JAPAN-RUSSIA: A THWARTED RAPPROCHEMENT

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OBSERVATOIRE

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* Cover picture: Shikotan Island, in the Kuril Archipelago, is one of the four islands under Russian administration and claimed by Japan.
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INTRODUCTION

More than ever, the relationship between Japan and Russia is characterized by complexity. Tokyo’s Russian policy faces difficult choices and ranges from a persistent distrust to a real will to build a genuine security partnership with Moscow, detached from the territorial issue and the signing of a peace treaty. Russia’s Minister of Foreign Affairs Sergei Lavrov visited Tokyo on April 15, 2016, where he met with his Japanese counterpart, Fumio Kishida. Both sides positively depicted this visit, which was aimed at preparing the future meeting between Vladimir Putin and Shinzo Abe in Russia. After months of deep freeze that followed the Ukrainian crisis, significant progress seems possible. The negotiations for normalizing relations resumed during fall 2015, and Masahiko Komura, vice president of the LDP (Liberal Democratic Party) in power in Tokyo, visited Moscow in January 2016, with a letter from Prime Minister Abe to President Putin.

In November, Shinzo Abe himself met with Vladimir Putin on the sidelines of the G20 summit in Turkey, in an atmosphere described by Tokyo as “friendly”. Moreover, Japanese analysts point out that if President Putin’s visit to Japan, originally scheduled in 2015, has been postponed, the contacts between the Japanese Prime Minister and the Russian President went on despite tensions over the Ukrainian crisis.

In fact, the relations between Putin and Abe are particularly strong. They met twelve times between 2012 and 2015, including 2 meetings in September and November 2015, during the UN Annual General Assembly in New York and the G20 summit in Turkey. They also had an extensive phone discussion after the North Korean nuclear test.

In early January 2016, Shinzo Abe stated that a summit was needed to achieve the resolution of tensions between Russia and Japan, 70 years after the end of World War II. The Japanese Prime Minister is expected to visit Russia during spring 2016, before Vladimir Putin heads to Japan after the G7 meeting that is to be held there in May. For Tokyo, these meetings are positively considered, even in the absence of immediate progress on the territorial issue. Furthermore, Sergei Lavrov stated during his visit in Japan that Russia was committed to continue the dialogue “under any circumstances”.

1 Interviews conducted by the author, Tokyo, February 2016.
7 Ayako Mie, “Kishida-Lavrov Lay Groundwork for Abe’s Russia Visit”, art. cit.
1. CONDITIONS FAVORABLE TO A RAPPROCHEMENT

For several reasons Tokyo seems to consider a normalization of relations with Russia is now possible and especially desirable in the interest of Japan in Asia. Russian analysts underline Russia’s interest for an enhanced strategic partnership with Japan in order to balance Moscow-Beijing relation.

Japanese experts stress Russia’s diplomatic isolation after the Ukrainian crisis and the economic difficulties the country is facing due to the combination of sanctions, falling oil prices, the slowdown in Chinese growth and the devaluation of the ruble.

In the meantime, Tokyo takes into account that the economic needs of Russia are important, especially for developing the Russian Far East, as President Putin stressed at the Eastern Economic Forum held in Vladivostok in September 2015. In this context, as China’s economy is sharply slowing, Japan may appear both as a solution and as a way to “open the game”, by offering Russia an alternative option to an exclusive relationship with Beijing.

On a more positive note, Japanese analysts also remark that Shinzo Abe, like Vladimir Putin, enjoys a legitimacy that authorizes a possible step towards the normalization of relations. In January 2016, despite the opposition expressed during the passing of a new military legislation, the approval rate for the Cabinet of Japanese Prime Minister had risen to 53.8%. The LDP (Liberal Democratic Party) enjoys the majority in both Chambers, and in public opinion, the Kuril Islands issue is of a much smaller interest today than tensions with China over the Senkaku archipelago.

The Japanese Prime Minister also demonstrated that he was capable of being very pragmatic by accelerating the solving of the “comfort women” issue, a source of ongoing tensions between Japan and South Korea. Furthermore, the resolution of the territorial dispute with Moscow leading to a peace treaty could be part of a series of initiatives to go with Japan’s return on the world stage as a “normal power”, 70 years after the end of World War II.

