

# AsiaPacific

I S S U E S

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**SUMMARY** In recent years Japan has been embroiled in heated disputes with Russia, South Korea, and China over several small islands to its north and in the Japan<sup>1</sup> and East China Seas. These islands and rocks may hold considerable value as base points for generating claims to Exclusive Economic Zones containing fish, oil, and gas. Yet these disputes are about more than economic resources: the tiny features have become powerful symbols of nationalist pride and politics. This has perpetuated the disputes—at great expense to the countries. The regional spread of democratization has only aggravated the difficulty of making international settlements, as politicians react to constituents' demands not to make territorial concessions and political factions harness the disputes to their own purposes. There is a real danger that the disputes could escalate and trigger conflict. Thus, a modus operandi must be devised to manage them. A first step would be the recognition by country leaders that they and their counterparts in rival claimant countries are constrained by the same domestic pressures.

***Their manipulation by politicians makes the disputes more dangerous than they should be***

### Introduction

Ongoing squabbles between Russia and Japan, South Korea and Japan, and China and Japan over small islands and rocks north of Japan and in the Japan and East China Seas have underlying commonalities.<sup>ii</sup> Nationalist feelings based on historical grievances and the belief that the disputed areas contain significant resources are the fundamental reasons behind these disputes. But they are all currently being fueled and manipulated by nationalist politicians for domestic political purposes. This makes the disputes far more dangerous than they should be. Any solution—or even an approach to a solution—must address this reality.

