www.mofa.go.jp/region/europe/russia/territory/edition92/preface.html (accessed on 9 May 2019).

<sup>&</sup>lt;sup>3</sup> S. Yoshikatsu, Nippon no Senryaku Gaikō [Japan's Strategic Diplomacy], Tokyo: Chikuma Shobō, 2017, pp. 306-308.

As stressed by Suzuki Muneo, the LDP politician who was directly involved in formulating Japan's Russia policy, the result of bilateral talks was to some extent dependent on a relationship of trust between Japanese and Russian statespersons. During a meeting in Krasnovarsk in November 1997, Prime Minister Hashimoto Ryūtarō managed to establish cordial relations with President Boris Yeltsin. Both sides agreed to spare no effort to resolve the territorial dispute and conclude a peace treaty by 2000. During the next Japan-Russia summit in April 1998 in Kawana in Shizuoka Prefecture. Tokyo made a secret proposal to acknowledge the border between Uruppu and Etorofu, and subsequently conduct negotiations on the date of returning the four islands to Japan separately from the peace treaty talks. While Yeltsin seemed willing to accommodate the other side, he was persuaded by his closest entourage to devote more time to analyze this new concept. Only several months later Hashimoto stepped down from office and his successor Obuchi Keizō was unable to persuade the Russian president to any concessions. According to Suzuki, Japan was the closest to achieving a compromise with Moscow under Prime Minister Mori Yoshirō, who paid much attention to establishing an interpersonal relationship with President Vladimir Putin. In March 2001, both leaders reconfirmed in Irkutsk that the 1956 agreement should be the basis for further talks and that the details of conditions of signing a peace treaty should be elaborated as soon as possible. Nevertheless, Prime Minister Mori stepped down from office only a month later. Suzuki deplored the fact that the political instability in Japan hindered progress in negotiations. As he pointed out, Prime Minister Koizumi Jun'ichirō and Foreign Minister Tanaka Makiko in 2001 started unilaterally promoting their own concepts of resolving the Northern Territories dispute, such as the return of all four islands at once, which perplexed Moscow and stiffened President Putin's stance.<sup>4</sup>

The situation did not improve much in subsequent years. Russia specialists (members of the so-called 'Russian school') in the Japanese Ministry of Foreign Affairs (MOFA) were not unanimous over what policy to employ towards Moscow. While Ambassador to Russia Tanba Minoru promoted the Krasnoyarsk–Kawana solution, Director-General of the Eurasian Affairs Bureau Tōgō Kazuhiko together with Suzuki Muneo preferred the Irkutsk method.<sup>5</sup> As emphasized by Yachi Shōtarō, who later became the national security advisor under the Abe Cabinet, confrontation between these two camps hindered progress in negotiations.<sup>6</sup> In January 2003, Prime Minister Koizumi visited Russia, where he approved with President Putin the Japan–Russia Action Plan. Regarding the territorial dispute, both sides agreed to "vigorously carry on the process of seeking a mutually acceptable solution to the issue of concluding a peace

<sup>&</sup>lt;sup>4</sup> S. Muneo, *Gaikō no Dai Mondai [The Great Problem of Foreign Policy*], Tokyo: Shōgakukan, 2015, pp. 96-122.

<sup>&</sup>lt;sup>5</sup> S. Yoshikatsu, op. cit., pp. 308-309.

<sup>&</sup>lt;sup>6</sup> Y. Shōtarō and T. Masayuki, *Gaikō no Senryaku to Kokorozashi. Zen Gaimu Jimujikan Yachi Shōtarō wa Kataru [Strategy and Ambition in Diplomacy. A Story by Former Foreign Administrative Vice Minister Yachi Shōtarō*], Tokyo: Sankei Shinbun Shuppan, 2009, pp. 90-104.

treaty," "to accomplish complete normalization of Japan–Russia relations by means of concluding a peace treaty through the solution of issues where the Islands belong," "to explain to the peoples of both countries the importance of concluding a peace treaty," "to continue to develop the four-island visits," to exchange views on "joint survey on the environment in regions around the Islands," "to ensure that effective implementation is made of appropriate assistance extended from a humanitarian perspective by Japan to the residents of the Islands," and to "seek modalities acceptable to both countries for joint economic activities in the regions around the Islands through the activities of the Subcommittee on Joint Economic Activities."