As of bilateral relations, Abe and Putin remain both favorable to maintain top-level dialogue, and the creation of a National Security Secretariat within the cabinet of the Prime Minister in Tokyo facilitated direct contact between the cabinet and the Kremlin. Despite tensions, Shotaro Yachi, head of the Secretariat, traveled to Moscow where he met with President Putin in 2014 and then in 2015, in spite of the sanctions policy implemented by Tokyo. As a sign of Tokyo’s will to achieve reconciliation, Shinzo Abe appointed Chikahito Harada as Ambassador extraordinary and plenipotentiary in charge of relations between Japan and Russia, and working meetings at the level of foreign ministries are held on a regular basis to prepare cross visits.

11 Under Shinzo Abe’s pressure, an agreement was signed on December 28, 2015 with South Korea.
Despite the difficulties encountered, and with a balanced optimism, Tokyo also believes that Putin remains in favor of a rapprochement with Japan\textsuperscript{14}.

At a more global level, the situation also appears to be favorable due to the evolution of Western positions, to the role played by Russia in Syria, even if the positions of the European Union - and in particular of states like Poland or the Baltic countries - remain very tough against any possible evolution of the Japanese strategy towards Russia. Tokyo regrets in that context a too European-centered vision that, by asking Japan to have a tougher stance towards Russia, does not take into account the reality of the strategic challenges the country faces in Asia\textsuperscript{15}.

\begin{footnotesize}
\begin{itemize}
\item[14] Yoko Hirose, "Japan-Russia Relations toward a Peace Treaty and Beyond", \textit{Japan’s Global Diplomacy View From the Next generation}; Stimson Center, March 2015; Yuri Momai, \textit{art. cit.}
\item[15] Interviews, Tokyo, February 2016.
\end{itemize}
\end{footnotesize}
2. CONVERGENT STRATEGIC INTERESTS

Beyond the economic situation, Tokyo underlines the convergence of strategic interests between Russia and Japan\(^{16}\). Unlike Beijing, which focuses on asymmetrical relations, Tokyo seems less hostile to the return of a powerful Russia that could play a balancing role in Asia against the Chinese power.

Amidst rising tensions with China whose foreign policy raises worries, Russia has become strategically more important for Tokyo, and Moscow is also interested in the possibility to escape a too exclusive relationship with Beijing.

In terms of threat perception, the 2015 *Defence White Paper* puts Russia well behind North Korea and China. Japan took note of the rise of military exercises in the Russia’s Far East, including the Vostok 2014 exercise, which brought together for the first time 155,000 men, 4,000 vehicles, 80 ships and 630 aircrafts in the Far East. However, in Tokyo’s view, this exercise was interpreted as a show of force and as an answer to China’s ambitions. Similarly, in the new directives of the National Defense Program 2013, Russia is mentioned only briefly, unlike China and North Korea\(^{17}\).

Moscow and Tokyo have developed a strategic dialogue, and beyond the bilateral relationship and potential tensions, it includes a set of topics of common interest, ranging from North Korea to Afghanistan, and the fight against terrorism. The issues of ”strategic stability” are also among the topics discussed, and concern both Russia’s preoccupation with regard to the development of missile defense capabilities under American influence in Asia, but also the rise of China and its consequences for the region’s strategic stability. During Sergei Lavrov’s visit in Tokyo in April 2016, global topics of a common Russian-Japanese interests were raised – including North Korea – in spite of divergences between the Kremlin and Tokyo with regards to the effectiveness of the sanctions\(^{18}\).

The establishment of a 2 + 2 dialogue with Russia in 2013, during the visit of Prime Minister Abe in Moscow, had signaled a deepening of the strategic partnership between Moscow and Tokyo. At that time, Japan had established this type of dialogue only with the United States and Australia, its two main security partners in Asia\(^{19}\).

The first exercise, in November 2013, was presented by all Japanese analysts as a clear signal of a will for rapprochement, including on security issues, in Tokyo and in Moscow. Japan also welcomed the support given by Russia to the new security policy phased in by Shinzo Abe\(^{20}\).

During this first exercise, various issues were discussed, including the strengthening of cooperation on cyber security and maritime safety, for which Tokyo is primarily

\(^{16}\) *Idem*.
\(^{18}\) Ayako Mie, “Kishida-Lavrov Lay Groundwork for Abe’s Russia Visit”, *ort. cit.*
interested. Without mentioning China’s naval strategy, the goal is to work more closely with Moscow on security issues in the Asia-Pacific area\(^{21}\). Despite the tensions following the Ukrainian crisis, joint naval exercises (surveillance, search and rescue) took place in 2014 and 2015\(^{22}\).

The *Diplomatic Bluebook 2015*, which covers the year 2014 that saw the strengthening of the Japanese sanctions against Russia, yet again underlined that “due to the rapid evolution of the strategic situation in the Asia-Pacific region, relations with Russia serve the national interest of Japan”\(^{23}\).