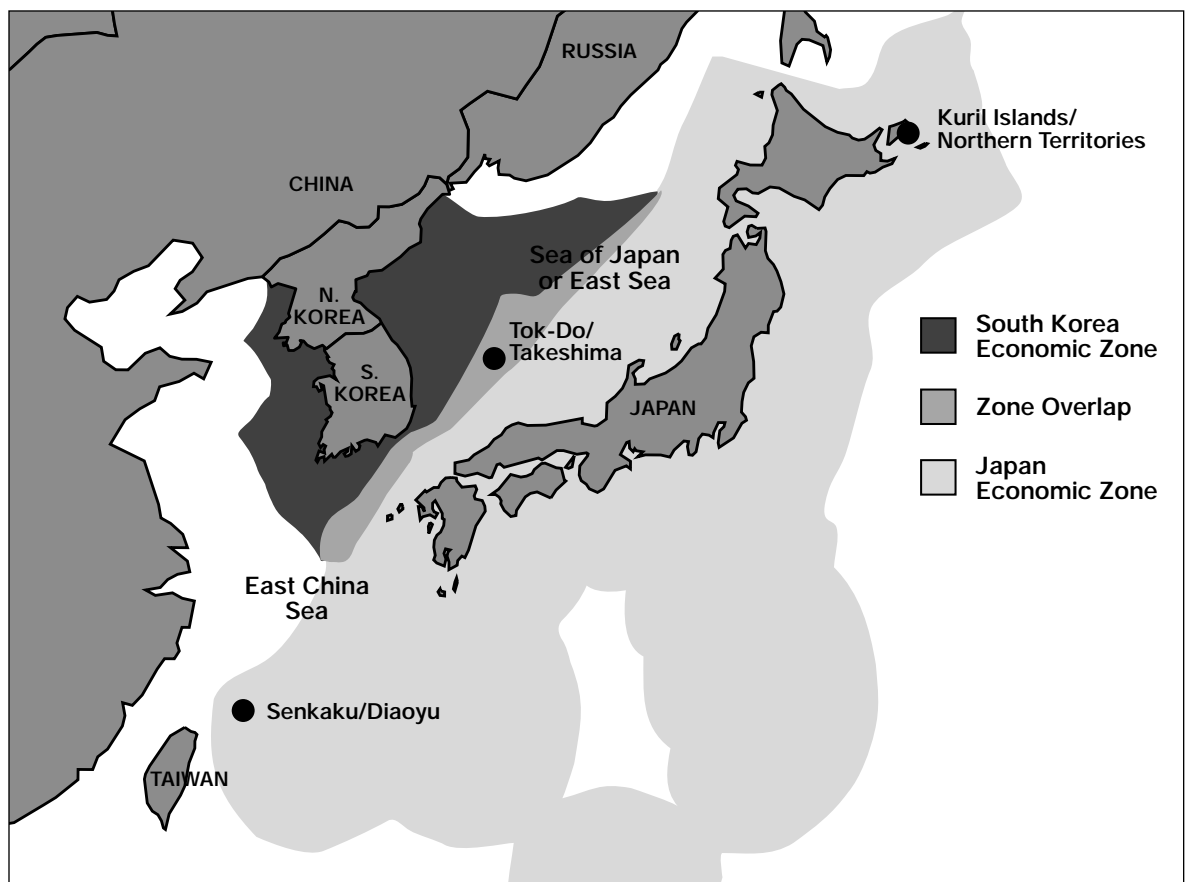
### The Senkaku/Diaoyu Islands Dispute

This dispute over five small uninhabitable rocks in the East China Sea [see map] dates back to the 1970s. More recently, it erupted into the news in June 1996,

when China and Taiwan protested Japan's declaration of a 200-nautical-mile Exclusive Economic Zone (EEZ) around the features. The rocks are currently under Japanese control but China claims "inalienable" sovereignty over them. The eventual owner could claim some 11,700 square nautical miles of maritime space and continental shelf, as well as the resources therein.

The dispute came to a boil in September and October 1996 when a nationalist Japanese group erected a lighthouse on one of the rocks. Vehement anti-Japanese demonstrations subsequently broke out in Hong Kong and Taiwan, and ship-borne protesters eluded Japanese coast guard vessels to plant the flags of China and Taiwan on one of the features.

On 26 May 1997, a flotilla carrying Taiwan and Hong Kong activists attempted to land people on the islands as a challenge to Japan's claim of sole sovereignty over them. This time, however, Japanese coast guard vessels successfully prevented a landing. This provocative public display of Chinese national-



ism was a predictable response to a well-publicized visit to the rocks earlier that month (May 6) by Japanese nationalists led by Shin Nishimura, a member of the opposition New Frontier Party.

The nationalists' landing embarrassed Japan's prime minister, Ryutaro Hashimoto, who was planning to exchange visits with Chinese Premier Li Peng to mark the 25th anniversary of bilateral ties. Japan-China relations had just gotten back on track after having been disrupted by Japan's August 1995 freezing of aid and grants to China due to its having conducted a nuclear test, and the 1996 war of words over the rocks. Although Hashimoto condemned the unauthorized visit, China raised the stakes by warning that "The Daio-Yu matter will definitely affect the normal development of Sino-Japanese relations."<sup>iii</sup> China also demanded that Japan prosecute the Japanese who visited the rocks. Despite this flare up, both governments managed to keep the issue from damaging their relations.

Then, on 5 September 1999, another landing was carried out by three members of the Japan Youth League, a Japanese nationalist group. Although this landing was principally an expression of nationalist sentiment, it was presented as a protest against an increased presence of Chinese survey vessels in the vicinity. In the aftermath of the landing, China again demanded that Japan punish the offenders and take measures to prevent future landings. Both governments feared that this incident would rekindle the domestically sensitive ownership issue in their countries and struggled successfully to contain it.

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#### The Tok-Do/Takeshima Dispute

In 1996, a dispute over two barren rocks ("Tok-Do" in Korean, "Takeshima" in Japanese) occupied by South Korea in the Sea of Japan (East Sea in Korean) raised its ugly head. If used as base points, these rocks could allow claims to about 16,600 square nautical miles of sea and seabed and their associated resources. They have been in dispute since the liberation of Korea from Japanese domination, and have become an ongoing source of tension between the two countries. This time the issue threatened to disrupt already

fragile South Korea-Japan relations and nearly led to the cancellation of a planned summit meeting.