Nevertheless, bilateral relations were periodically exacerbated due to incidents in the disputed area. In August 2006, a Japanese fisherman was shot by Russian coastguards near the South Kuril Islands. In February 2009, Prime Minister Asō Tarō visited Sakhalin, where together with President Dmitry Medvedev he opened a liquefied natural gas plant. Both leaders agreed to accelerate negotiations so that the territorial issue could be resolved within their generation. Nevertheless, in the fall of 2010, President Medvedev visited Kunashiri, which sparked a strong diplomatic protest by the Kan Naoto government. Medvedev repeated his visit, as prime minister, in July 2012. As stressed by Administrative Vice-Minister for Foreign Affairs Sasae Ken'ichirō, that visit was "extremely regrettable" and threw "cold water on the positive atmosphere which has been constructed between Japan and Russia."

As outlined above, Tokyo and Moscow made little progress in negotiations on the Northern Territories dispute since the normalization of bilateral relations in 1956. One of the factors that hindered achieving a compromise was the nationalist sentiments in Japan and Russia. Equally important, however, was the political instability on the Japanese political scene. The frequent changes of prime ministers impeded the establishment of long-lasting ties of trust between the statespersons of both countries. The strong leadership of Prime Minister Abe Shinzō after formation of his government in December 2012 was to redress that situation.

## The Strategic Partnership with Russia

From the very beginning of his second prime ministership, Abe put emphasis on ameliorating relations with President Vladimir Putin. He perceived a rapprochement with Russia not only as a method for resolving the territorial dispute, but also as an

Ministry of Foreign Affairs of Japan, 'Japan-Russia Action Plan', 10 January 2003, https://www.mofa.go.jp/region/europe/russia/pmv0301/plan.html (accessed on 18 May 2019).

Prime Minister of Japan and His Cabinet, 'The Prime Minister Visits Sakhalin', 18 February 2009, https://japan.kantei.go.jp/asophoto/2009/02/18russia\_e.html (accessed on 18 May 2019).

<sup>&</sup>lt;sup>9</sup> Ministry of Foreign Affairs of Japan, 'Mr. Kenichiro Sasae, Vice-Minister for Foreign Affairs, Summons Mr. Evgeny Vladimirovich Afanasiev, Ambassador of the Russian Federation to Japan, on the Visit of Russian Prime Minister Medvedev to the Northern Territories', 3 July 2012, https://www.mofa.go.jp/announce/announce/2012/7/0703 02.html (accessed on 18 May 2019).

instrument of counterbalancing China's rise in the region. For that reason, Abe's Russia policy was led more in a top-down manner than under previous administrations.

The head of government's powers were enhanced after the 1994 electoral system and the 2001 administrative reforms. Most significantly, the latter revised the Cabinet Law so that the prime minister could acquire the right to propose new policies during cabinet meetings, and the Cabinet Secretariat was charged with preparing and coordinating important policies. This change weakened the rule of dispersed management (buntan kanri gensoku) that had impeded the head of government to initiate policies within the domains that fell under the jurisdiction of separate ministers, including the minister of foreign affairs. 10 In addition, in December 2013 the Abe administration established the National Security Council, composed of the prime minister as chairperson, the chief cabinet secretary, as well as ministers of foreign affairs and defense. The new body provided Abe with institutional tools to take the lead on foreign policy-making. Under these circumstances, the influence of the members of the 'Russian school' in the MOFA weakened considerably. Instead, Abe relied on the members of the 'American school,' such as National Security Advisor Yachi Shōtarō or Administrative Foreign Vice-Minister Sugiyama Shinsuke, as well as politicians from his direct entourage, such as Minister of Economy, Trade and Industry Sekō Hiroshige, who in 2016 was additionally nominated as minister for economic cooperation with Russia.<sup>11</sup>

