Putin's Policy: Russia, Japan, and the Northern Islands

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While much remains unknown about Russian President Vladimir Putin's personality, it is a key element in predicting the direction of Russian policy toward Japan. In any settlement, good timing is essential, and the return to Japan of the Russian-held northern islands is a matter of timing. Some maneuvering may be the best strategy to convince Putin that now is the right time, but an open and straightforward approach is also needed.

The Putin government's policy toward Japan is shaped mainly by Russia's international environment, domestic conditions within Russia, and the personality of President Putin himself. Any assessment of the chances that Russia will soon return the four islands lying east of Hokkaido after half a century of occupation requires a close look at each of those three factors, and so we will begin with a review of Russia's situation in Asia.

International Environment: Alignment with China or Japan?

Not very long ago Japanese analysts pondered the possibility of resolving three of the most intractable issues of the twentieth century by the time the century came to an end: unification of East and West Germany, unification of North and South Korea, and settlement of the northern territorial claims of Japan and Russia. With the end of the Cold War and the dramatic changes it brought to international relations, the first issue was resolved. But the second and third have still not been settled, which is why the view persists that the Cold War lingers on in Asia.

The idea that the former Soviet Union would ever return the four disputed northern islands east of Hokkaido to Japanese sovereignty was almost inconceivable during the Cold War. To begin with, the islands Japan claims, under Russian occupation since 1945, lie on the eastern verge of the Sea of Okhotsk, which was one of the two great Soviet barriers against the West and is still patrolled by nuclear submarines. (The other was the Barents Sea, recently in the international spotlight as the area where the nuclear submarine *Kursk* sank with its crew in the summer of 2000.)

The Sea of Okhotsk was the sanctuary of Soviet submarines equipped with sea-launched ballistic missiles (SLBMs) capable of striking the U.S. mainland (except the Florida peninsula). The controversial northern islands are located at the neck of this strategically important body of water. As far as the Soviet military authorities were concerned, to return the islands to Japan would have been suicidal folly. If the islands were returned, they reasoned, and Japan was an American ally under the Japan-U.S. security treaty, nothing would prevent Japan from setting up radar and other military facilities on the islands in collaboration with the United States. The Soviet submarines stalking the Sea of Okhotsk would become rats in a trap.

As the Cold War wound down, the Sea of Okhotsk lost its significance as a vital fortress

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against the enemy. In fact, Japan and Russia are currently holding talks on cooperation in certain areas of defense. Why, then, does the Russian government still refuse to return the islands? It may be the simple fact that patterns of thinking do not change overnight. The mindset of the Russian leadership is still set in a Cold War mold, if the Kremlin's inept handling of the *Kursk* submarine disaster is any indication. The irony is that the *Kursk*, Russia's newest nuclear submarine designed to attack U.S. aircraft carriers, was put into service in 1995, after the Cold War had ended.

How will the international environment evolve in the foreseeable future? Among the major circumstances that will affect relations between Japan and Russia, the United States will very probably keep its dominant position as the world's sole superpower, while Russia, China, and other nations will resist that unipolar domination. As a consequence Moscow and Beijing will maintain a strategic partnership.

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Above all, the trajectory and rate of China's growth will bear close watching. It is unlikely that the economy can continue growing at the current pace for long. If development slows too much or stagnates for too long, the destabilizing political effects could result in the breakup of the country. Even if rapid growth is sustained indefinitely, the impact on the international community, especially neighboring countries, may not be a positive one. If, for instance, the 1.2 billion people of China were to achieve a standard of living comparable to that enjoyed by the major industrial nations of the West, the result would be depletion of the world's food and fuel energy resources and serious pollution of the global environment.

China's transformation will affect the entire world, but the strongest impact will be on Russia. The two countries share the world's longest land boundary, a distance of some 4,300 kilometers. Furthermore, Russia's population has been decreasing at an alarming rate, especially in the Russian Far East, a cold region dotted with communities built to support workers in armament-related industries developed in the Soviet era. No longer supported by government subsidies, those people are leaving for warmer regions. The population of the Russian Far East, at one point 7.4 million people, is shrinking by more than 70,000 annually. By contrast, the adjacent Northeast China region has a population of 110 million, about 13 times larger. The national border is little more than a formality in this part of the world. Chinese traders ferrying cheap consumer goods on their backs enter Russian territory, legally and illegally. By now the Chinese population in the Russian Far East has reached some 300,000.