The tension increased when both Japan and South Korea announced in February 1996 that they were extending their respective 200-nautical-mile EEZs to encompass the disputed features. South Korea held military maneuvers around the islands and began constructing a wharf on one of them. Japan's foreign minister demanded that the construction be halted and reiterated Japan's sovereignty claim over the islands. This generated a furious response in South Korea—there were massive protest rallies in major cities, and Japanese flags and effigies of then-Foreign Minister Ikeda and other Japanese politicians were burned. The issue dominated the South Korean national media for days.

The dispute erupted again in 1998 when the two countries failed to agree on a modus operandi for Tok-Do/Takeshima and the surrounding waters, and thus on a maritime boundary, and Japan unilaterally terminated its fisheries agreement with South Korea. South Korea responded by lifting all restrictions on South Korean fishing boats operating in Japan's claimed waters, prompting Japan to begin arresting South Korean boats fishing within its territorial seas. An angry South Korean public staged anti-Japanese demonstrations and politicians called for South Korea to recall its ambassador from Tok-Do/Takeshima. The fisheries dispute was resolved with a new agreement in 1998, but there is lingering resentment in South Korea about the "unfairness" of the agreement and continuing Japanese claims to Tok-Do/Takeshima.

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#### The Kuril Islands/Northern Territories Dispute

A dispute over the Kuril Islands/Northern Territories is the main obstacle to the normalization of relations between Russia and Japan. The territory in question is a group of four islands and some islets at the southern end of the Kuril Island chain, which runs from Sakhalin almost to the northern Japanese territory of Hokkaido. They have a combined land area of some 5,000 square kilometers, and are thus much larger than the features at the center of the other disputes just described. Until 1945, the islands were occupied

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***If one nation were to concede sovereignty the other would doubtless offer a generous share of the resources in the disputed area***

by 17,000 Japanese residents, but they were expelled in that year by occupying Soviet forces.

The Russian claim to the islands is based on decisions made by wartime allies at Cairo, Yalta, and Potsdam, as well as the 1951 Treaty of Peace signed in San Francisco, in which Japan “renounced all right and title to the Kuril Islands.” The Russian view is that Japan had launched a war of aggression and that losing the islands was one of the penalties it had to pay.

The Japanese claim that what they call the “Northern Territories” have always been under Japanese control and point to the Shimoda Treaty (1855) and the Treaty of St. Petersburg (1875) to support their claim that the disputed islands are not territories “taken by violence and greed”—territories Japan was required to return under the terms of the 1943 Cairo Declaration.

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The Influence of Domestic Politics

For years the governments of Russia, Japan, and China tacitly agreed to avoid the difficult sovereignty issues surrounding these islands. But in recent decades nationalists in each country have pushed them onto the domestic political agenda with spill-over into the international political arena. While the importance of the competition over marine and mineral resources in the waters surrounding these contested features cannot be completely discounted, it is not the fundamental barrier to resolving these disputes. Rather, they are primarily about unassuaged historical grievances and the politics of national identity. The primacy of nationalism is clear from the fact that if either side in any of the disputes were prepared to concede sovereignty, there is little doubt that the other would generously grant a share of any resources as compensation.

Paradoxically, democratization in Russia, South Korea, and Taiwan has made these sovereignty disputes more difficult to resolve. Governments unconstrained by domestic constituencies can make deals more easily than those that must heed their concerns. It is no accident that authoritarian China, which can and does control domestic protest, re-

sponded in a more measured way to the Senkaku/Diaoyu incidents in 1996 than did Taiwan. Democratic governments are by definition susceptible to domestic political pressures. This is especially so when vulnerable incumbent administrations are facing elections, as were those of Japan and Korea during the 1996 flareups.