3. A COMMON POSITION ON NORTH KOREA

The North Korean nuclear test of January 6, 2016, initially helped consolidate the will for cooperation between Moscow and Tokyo on security issues, although Tokyo then lamented the timidity of Russian commitment to the adoption of new sanctions by the UN Security Council. Vladimir Voronkov, the permanent representative of Russia to the international organizations in Vienna, indeed said in January that the North Korean nuclear test represents for Russia a "national security threat", a tough position that echoed Tokyo's24.

After the fourth North Korean nuclear test, exchanges between Russian and Japanese authorities thus multiplied to develop a coordinated action at the Security Council25. Prime Minister Abe and President Putin had a long conversation on the matter and the vice president of the LDP, Masahiko Komura, went to Moscow where he called for the strengthening of cooperation with Moscow on security in Northeastern Asia26. For his part, Lavrov said that "Japan and Russia both want stability on the Korean peninsula". In Tokyo’s view, Russia’s tougher stance favorably contrasted in comparison with China’s more ambiguous attitude, Beijing being Pyongyang’s main support and first trading partner27.

24 Samuel Ramani, “Russia, Japan and North Korea’s Nuclear Test”, The Diplomat, 25-01-2016
26 Samuel Ramani, “Pyongyang Nuclear test Leads Moscow to Pivot east”, art. cit.
27 During the first 2016 semester, in spite of sanctions, bilateral trade between China and North Korea increased by 12%. “China’s Trade with North Korea Rises 12 % in First Quarter”, Kyodo News, April 13, 2016.
4. THE WEIGHT OF THE CHINA FACTOR

The China factor plays a major role in Tokyo’s will to accelerate the rapprochement with Russia, in a claimed game of power balance. Moreover, Japanese analysts believe that Moscow shares the same concern despite the strategic partnership established between Beijing and Moscow after the Ukrainian crisis. According to these analysts, the Russian-Chinese strategic partnership is a partnership of necessity resulting from the strategy of isolation implemented by the West against Russia, and its very existence demonstrates the counterproductive nature of this strategy, which undermines the fundamental interests of the archipelago²⁸.

Several analyzes published in Japan refer to an article written by Vassily Kashin, *The Sum Total of All Fears: the Chinese Threat Factor in Russian Policy*, published in 2013²⁹. Tokyo also minded China’s progress towards the Arctic and the Okhotsk Sea, as well as investment projects in Central Asia, which can be for Russia a source of concern, as are for Japan the PRC’s ambitions in the East China Sea³⁰. Tokyo noticed here that Russia has never agreed to establish a joint strategy with the PRC on territorial issues.

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²⁸ Interviews, Tokyo, February 2016.
²⁹ Abiru Taisuke, art. cit; “Russia: Japan and Russia Holds First Ever Two plus Two Meeting of Foreign and Defense Minister”, *East Asian Strategic Review 2014*, art. cit.
³⁰ Mizuho Aoki, art. cit; Shinji Hyodo, Hiadenobu Kanda, art. cit.
5. THE UKRAINIAN ISSUE: AN EMBARRASSING QUESTION

Under these conditions, Japan’s position on the Ukrainian question and sanctions is unanimously described as difficult. Tokyo still regrets having been forced to adopt a tougher stance by the US, an ally that does not seem to perceive the importance of the strategic challenges Japan is facing in Northeast Asia. More generally Japan considers that, in both Washington and Europe, the perception of Russia-related issues remains too exclusively determined by the European and transatlantic context.

Japan initially adopted a moderate position and, in 2014, as tensions in Ukraine were at their highest, the 2015 Defence White Paper cautiously mentioned that “Russia asserts its position in response to an increasingly tense situation in Ukraine.” However, while Japan chairs the G7 this year, with the next summit being held in the archipelago in April 2016, Tokyo was not able to dissociate from its partners and found itself in the position, “of making a difficult choice”, according to Japanese analysts.

In the meantime, Japanese experts consider that the Crimean issue belongs to a wider frame, even though Tokyo has pressed for the rule of international law and norms in South China Sea in the context of Chinese claims. In a tense strategic context in Asia, Tokyo is caught in a difficult contradiction between the desire to consolidate a strategic partnership with Moscow, seen as a potentially important player in the regional strategic balance, and the need to avoid anything that might cause a distancing from Washington. In these complex conditions, the Diplomatic Bluebook 2015 emphasized that “the situation in Ukraine has imposed delicate maneuvers”, while Japan wishes to keep up the political dialogue with Russia by maintaining contacts at the highest level.