Abe's motivation for a rapprochement with Russia was consistent with his strategy of counterbalancing China's rise in the region. As stressed by National Security Advisor Yachi, who became one of the main authors of Abe's foreign policy agenda, there were numerous factors that caused frictions in relations between Moscow and Beijing. Taking this into account, strengthening economic, scientific, cultural, and political exchange with Russia could lead to a reevaluation of Japan's perception as a responsible power by Moscow. The gravity of a rapprochement with Russia increased even further after Japan's diplomatic clashes with China regarding sovereignty over the Senkaku/Diaoyu Islands in the East China Sea in 2010 and 2012. Protesting frequent incursions into the Japanese waters by Chinese ships near the disputed archipelago, Abe repeatedly appealed for the necessity of obeying the law of the sea after returning to power in December 2012. In addition to these strategic goals, Abe wanted to continue the efforts of his grandfather, Prime Minister Kishi Nobusuke, and father, Foreign Minister Abe Shintarō. The former one treated resolution of the Northern Territories issue – along with a revision of the constitution – as one of the two crucial tasks for

<sup>&</sup>lt;sup>10</sup> K. Żakowski, B. Bochorodycz and M. Socha, *Japan's Foreign Policy Making: Central Government Reforms, Decision-Making Processes, and Diplomacy*, Cham: Springer, 2018, pp. 16-21.

<sup>&</sup>lt;sup>11</sup> S. Yoshikatsu, op. cit., pp. 312-313.

<sup>12</sup> Y. Shōtarō and T. Masayuki, op. cit., p. 89.

<sup>&</sup>lt;sup>13</sup> K. Żakowski, 'Failed Attempts at Sino-Japanese Security Cooperation', in T. Kamiński (ed.), *Overcoming Controversies in East Asia*, Łódź: Łódź University Press, 2017, pp. 63-66.

Japanese leaders, and the latter one tried to achieve a breakthrough in relations with the Soviet Union under the Gorbachev administration.<sup>14</sup>

As early as in April 2013, Abe paid the first official visit by a Japanese prime minister to Russia in ten years. Accompanied by a large group of businesspeople and bank representatives, President Putin himself agreed on expanding economic exchange and commencing regular meetings between foreign and defense ministers of both countries in the so-called 2+2 formula. Up to 2013, 2+2 meetings had been launched only with the US and Australia; it was evident that Abe attached a particular importance to relations with Moscow. Regarding the territorial issue, Abe stressed: "The negotiations on signing a peace treaty have been at a standstill for the last few years. But during today's talks, we were able to agree that we will renew negotiations, and we will accelerate this process. I believe this is a major result of our meetings. As for me personally, I will work on this matter directly, since it is the biggest unresolved issue between our two states. I will make every effort to resolve it." 15

The initial talks resulted in the intensification of bilateral diplomatic exchange on all levels. The first 2+2 meeting took place in Tokyo in November 2013 with participation of Foreign Ministers Kishida Fumio and Sergey Lavrov as well as Defense Ministers Onodera Itsunori and Sergey Shoygu. Both sides agreed on a range of issues, such as launching defense exchange and navy-to-navy talks, cooperation on counterterrorism or anti-piracy endeavors, as well as holding a bilateral cyber-security meeting. Moreover, regardless of the Western criticism of the infringement of human rights by the Russian government, in February 2014 Prime Minister Abe participated in the ceremony of inauguration of the Winter Olympic Games in Sochi. His cordial relations with the Russian president were evidenced by the fact that Vladimir Putin invited Abe to have lunch in his mansion. Nevertheless, the Japanese prime minister's attempts at resolving the territorial dispute were soon impeded by external factors outside of his control.

#### **Economic Sanctions Against Russia and Their Repercussions**

Abe's initial efforts to approach President Putin were spoiled by the instability of the international situation. In March 2014, Russia violated the territorial integrity of Ukraine and annexed the Crimean Peninsula that was inhabited by a large Russian population. On the one hand, under the American pressure Abe had to introduce

<sup>&</sup>lt;sup>14</sup> Y. Noriyuki, *Antō* [A Battle], Tokyo: Gentōsha, 2017, pp. 126-129.