Residents of the region and Russian opinion leaders have voiced warnings about the "silent expansion" of Chinese. Arguing that the notion of maintaining a strategic partnership between Moscow and Beijing is shortsighted, they are pushing for an immediate revision of the "marriage of convenience." Some outspoken critics go further to assert that, in Asia and the Pacific, Russian security in the twenty-first century is going to need firm strategic ties with Japan, not China. Their position is that improved relations with Japan are crucial, and if it means returning the northern islands to Japan, that loss is a small price to pay. It is possible that with time the central government in Moscow will be persuaded by this perception of Russia's needs and options and eventually will decide to act on it.

Domestic Environment: Nationalism and Economic Hardship

Among the numerous circumstances in Russia's domestic environment that affect its relations with Japan, I will concentrate here on two, one of which militates against and the other of which may work for the return of the disputed islands to Japan. The negative factor is the upsurge of nationalism in Russia.

Nationalistic sentiment is strong in Russia today, for reasons that are not hard to explain. Few people have suffered injury to their national pride on such a scale and faced such an identity crisis as Russians have during the past decade. The list of calamities is too long to fully enumerate, beginning with the collapse of communist ideology, loss of the Soviet-led Eastern European bloc, political disintegration of the Soviet Union, emergence of unchallenged American dominance in the world, eastern expansion of NATO, NATO air strikes on Yugoslavia, encroachment by the United States and Europe into the Caspian Sea resources development project, and more. Taken together, these developments have been more overwhelming for Russians and inflicted on them more misery and anguish than even Japanese experienced after their country's defeat in the Pacific War.

Nationalism offers one of the easiest routes to overcoming a collective identity crisis. Nationalism explains the fervor with which Russians pursued the second war on Chechnya, for instance. It also helps us understand why Putin, who orchestrated the war despite global criticism, was propelled into the post of Russian president so rapidly.

Nationalism is a natural, irrepressible urge in nations and peoples. To argue otherwise is ingenuous. More relevant is the question whether nationalist sentiment in any given case is open or closed, whether it welcomes support or insists on the insular self-reliance of an established core. Russian nationalism today exhibits the exclusivism of the closed type. It is so strictly oriented toward enhancing the prestige of the state and preservation of territorial unity that it works against the nation's interests. The Russian government's initial rebuff of Norwegian, British, and other foreign offers of assistance at the time of the submarine accident is, among many others, a case in point. This kind of nationalism is clearly not going to work in favor of creating more amicable relationships between Japan and Russia.

On the other hand, the set of circumstances within Russia that might actually help to improve relations between Japan and Russia is the economic plight of the Russian people. Over the last year or two the Russian economy has been showing signs of recovery from the financial crisis of August 1998, but that is largely because the steep rise in the price of crude oil in the international market and a sharp devaluation of the ruble have made imports prohibitively expensive. Those developments have served to inject a little energy into the domestic economy. The problem is that this new vigor is not a result of successful structural reforms and certainly not the fruit of rising competitiveness of Russian industry in international markets. It has come about only by happenstance and cannot be expected to last very long.

People who took advantage of the chaotic situation during the period of transition from a socialist to a market economy made enough easy money to create a class of newly rich, but this recent surge of affluence is estimated to benefit less than 10 percent of the population. The ratio of their income to that of the rest of the citizenry is at least 23.5 to 1, and the gap may be even wider. The average per capita monthly income of Russians is $82. The number of those who are forced to live in poverty below the minimum standard of living ($38 a month) is approximately 51 million, or 35-40 percent of the population. From their point of view, life was better even during the Brezhnev era.

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How are these two domestic factors, nationalism and economic distress, related, and what is their ultimate impact on Russian policy toward Japan? Both are difficult questions, but let us look first at the complex relationship between surging Russian nationalism and economic hardship.

For most Russians today, whether individual or family, it is a struggle just to eat, one day to the next, and this is the matter that most often occupies their minds. Questions of nation and territory are of secondary importance. Yet Russians bear out the adage that we do not live by bread alone. The poor also have pride, and destitution or the fear of it puts people on their guard, making them all the more wary of succumbing to the lure of money alone. They attempt to compensate for their own weakness by identifying the strong state. In other words, where poverty is widespread, people tend to be all the more strongly inclined toward nationalism.

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Consider the example of the war against the Chechens. The fervent popular support for suppression of Chechen nationalism was not inspired by patriotic loyalty to the Russian nation; it was, rather, a timely vent for the discontent of people who perceived that the way out of poverty was blocked in every direction. As the war effort becomes bogged down, however, Russians may turn their main concerns back to their own daily lives. When individual livelihoods are in the balance, popular fervor tends to grow slack, like a receding tide, and then rise again as opposition to the continuation of an expensive, wasteful conflict.