However, despite these positive factors that play in favor of a strategic rapprochement and despite progress in the normalization of relations between Moscow and Tokyo, many obstacles remain. Although Japan expressed reluctance, the sanctions were put in place and strengthened in 2014, including the suspension of negotiations on simplification of visa regime, the freezing of Russian assets and visa rejection for certain Russian citizens.
6. AN ECONOMIC PARTNERSHIP THAT REMAINS LIMITED

To turn the tide, both Russian and Japanese sides stress the importance of development of economic and trade cooperation. The idea of strengthening economic cooperation as a basis for normalizing relations was expressed on many occasions during the meeting between Prime Minister Abe and President Putin in Antalya in November 2015, and again during the visit of Masahiko Komura in Moscow in January38. However, in this area also the results remain limited despite real complementarities.

On the Japanese side, Russia is viewed as an important alternative energy supplier following the Fukushima nuclear accident which resulted in the closure of all nuclear power plants in Japan, and 8% of the gas consumed in Japan now comes from Russia39.

On the Russian side, Japan is viewed through the potential role it could play in the development of the Far East, defined by Vladimir Putin as a priority during the Eastern Economic Forum in Vladivostok in September 201540. Moscow is particularly concerned by the decrease of the population, from 8 million in 1991 to 6.2 million in 2015. This demographic and economic collapse - which contrasts with the situation in the border provinces of the PRC - also has a strategic dimension, and the Russian interest in Japanese investment is also a result of the will to counterbalance Chinese demographic and economic pressure in the region.

In a move to demonstrate Russia’s interest for a strengthened cooperation with Japan, Japanese media underlined that Putin greeted Masami Iijima, Director of Mitsui, before Chinese vice-Premier Wang Yang at the Vladivostok economic forum in September 201541. In 2014, Japanese investment in Russia amounted to $12 billion and 91% of these investments were concentrated in the Far East, where more than 140 Japanese companies are based42. During the Russo-Japanese economic forum held in May 2015, Sasaki Norio, then deputy president of the employers’ association Keidanren also confirmed the interest of companies in the Russian Far East and the prospects opened by the new special economic zones, Priority development Territories, (PDT), created to promote foreign investment.

In the energy sector, new projects are being set up for the construction of two liquefaction plants in Sakhalin and Vladivostok, which are part of a larger project of “energy bridge” between Sakhalin, Khabarovsk and Hokkaido. Other projects exist in food processing, with the construction of a greenhouse complex, in the medical field, the management of urban environment or energy conservation43.

39 In 2016, only 2 out of 54 nuclear reactors were back into operation.
41 Ibid.
43 Ibid.
However, despite these developments and the belief on the Japanese side that the economic exchanges can be positive vectors for resolving tensions, the prospects remain limited\textsuperscript{44}. For Japanese companies, obstacles remain important, particularly in terms of legal system and business environment, despite the establishment of the intergovernmental committee on economic and trade relations (the first meeting was held in September 2015)\textsuperscript{45}.

The balance of trade remains low and has been impacted by the sanctions adopted by Japan in 2014 and 2015, as well as by falling oil prices. In 2013, before the implementation of the sanctions, the trade amounted to $33.2 billion but Russia was only the fourth trading partner of Japan, with 2.2% of the country’s total trade. Japan was Russia’s eighth largest trading partner, accounting for 3.7% of total trade of the Russian Federation. As a consequence of the sanctions policy set up in 2014, in 2015 trade declined by more than 33% compared to 2013 and reached $22 billion, further reducing the relative weight of Russia in the Japanese economy and accentuating a situation described as abnormal by Tokyo.

\textsuperscript{44} Diplomatic Bluebook 2015, website of the Ministry of Foreign Affairs of Japan.
\textsuperscript{45} Ibid.
7. A PERSISTENT MISTRUST DUE TO INTENSIFIED RUSSIAN MILITARY ACTIVITIES IN THE FAR EAST

Russia as a threat is very far from occupying the place of North Korea and China, and Japan maintains a significant level of military exchanges with Moscow. However, Tokyo is concerned about the increasing activities of the Russian armed forces at the global level and in the Far East\textsuperscript{46}. If the number of Russian air forces based in the Far East has been reduced, Japanese fighter aircrafts took off 470 times in 2014 to intercept Russian air fighters\textsuperscript{47}. At the strategic level, Japanese analysts recall the importance of the Okhotsk Sea and the Kuril Islands for the Russian fleet of strategic nuclear submarines.