President of Russia, 'Press Statements and Answers to Journalists' Questions Following Russian-Japanese Talks', 29 April 2013, http://en.kremlin.ru/events/president/transcripts/18000 (accessed on 29 May 2019).

<sup>&</sup>lt;sup>16</sup> W. Yennie-Lindgren, 'New Dynamics in Japan–Russia Energy Relations 2011–2017', *Journal of Eurasian Studies*, 2018, Vol. 9, No. 2, p. 159.

<sup>&</sup>lt;sup>17</sup> S. Yoshikatsu, op. cit., pp. 315-316.

economic sanctions against Moscow, but on the other hand he tried to maintain behindthe-scenes contacts with President Putin.

During a special summit of G7 in the Hague in March 2014, Abe agreed with the policy of expelling Russia from the G8 and canceling the G8 summit in Sochi, scheduled for June 2014. Nevertheless, in his speech he appealed for a policy of engagement rather than retaliation towards Russia: "We must never condone changes to the status quo with force in the background. (...) We must, however, resolve this issue through peaceful and diplomatic means. We must not allow a state of affairs akin to the world returning to the Cold War era. We must not shut the door for dialogue. Situated atop the history and wisdom garnered by those who preceded us, all countries involved must exercise self-restraint and take responsible actions. I intend for Japan also to work to resolve this issue." <sup>18</sup> In mid-March 2014, Japan suspended negotiations on investment or space agreements as well as a relaxation of visa requirements. In April 2014, Tokyo canceled Foreign Minister Kishida Fumio's visit to Moscow and introduced a second round of sanctions by issuing travel bans to Japan for twenty-three persons involved in the violation of Ukraine's sovereignty. The third round of sanctions was implemented at the beginning of August 2014, following the shooting down of Malaysia Airlines flight MH17 by pro-Russian separatists in the Donetsk region in July 2014. They consisted of restricting imports from Crimea as well as freezing the assets of forty individuals and two groups responsible for the Ukrainian crisis. While the Japanese sanctions were milder than their American and European versions, Russia reacted by postponing bureaucratic-level talks on resolution of the Northern Territories issue. In September 2014, Tokyo introduced the fourth round of sanctions by restricting exports to Russia of arms, military technology, and dual-use goods for military use, as well as prohibiting issuance or offering securities by selected Russian banks. However, the impact of these measures on economic exchange with Russia was minimal.19

Although Abe had to demonstrate his solidarity with the US regarding the Ukrainian crisis, in parallel he probably envisaged using the new international situation as a trump card in negotiations on the territorial issue with Russia. This is evidenced by frequent unofficial visits by Abe's special emissaries to Moscow, such as National Security Advisor Yachi Shōtarō in May, judo gold medalist Yamashita Yasuhiro in August, or former Prime Minister Mori Yoshirō in September 2014. In addition, in September and October 2014, Prime Minister Abe and President Putin exchanged phone calls on the occasion of their birthdays. In mid-October 2014, in turn, both leaders briefly met at the Asia–Europe Meeting (ASEM) summit in Milan. In February 2015, Japan and Russia resumed bureaucratic-level negotiations in Moscow, but in May 2015 Abe failed

Prime Minister of Japan and His Cabinet, 'Press Conference by Prime Minister Shinzo Abe', 25 March 2014, http://japan.kantei.go.jp/96 abe/statement/201403/0325naigai.html (accessed on 31 May 2019).

<sup>&</sup>lt;sup>19</sup> T. Kazuhiko, Kiki no Gaikō – Shushō Danwa, Rekishi Ninshiki, Ryōdo Mondai [Crisis Diplomacy – Prime Minister's Statement, History Awareness, Territorial Issues], Tokyo: Kadokawa, 2015, pp. 218-229.

to visit Russia during the ceremonies of the 70th anniversary of the end of the Second World War in Europe.<sup>20</sup>