Brezhnev’s authoritarian Soviet government could have settled the Kuril Islands/Northern Territories dispute had it wished to. By contrast, elected President Boris Yeltsin’s far more democratic Russian national government was deeply constrained by nationalist forces that continue to bitterly oppose any territorial concessions. In Japan, numerically small but well-organized and funded rightists make “surrender,” or even concessions on sovereignty claims, politically difficult if not impossible.

Moreover, these sovereignty disputes have been exploited to further domestic political ends that have little to do with the islands in question. In the Senkaku/Diaoyu dispute, for example, Taiwan’s New Party used the fishing disagreements and the construction of the lighthouse by Japanese rightists to attack President Lee Teng-hui for being too “soft” on Japan. The timing of the incident also made it difficult for Japan to be conciliatory—an election was looming, and then-Prime Minister Hashimoto, himself a nationalist who had caused considerable controversy by visiting the Yasukuni war shrine, could not afford to be seen as weak on such a sensitive sovereignty issue.

The February 1996 eruption of the Tok-Do/Takeshima dispute, likewise, took place just weeks before elections in South Korea. Because popular antipathy towards Japan is widespread in Korea, competing political parties and the government seized the opportunity to try to outdo each other in condemning Japan—particularly then-Foreign Minister Ikeda’s “intolerable” reiteration of Japan’s sovereignty claim over the islands. While the popular sentiment was genuine, its exploitation by politicians had little to do with the sovereignty dispute itself.

China, too, has domestic reasons for pursuing these issues. These are perhaps best exemplified by its actions in the dispute over the Spratly Islands in the

South China Sea, where six governments—China, Taiwan, Vietnam, Malaysia, the Philippines, and Brunei—all claim land, sea, and resources, and where all but Brunei maintain a military presence. But China's domestic concerns are certainly implicated in the Senkaku/Diaoyu dispute as well. By its strategy of "creeping assertiveness" Beijing seems to want to demonstrate to its increasingly restless provinces, as well as to the democracy movements in China and Hong Kong and the independence movement in Taiwan, that it is firmly in control of the national destiny. And even China must respond to the increasing pressures of domestic constituencies and public opinion. Indeed, China's occupations of Mischief Reef and other features, and its stubborn refusal to bridge or even negotiate, seem to be an attempt to channel the rising tide of nationalism that is replacing socialism as the preferred societal glue. In this view, the economic reforms pushed by Deng Xiaoping put China's conservatives on the defensive, and they have been using nationalist issues, like sovereignty over the Spratlys and the Senkaku/Diaoyu Islands, to reassert themselves.

Domestic politics have certainly raised the economic cost of these disputes. Perhaps the best example is the economic benefits that Russia has foregone by refusing to concede the sovereignty issue in the Kuril Islands/Northern Territories dispute. Prior to then-Soviet Premier Mikhail Gorbachev's April 1991 visit to Japan, the secretary-general of the Liberal Democratic Party (which controls the government), Ichiro Ozawa, proposed a deal that could have given Russia a \$28-billion aid package in return for the two largest islands and "residual" Japanese sovereignty over the other two.<sup>iv</sup> Gorbachev, concerned not to offend growing nationalist sentiments at home, declined, and nationalists in both Russia and Japan rejected the idea that the "sacred soil" of their nation should be treated like a commodity.

In the 1990s, despite the end of the Cold War, attitudes on the sovereignty dispute hardened in both countries. In Russia, there was intense nationalist pressure on then-President Yeltsin not to give up any Russian territory. Tokyo was angered by the Russian rebuff of the aid-for-islands package and

has never proposed any similar deal. The Japanese were further infuriated when Yeltsin, who knew that he had no political room to make concessions on the islands, canceled his long-awaited visit to Tokyo in 1992. Today, the nationalist right in Russia has sufficient political strength to block any territorial concessions, and a resolution of the dispute is highly unlikely in the foreseeable future.