Tokyo also considers that military circles in Russia, focused on rivalry with Washington, may be less favorable to the normalization of relations with Japan, mainly seen as a pawn of American power in Asia. Tokyo is also concerned about the strengthening of the strategic partnership between Moscow and Beijing, despite its limitations, and the qualitative rise of Russian arm transfers to China with agreements to supply S 400 air defense systems and Su-35 aircrafts\textsuperscript{48}.

Finally, if Prime Minister Abe and his entourage are in favor of normalizing relations with Russia, the weight of the alliance with the United States, remains primordial and more important than accelerating the process of normalization of relations with Russia. Washington adamantly opposes any rapprochement between Moscow and Tokyo, and exert high pressure on its Japanese ally\textsuperscript{49}.

\begin{footnotesize}
47 Interviews, Tokyo, February 2016.
48 Interviews, Tokyo, February 2016.
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CONCLUSION: THE ISSUE OF THE KURIL ISLANDS, BETWEEN SMALL STEPS AND HARDCENING OF POSITIONS

In this context, a solution for the Kuril Islands will hardly emerge in the short term. The personality of Shinzo Abe, who has demonstrated the ability to impose unpopular decisions on the population, the administration and his own party, is a positive development that could facilitate a significant change. It is the same, as we have seen, for Vladimir Putin’s strong personality. After the Crimean episode, it will not be necessary for Putin to provide signals to the more nationalist vein of the Russian public opinion.

However, despite these favorable factors, many obstacles remain in the way of signing a peace treaty. The main obstacles remain focused on the issue of the Kuril Islands, while the past 60 years were full of steps forward and setbacks.

In 1956, three years after Stalin’s death, a joint statement had ended the state of war - without any signing of a peace treaty - and allowed the restoration of diplomatic relations. Article 9 of the statement mentioned the return to Japan, after the signing of a peace treaty, of the two islands of Habomai and Shikotan, those situated closest to the archipelago\(^{50}\). Today, Tokyo officially continues to claim sovereignty over all four southern Kuril Islands, based on treaties signed by both Russian and Japanese empires in the 19th and early 20th century. However, the declaration of 1956 could be a basis for discussion and a possible compromise leading to a permanent solution for the Kuril Islands and the signing of a peace treaty\(^{51}\). That’s what Shinzo Abe seemed to be saying during his meeting with the Russian President in Turkey in November 2015\(^{52}\).

For Masahiro Akiyama, President of the Tokyo Foundation, the occupation of the “Northern Territories” by Russia is illegal, and a compromise calls for a pragmatic recognition of the effective Russian control over those islands and of the strategic priorities that Japan is facing\(^{53}\). In this context, and despite the sanctions imposed as a result of the Ukrainian crisis, negotiations at the level of deputy foreign ministers resumed in 2015 but failed to bridge the gap between the two parties\(^{54}\).

In fact, according to Tokyo, the “provocations” harm the favorable evolution of the negotiations and Japanese analysts perceived a hardening in Russian positions on territorial issues. The visits of Russian officials in the “Northern Territories” (the latest being that of Prime Minister Medvedev in August 2015), the offers for a joint development of fishing areas around the disputed islands, accompanied by

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51 In 1993, the Tokyo Declaration between Boris Yeltsin and Morihiro Hosokawa acknowledged the 1956 Declaration, and in 2001, the Irkutsk Declaration between Vladimir Putin and Yoshiro Mori called for further negotiations on the basis of the Tokyo Declaration. In Yoko Hirose, art. cit.
52 “Abe Seeks Draw with Putin over Northern Territories”, art. cit.
54 Diplomatic Bluebook 2015, website of the Ministry of Foreign Affairs of Japan.
threats of working with other partners in case of Japan’s refusal, are all elements that complicate the negotiations. This hardening also strengthens the position of the most hostile elements to a compromise, who denounce Russia’s irrationality. More generally, while Japan also faces territorial tensions with China, and South Korea, the fear is to give arguments to Beijing or Seoul by accepting concessions on the issue of the Kuril Islands.

Under these conditions, the bilateral dialogue is difficult and affected by the overall situation, and it proceeds in fits and starts that are not favorable to a quick solution. To reach a compromise, which could include playing on the ambiguity between *de jure* transfer and *de facto* transfer, a strong political will has to be demonstrated by both Tokyo and Moscow among those who believe that the normalization of Japan-Russia relations is of major interest for both parties. This prospect is not impossible, but it is far from certain.

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55 “Russia Asks Japan to Develop Fishing Off Disputed Isles”, *Japan Times*, 27-01-2016.
56 Yuri Momai, “Putin’s Draw not so Even”, *art.cit*. 