As stressed by former Deputy Minister for Foreign Affairs Tanaka Hitoshi, the fact that after the introduction of economic sanctions against Russia Moscow intensified the economic cooperation with China increased the gravity of Japan in Putin's international strategy. After all, a breakthrough in negotiations with Tokyo could lessen the extent of Russia's dependence on trade with the PRC. According to Tanaka, while a unilateral retraction of sanctions by Japan would be hard to imagine, Tokyo should be aware of the global implications of Russia's isolation on the international scene, such as the strengthening of Russia—China alliance or even the beginning of a new cold war. In order to avoid such a situation, Japan should engage in seeking a political solution of the Ukrainian crisis and admit that the return of Crimea to Ukraine would be unrealistic. Analogically, it would be hard to persuade Russia to swiftly return all four disputed islands to Japan. Instead, Tanaka proposed a more flexible approach of creating a joint development zone on the disputed territory in order to overcome mutual nationalisms.<sup>21</sup>

The former MOFA Director-General of the Eurasian Affairs Bureau Tōgō Kazuhiko was even more explicit in advising the Abe administration to take advantage of the new international situation. According to him, instead of bending to American will, Japan should conduct a "strong independent foreign policy" in order to achieve a breakthrough on the Northern Territories issue. <sup>22</sup> Citing John J. Mearsheimer, Tōgō stressed that from the realist point of view the US should consider China, not Russia, as the main contender for super-power status. As such, it would be strategically reasonable to acknowledge the role of Ukraine as a buffer between Russia and Europe. In addition, as pointed out by Tōgō, the historical experience of westernization despite belonging to non-Western civilizations could become a common ground for strengthening the Japan–Russia relations. In his opinion, Tokyo should promote Russia's readmission to the G8. <sup>23</sup>

Throughout 2015, Abe promoted President Putin's visit to Japan and even seemed to gain some understanding of this delicate matter from the US President Barack Obama. Nevertheless, the visit was not realized. Instead, in 2016 Tokyo proposed a new approach towards the relations with Moscow. The new policy was an attempt at decoupling the territorial issue from the problem of economic cooperation. By first offering Russia an increase in Japanese investments in the Far East, Tokyo hoped to create favorable conditions for a breakthrough in negotiations on the peace treaty and the return of Northern Territories.<sup>24</sup> This innovative initiative was led in a top-down

<sup>&</sup>lt;sup>20</sup> Ibidem, pp. 223-234.

<sup>&</sup>lt;sup>21</sup> T. Hitoshi, Nihon Gaikō no Chōsen [The Challenges of Japan's Diplomacy], Tokyo: Kadokawa, 2015, pp. 169-173.

<sup>&</sup>lt;sup>22</sup> T. Kazuhiko, op. cit., p. 187.

<sup>&</sup>lt;sup>23</sup> Ibidem, pp. 202-215.

<sup>&</sup>lt;sup>24</sup> S. Yoshikatsu, op. cit., pp. 314-323.

manner by the prime minister and his closest entourage. As its main component was related to economic policy, besides Deputy Chief Cabinet Secretary Sekō Hiroshige and National Security Advisor Yachi Shōtarō, Abe relied on the support from former Ministry of Economy, Trade and Industry bureaucrats in the Kantei, <sup>25</sup> such as Prime Minister's Chief Secretary Imai Takaya and Special Adviser to the Prime Minister Hasegawa Eiichi. In parallel, the prime minister approached the New Party Daichi leader Suzuki Muneo, who boasted vast experience in the Russian matters. In order to gain his support, the LDP even agreed to give party affiliation to his daughter, Suzuki Takako. As a side-effect, tensions appeared between the Kantei and the MOFA 'Russian school' bureaucrats, who did not trust Suzuki Muneo. Nevertheless, due to the institutional strength of the Cabinet Secretariat and the National Security Council, Abe was able to maintain general control over foreign policy-making. The most important aim of the new approach was to persuade Russia to create a joint economic zone on the disputed territories that would at least minimally acknowledge Japan's rights to the islands. <sup>26</sup>