I suspect that among most Russians the same attitude may apply to the northern territories dispute with Japan. They would regard selling the islands for money as out of the question. If asked openly in an opinion poll whether they support the return of the four islands to Japan, few of them could be expected to say "*Da* (Yes)." Suppose, however, their national leaders and parliament decided to fix an unsettled national border with Japan and promote neighborly amity and cooperation with this major economic power. In that case, the Russian people, who tend to be introspective and passive by nature, would relax their opposition. That is exactly what happened in 1998 when Russian president Boris Yeltsin signed an agreement with Ukrainian president Leonid Kuchma, agreeing to cede the Crimean peninsula to Ukraine.

Putin's Leadership

As suggested above, the national leader's role in policymaking is extremely important. The function of the top leader has a different kind of influence on policymaking from the other two major factors, the international and domestic environments. The latter two are objective circumstances, beyond direct reach of the leader's subjective will and individual power. In that sense they are more important determining factors than the national leader. They remain, nevertheless, external factors. The extent to which they are perceived and accounted for in the policymaking process is up to the leader. The leader's relationship to the international and domestic environments is similar to the relationship between a cook and the ingredients of a meal. The ingredients dictate what the cook will create, but whether the food is good or not depends on the skill with which the cook handles the ingredients.

Any conjecture about Putin's Japan policy needs to be based on a firm understanding of his personality, objectives, strategies, tactics, leadership style, and so forth. In these respects, however, the Russian president remains a puzzle. Western countries have developed two opposing images of Putin. One image projects Putin as a young, clear-headed reformist capable of rationally judging what serves the best interests of Russia. He is an able politician brave enough to implement one innovative policy after another. According to the other image, Putin is an ex-KGB patriot who gives the state priority over the people, a nationalist with an old-style Soviet mindset, and an authoritarian obedient to those above while brandishing authority over those below. Skilled at flattery and diplomatic grandstanding, he is also a cold-blooded Machiavellian.

Regarding President Putin's view of and policy toward Japan, two theories that are polar opposites reflect those images. One theory supporting a Putin favorably disposed to Japan proposes that at base he is the Russian leader who said to former prime minister Obuchi Keizo not once but twice, "How could I not love Japan?" He is fully aware of Japan's importance, but he just cannot take the time now to settle matters with Tokyo because numerous other, more urgent issues require his immediate attention. He also has to take into consideration public opinion within his country, which opposes the return of the islands. Japanese must, therefore, give him more time to persuade his countrymen.

According to the other theory, President Putin attaches little importance to Japan or Russo-Japanese relations. If he did, surely he would have visited Tokyo directly, rather than arriving only after trips to China, North Korea, Okinawa, the Russian Far East, and Sakhalin. Why does he not commit himself more firmly to the position taken by his predecessor Boris Yeltsin, that it is necessary to make "utmost efforts to conclude a Russo-Japanese peace treaty by the year 2000"? In this view, Putin probably has no intention of returning the islands. Like Gorbachev and Yeltsin, he wants to secure Japan's economic cooperation and assistance while putting off any settlement of the territorial dispute.

Response by the Mori Government

Prime Minister Mori Yoshiro's approach to Putin was premised on the first theory, at least on the surface. In Mori's view, when the time is right, Putin would resolve the territorial issue and conclude a bilateral peace treaty. Believing Putin will take this decisive step at some point, the Mori administration judged it wise not to exert hasty pressure that might drive him into a corner.

This position helps explain the royal treatment Mori gave Putin during the president's visit to Japan in early September 2000. It is possible, however, that Mori's behavior at that time was intended as a performance devised to demonstrate to Japanese and international observers his hope of being the one to conclude a peace treaty with Russia. In any case, Mori treated Putin with extraordinary care. He went in person and met him at the airport and saw him off when he left. Mori went to the Akasaka Guest House where Putin lodged for the summit meetings and where the banquet given in his honor was held. The emperor and empress hosted a luncheon for the Russian president. Putin also met Japanese business leaders from Keidanren and other economic organizations.

From the Japanese viewpoint, whether or not Mori had any other options than the approach he took was a serious matter. It would have been simple to take the very different stance of negative expectations based on the theory that Putin had no intention of making a settlement with Japan. To do so, however, would have risked ending talks on the northern islands for good. Japan can never afford to take the attitude of deliberately spurning Russia. The northern territories have been occupied by the Soviet Union and, after its collapse, Russia. Russia's de facto control of the islands is a grave violation of international law, and yet it is a reality. Stalin was shrewd, however, in making certain that every Japanese living there before the occupation was relocated. Today not one Japanese resides in the northern islands. Despite these circumstances Japan has doggedly kept up the extremely difficult task of negotiating with the Kremlin to get the islands back. To achieve this seemingly impossible objective, Japanese must exercise their wits and patiently "bear what may seem to be unbearable."