For Japanese nationalists, the increased presence of the Soviet "enemy" on what they perceived as sovereign Japanese territory just a few miles off Hokkaido was a potent symbol of the "threat from the East." Even the Japanese government used this to build domestic support for increases in defense expenditure and a strengthening of the U.S. alliance, both of which were highly sensitive issues in domestic politics. The islands thus became more politically important because of the high-profile public and diplomatic anti-Soviet campaign waged by the Japanese government. Over a generation, this policy stance became an unquestioned article of faith within the bureaucracy and government.

Today, even in the unlikely event that Japanese politicians and bureaucrats have a change of heart and decide that a compromise on sovereignty is in the national interest, to even suggest it would generate a furious backlash at home. There would be bitter opposition from the influential government-funded Northern Islands Association, and nearly 100 other organizations that seek the return of the islands, including Japanese nationalist organizations whose political influence is disproportionate to their size. Some of these groups may be prepared to use physical intimidation and outright violence to further their ends. In addition, the media tend to fear these groups, and this inhibits rational public discussion of territorial issues.

There is a further complicating factor: in all of these disputes much of the intense opposition to Japan's island claims relates to widespread resentment in Russia, Taiwan, China, Hong Kong, and Korea of what is perceived as Japan's ongoing failure to confront and deal satisfactorily with its militarist past. For example, in the Senkaku/Diaoyu lighthouse episode, the Japanese rightists' action and the

***Russia refused a \$28 billion aid-for-islands offer from Japan rather than treat its 'sacred soil' as a commodity***

Japanese government's refusal to remove the offending lighthouse were viewed as yet another frightening reminder of Japan's failure to come to terms with its militaristic history. This fear and loathing also runs deep in both Koreas. Both Tok-Do/Takeshima and the Senkaku/Diaoyu are perceived to be territories seized from Korea and China during Japan's imperialist period, and the Northern Territories were taken in a war that Japan started and lost. Japan's refusal to concede sovereignty to Korea and China/Taiwan and its campaign to regain what it calls the "Northern Territories," which it lost through its own folly, provide further evidence to its former enemies of Japan's lack of repentance for its past aggressions.

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#### Recommendations

Given that swift and final resolution of these disputes is impossible in the present circumstances, the most pressing immediate task is to find effective mechanisms to manage them and prevent any escalation of incidents. The key problem lies not so much with governments, but with nationalist political constituencies within the polity of each state and the pressures they can bring to bear.

In the short and medium term, it is critically important that the governments involved in these disputes accept that governments of other claimant states are similarly constrained by domestic political considerations. There has been a marked failure to do this in the past. Japan, for example, rejects the "future generations" formula for seeking a solution to the Northern Territories dispute and "demands" a speedy resolution, even though it knows that this is politically impossible for current Russian leaders to accept.

Second, while democratic governments may feel unable or be unwilling to prevent citizens from embarking on legal, but provocative, actions like the 1996 lighthouse erection on the Senkaku/Diaoyu Islands, or the 1999 landing, they should not confer official status on such actions. And, if they disapprove of them, they should have the courage to say so publicly. If this is perceived to be too difficult politically, they should at least ensure that their disap-

proval is communicated to the government of the rival claimant state.

Third, greater emphasis needs to be placed on the role of preventive diplomacy. This is an issue now being taken up by the ASEAN Regional Forum (ARF) and the Council on Security Cooperation in the Asia-Pacific, but so far with little practical impact on policy or events. Although none of the claimant states has indicated any interest in submitting the disputes to formal legal adjudication, it might still be possible, via the good offices of the chairperson of ARF, for an "eminent persons' group" to be created. Such a group should preferably undertake its preventive diplomacy task during a spell of relative calm. The task would not be to seek resolution, but rather to consider ways of managing the dispute non-violently and of preventing or at least controlling escalation should there be more flare-ups in the future.