Abe disclosed his policy on the territorial issue during his visit to Sochi in May 2016. He agreed with President Putin to re-launch peace treaty negotiations in June of the same year in order to find "solutions acceptable to both sides through a new approach that is not stuck in a traditional way of thinking in order to overcome the current negotiation stalemate and make a breakthrough." Most importantly, Abe proposed an eight-point economic cooperation plan that encompassed: "(1) extending healthy life expectancies, (2) developing comfortable and clean cities easy to reside and live in, (3) fundamental expansion of medium-sized and small companies exchange and cooperation, (4) energy, (5) promoting industrial diversification and enhancing productivity in Russia, (6) developing industries and export bases in the Far East, (7) cooperation on cutting-edge technologies, and (8) fundamental expansion of people-topeople interaction."<sup>27</sup> Both leaders continued top-level talks at the Eastern Economic Forum in Vladivostok in September 2016. In his speech, Prime Minister Abe lauded the host city as a "free port" and "a gateway linking Eurasia and the Pacific," and he ensured that he shared President Putin's dream to restore the prestige of Vladivostok, and would like to hold there bilateral summits on an annual basis.<sup>28</sup> Abe explained that in order to fulfill the eight-point plan from Sochi, he channeled the decision-making process on that matter through the newly appointed Minister for Economic Cooperation with Russia Sekō Hiroshige. Both sides agreed to "move ahead with preparations

<sup>&</sup>lt;sup>25</sup> The Kantei ('residence' in Japanese) is a metonym commonly used when referring to the Prime Minister's Residence in Japan, which means the prime minister and his closest entourage.

<sup>&</sup>lt;sup>26</sup> Y. Noriyuki, op. cit., pp. 131-159.

<sup>&</sup>lt;sup>27</sup> Ministry of Foreign Affairs of Japan, 'Japan-Russia Summit Meeting', 7 May 2016, https://www.mofa.go.jp/erp/rss/northern/page4e 000427.html (accessed on 1 June 2019).

<sup>&</sup>lt;sup>28</sup> Idem, 'Address by Prime Minister Shinzo Abe at the 2nd Eastern Economic Forum', 3 September 2016, https://www.mofa.go.jp/erp/rss/northern/page1e 000098.html (accessed on 1 June 2019).

in areas such as economics and politics, including negotiations for a peace treaty" before President Putin's visit to the Yamaguchi Prefecture, scheduled for December 2016.<sup>29</sup>

Both Abe's behind-the-scene diplomacy towards Moscow following the annexation of Crimea and his "new approach" on promoting economic cooperation with Russia were aimed at exploiting Russia's difficult economic situation due to sanctions imposed by the US and its allies. Nevertheless, such a policy was based on the presumption that the diplomatic line of the Obama administration would be maintained by his successor.

#### Difficult Negotiations in an Unstable International Environment

Prime Minister Abe attributed much importance to President Putin's visit to Japan scheduled for December 2016. It is probable that he hoped that Russia would agree to display a more conciliatory posture on the territorial dispute in exchange for retracting economic sanctions. Such a move would weaken the solidarity of the Western world regarding the condemnation of annexation of Crimea. However, the surprising election of Donald Trump as the US president in November 2016 upset Abe's plans. During the electoral campaign, Trump was perceived as a pro-Russian candidate. Due to the alternation of power in the US, the potential concession by Japan towards Russia on economic sanctions lost importance.

President Putin visited Japan in mid-December 2016. It was his 16th meeting with Prime Minister Abe. Before heading to Tokyo, both leaders negotiated in a relaxed atmosphere in hot springs in the Yamaguchi Prefecture's Nagato town. Abe's goal was to create a special economic zone on all four islands outside of the legal systems of both countries, as well as to strongly voice bilateral determination to resolve the territorial issue during the terms in office of both leaders. While after difficult talks the Russian side conceded to some of Japanese requests, the document issued after the summit did not exceed the framework of a simple press release.<sup>30</sup> Abe and Putin "expressed their sincere determination to resolve the peace treaty issue, and agreed to commence discussions on a special arrangement for undertaking joint economic activity on the four islands. (...) Additionally, from the humanitarian point of view, it was agreed that all probable proposals will be examined promptly in order to grant the wishes of former island residents hoping to visit their hometowns and make grave visits freely."31 As a sign of good will, Japan relaxed visa requirements for Russians. The difference of interests between both leaders, however, was clearly visible at a joint press conference. While Prime Minister Abe emphasized the "Russian President's consent to establish a special regime for joint economic activities" that

<sup>&</sup>lt;sup>29</sup> Idem, 'Japan-Russia Summit Meeting on the Occasion of the 2nd Eastern Economic Forum', 3 September 2016, https://www.mofa.go.jp/erp/rss/page3e 000566.html (accessed on 1 June 2019).