While acting in good faith toward Putin, Mori did not forget to remind him of Japan's limits on the vital questions. For instance, in response to Putin's repeated urging that Japan participate in such projects as the Russian Far East development program, Mori replied that Russo-Japanese economic cooperation should be led by the private sector. To illustrate how bilateral private-sector cooperation does not

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always go smoothly, however, Mori cited the specific case of the Santa Resort Hotel project in Sakhalin, when the Japanese private side had to withdraw because the Russian side had virtually hijacked the project.

The Mori-Putin Plan signed during Putin's September visit in Japan was no more than a ceremonial document meant to save the face of the Russian president. The plan was a mere list of items to work toward, declaring that Japan and Russia "support the expansion of bilateral exchange," "express hope for progress in cooperation," "recognize the importance of endeavoring to . . .," and so forth. It was not a commitment to specific programs. Unlike his two predecessors, Gorbachev and Yeltsin, Putin came to Japan without bringing any significant goodwill present with him, so Mori simply put on lavish welcome-to-Japan ceremonies and sent him off without giving him any diplomatic souvenirs of the visit.

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Strategic Approaches Possible

What are the future prospects of Russo-Japanese relations? Let us consider this question in terms of the three factors of international environment, Russian domestic conditions, and Putin himself. With regard to the international environment, the strategic map of Asia may change drastically in the near future. Depending on China's growth, developments in the Korean peninsula, and relations between Beijing and Taipei and between Seoul and Pyongyang, the regional situation could change so sharply that the Japan-U.S. security treaty will have to be revised. There is a strong possibility that Russia, predicting such major change in Northeast Asia, will make strategic approaches to Japan.

The domestic situation in Russia that President Putin faces is uncertain. Unpredictable accidents, like the *Kursk* disaster (which, regardless of claims to the contrary, was truly an accident resulting from human error), may recur. While it may sound extreme, some alarmist reports predict (like the apocalyptic predictions of Nostradamus that so agitated Japan's doomsayers in 1999) that by the year 2003 roads, bridges, railways, the electric power grid, oil pipelines, housing stock, and the military security system will be all exhausted and increasingly hazardous. (Report by a Russian parliamentary commission headed by Viktor Opekunov, an MP with the pro-government Unity party.)

Such accidents and ominous developments would have an immense impact on Putin's current struggles with the Republic of Chechnya, local governments, newly created oligarchy, and the mass media. Above all he has to give special attention to the changeable tides of attitudes and sentiments among the Russian populace. The wrath wreaked on the Putin administration by families of the crew who died in the *Kursk* submarine was unprecedented in Soviet and Russian history. The struggle between old and new Russia that was brought to the surface by the *Kursk* disaster is likely to grow even more intense. (For details, see *The London Times*, August 23, 2000.)

As for the third factor, Putin himself, I personally do not believe that the president, a nationalist, has the least intention of returning the four islands to Japan. If he does consider the possibility, all he can do strategically is to revive the old argument in favor of returning two of the four islands in an attempt to divide Japanese public opinion. His perspective on the issue would appear to be roughly as follows: For the time being, Japanese sentiment toward Russia will cool. As long as Russia keeps the trump card of the four islands' return in its hand, it will enjoy the advantage. Should it return the four islands, Japanese would be overjoyed and Russia would become the center of public admiration and attention overnight.

This sort of simplistic, Russia-centered prediction, however, is founded on an erroneous premise. Putin may think that the longer the return of the four islands is put off the higher the benefits that can be traded for relinquishing them. This is not necessarily true. Recall a recent case in which the U.S.S.R. waited, and then failed to get a high price for East Germany due to the fall of the Berlin Wall. Everything has its time. If Russia keeps putting off return of the islands too long, it risks letting Japanese sentiment cool too far. That would be an irreparable international loss for the Kremlin.

President Putin is at once a nationalist and a pragmatist. If he realizes that the reversion of the four islands to Japanese sovereignty will not only be of benefit to Russia but will not necessarily endanger his political position, it is possible that he might decide to return the islands. Japan's best strategy is to patiently convince the Russian president that this course will benefit both sides the most. Japan should not try to manipulate Russia into giving the islands back. Its only option is to be open and straightforward in its persuasion.

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