Preventive diplomacy is a particularly difficult and delicate undertaking in these cases because the immediate catalysts of dispute eruption and escalation are often located within the domestic political arenas of the claimant states and not in interstate relations. It is extremist groups within countries, and not their governments, that usually cause the disruptions. These groups have a vested interest in promoting conflict over the disputed territories, and the last thing that they want is a compromise.

Fourth, if the creation of an eminent persons' group is considered premature, Track II meetings involving scholars, "think tank" analysts, and officials "acting in their private capacity" could be set up to investigate a range of confidence-building measures designed to foster conflict management and to prevent conflict escalation, rather than to seek long-term solutions. The Indonesian-hosted Track II Workshop on Managing Potential Conflict in the South China Sea, which deliberately avoided engaging in discussions on the sovereignty issue, provides a possible precedent. Here, the focus has been on building confidence between claimant states by encouraging maritime cooperation between them in noncontroversial areas such as scientific marine research, biodiversity and environmental protection, fisheries assessment and management, and mineral resource assessment.

***In Track II talks, officials from claimant states take part under the polite fiction that they are acting in their personal capacities***

The focus is on what is currently achievable. Although these are Track II meetings, officials from the claimant states take part under the polite fiction that they are acting as private citizens. The hope is that Track II cooperation will form the eventual basis for formal official cooperation.

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#### Conclusion

The “leave it to future generations” approach is unsatisfactory. It is based on the premise that the political passions of the moment make compromise difficult if not impossible and proposes that sovereignty claims be shelved and left for future generations to solve. The hope is that, in the long term, political relationships will improve sufficiently to permit some sort of mutually acceptable accommodation. Even if that is not possible, the thought is that improvement in relations would at least prevent the territorial disputes from souring relations in other areas, as they do at present. Unfortunately, without a boundary or a modus operandi, self-serving politicians and demagogues in any of the claimant countries can, with little effort, fan the disputes for their own political ends.

Fortunately, there are factors at work that could encourage an amelioration of the disputes, if not their resolution, by an agreed modus operandi. The first is that the very real danger that domestic politics will cause these disputes to escalate is now clear to policymakers. These disputes could (and have) disrupt, sour, or destabilize relations in this volatile region. They serve no country’s long-term interests,

including those of the United States—an ally of both South Korea and Japan that also wants good relations with China. These relationships are simply too important to allow them to be disrupted by these disputes. This realization may be the catalyst necessary for wise leaders to forge at least a temporary solution when the time is right.

While international law will probably not drive the form or substance of an interim solution, there are precedents of agreements between states in similar situations, where jurisdictional questions have been separated from functional issues. For example, one possibility is the enclaving of the features—establishing a narrow band of territorial waters, or a safety zone, around them. The sovereignty dispute could thus be shelved, allowing governments to move forward to jointly develop resources in the overlapping maritime areas. At the very least, the disputants should be able to agree on a code of conduct, particularly regarding naval activities, in the disputed areas. Such arrangements, if successful, can build confidence and defuse a dangerous situation.

Domestic politics is a primary and dangerous factor in these disputes. But domestic politics runs in cycles of intensity. When the cycles in the respective nations reach their next common positive peaks, wise and courageous leaders must seize the opportunity to hammer out a modus operandi with which to manage these disputes. The alternative is continued mutual suspicion, unstable relations, unmanaged resources, and an increasing frequency and intensity of incidents, further fueling nationalist sentiments and actions.

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#### Notes

<sup>1</sup> In Korea this is known as the East Sea.

<sup>2</sup> This article is based on an unpublished manuscript by the author and Andrew Mack.

<sup>3</sup> Charles Hutzler. “China’s Premier orders Japan to relinquish claim to islands,” Associated Press, 10 October 1996.

<sup>4</sup> Urban C. Lehner. “Japan softens on islands-for-aid deal with Soviets as Gorbachev visit nears,” *The Wall Street Journal*, 25 March 1991.

***Increasingly frequent and intense incidents further fuel nationalist sentiments and actions***

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