<sup>&</sup>lt;sup>30</sup> Y. Noriyuki, op. cit., pp. 133-144.

<sup>&</sup>lt;sup>31</sup> Ministry of Foreign Affairs of Japan, 'President of Russia Visits Japan', 16 December 2016, https://www.mofa.go.jp/erp/rss/northern/page1e\_000130.html (accessed on 2 June 2019).

"will not undermine the two countries' positions on the peace treaty," President Putin stressed the importance of signing "a substantial set of agreements between government agencies and commercial organisations" or of establishing a "\$1 billion investment fund set up by the Russian Direct Investment Fund and the Japan Bank for International Cooperation." As for the territorial issue, Putin simply said that "It would be naïve to believe that we could settle it overnight." The summit's results were evidently far from Japanese expectations.

While the election of Donald Trump lessened the gravity of a rapprochement with Japan for Russia, it also weakened a major constraint on Tokyo's diplomacy towards that country. Contrary to Barack Obama, the new US president did not put pressure on Abe to limit his diplomatic exchange with Vladimir Putin. In March 2017, a Japan-Russia Foreign and Defense Ministerial Consultation took place in Tokyo. It was the second 2+2 meeting since launching this formula in November 2013. The Japanese side protested the deployment of surface-to-ship missiles by Russia in the Northern Territories as "regrettable." Both sides expressed their will to continue exchanges between military units, working-level negotiations, and joint search-andrescue exercises.<sup>33</sup> Since 2017, bilateral top-level visits have flourished. In April 2017, Prime Minister Abe visited Moscow where he reached a shared view with President Putin on the realization of grave visits by former Northern Territories residents as well as on sending a special research team to examine possibilities of joint economic activities in the disputed area.<sup>34</sup> In September 2017, Abe once more attended the Eastern Economic Forum in Vladivostok. He agreed with Putin on the designation of five candidate projects ("propagation and aquaculture of marine products," "greenhouse vegetable cultivation," "development of tours based on the islands' features," "introduction of wind-power generation," "garbage volume reduction measures") for joint economic activities in the Northern Territories. Significantly, public and private sector representatives from both countries signed as many as fifty-six documents. Abe and Putin confirmed the acceleration of preparations for holding the "Russia Year in Japan" and the "Japan Year in Russia." They also welcomed the signing of several bilateral agreements, such as the amended Tax Convention.35

In May 2018, Abe attended the St. Petersburg International Economic Forum. In his speech, he proposed an idealistic vision, stating that lasting stability in the Japan–Russia

<sup>&</sup>lt;sup>32</sup> President of Russia, 'Statements for the Press and Answers to Journalists' Questions Following Russian-Japanese Talks', 16 December 2019, http://en.kremlin.ru/events/president/transcripts/53474 (accessed on 2 June 2019).

<sup>&</sup>lt;sup>33</sup> Ministry of Foreign Affairs of Japan, 'Japan-Russia Foreign and Defence Ministerial Consultation ('2+2' Ministerial Meeting)', 20 March 2017, https://www.mofa.go.jp/erp/rss/northern/page4e\_000593.html (accessed on 2 June 2019).

<sup>&</sup>lt;sup>34</sup> Idem, 'Japan-Russia Summit Meeting', 27 April 2017, https://www.mofa.go.jp/erp/rss/northern/page4e\_000603.html (accessed on 3 June 2019).

<sup>&</sup>lt;sup>35</sup> Idem, 'Japan-Russia Summit Meeting', 7 September 2017, https://www.mofa.go.jp/erp/rss/northern/page4e 000669.html (accessed on 3 June 2019).

relations would become "a substantial pillar that underpins the region and, indeed, the world. At that time, the Arctic Ocean to the Bering Sea, the North Pacific, and the Sea of Japan will together form a major, arterial sea road of peace and prosperity. The islands that used to be a source of conflict will have found new potential as a logistics hub, transforming into a symbol of cooperation between the two nations. The Sea of Japan will also most likely transform dramatically into a highway sending goods back and forth."<sup>36</sup> Just as in previous years, in September 2018 Abe paid a visit to Vladivostok where he approved with President Putin a roadmap for implementation of the previously agreed five candidate projects on the disputed area. Both leaders confirmed their intention to hold a business mission on the Northern Territories and to continue to simplify procedures for Japanese visits to the four islands.<sup>37</sup>

In January 2019, Prime Minister Abe visited Russia once again, holding his 25<sup>th</sup> meeting with President Putin. Both leaders welcomed the fact that foreign-minister-level negotiations on the territorial dispute had been launched, and they agreed to continue talks on that matter. Until the summit, more than 170 private-sector projects had been concluded within the framework of Japan's new approach towards Russia, and around half of them had been implemented as agreements.<sup>38</sup> Tokyo's accommodating stance towards Russia was reflected in the statement issued by a government-sponsored rally in February 2019. Unlike in previous years, the statement did not describe the disputed islands as "illegally occupied." Moreover, instead of demanding "the return of the Northern Territories," the participants only requested "the settlement of the Northern Territories issue." It is evident that the Abe administration diluted the statement so as not to antagonize Moscow during the delicate negotiations.

## **Concluding Remarks**

For decades, Japan–Russia negotiations over the territorial dispute were impeded by both external and domestic-level determinants. One of the factors that made negotiations with Russia under the Abe government different from the talks under previous administrations was the fact that Abe held power for a longer period of time and boasted a dominant influence on foreign policy. Under previous administrations, the political instability in Japan had precluded the establishment of lasting ties of trust

<sup>&</sup>lt;sup>36</sup> Idem, 'Speech by H.E. Mr. Shinzo Abe, Prime Minister of Japan, at the Plenary Session of the St. Petersburg International Economic Forum (SPIEF) 2018', 25 May 2018, https://www.mofa.go.jp/erp/rss/northern/page4e 000842.html (accessed on 3 June 2019).

<sup>&</sup>lt;sup>37</sup> Idem, 'Japan–Russia Summit Meeting', 10 September 2018, https://www.mofa.go.jp/erp/rss/northern/page6e 000134.html (accessed on 3 June 2019).

<sup>&</sup>lt;sup>38</sup> Idem, 'Japan-Russia Summit Meeting', 22 January 2019, https://www.mofa.go.jp/erp/rss/northern/page1e 000265.html (accessed on 3 June 2019).

<sup>&</sup>lt;sup>39</sup> M. Mitsuda, S. Furukawa and H. Homma, 'Northern Territories Rallies Take Low-key Approach Amid Talks with Russia', *The Mainichi*, 8 February 2019, https://mainichi.jp/english/articles/20190208/p2a/00m/0na/014000c (accessed on 14 June 2019).

with Russian presidents, and the MOFA 'Russian school' often competed with the Kantei for the formulation of proposals for the resolution of the Northern Territories dispute. Abe's strong leadership redressed that situation to a great extent.

Prime Minister Abe and his advisors, especially those from the 'American school' in the MOFA, treated a rapprochement with Russia not only as a way to resolve the territorial dispute, but also as a part of the strategy to counterbalance rising China. For that reason, they intensified contacts with President Putin and launched regular meetings between foreign and defense ministers of both countries.

Nevertheless, as stressed by neoclassical realism, eventually it is the international environment that delineates the limits of foreign policy initiatives. Succeeding attempts by Abe at resolving the territorial issue ended in failures due to external factors. The Ukraine crisis damaged the Japanese prime minister's cordial relations with President Putin, and when Abe was ready to trade economic sanctions for progress in the Northern Territories talks, the election of Donald Trump as the US president decreased the value of such a bold move for Russia. While since 2016 there have been some achievements of Tokyo's "new approach" towards Moscow, it remains to be seen whether the new policy leads to anything more than the facilitation of travel to the four islands by former inhabitants in exchange for Japan's economic investments in Russia.