Russo-Japanese relations remained on track during the past quarter and were highlighted by a brief but significant meeting between Prime Minister Keizo Obuchi and Russian President Boris Yeltsin during the G-8 meeting in Cologne. While both sides appear committed to their previously stated goal of achieving a peace treaty “by the year 2000,” this goal—if reached (and this remains a big if)—is more likely to be a December 31, 2000 New Year’s Eve crash project than a January 1, 2000 New Year’s Day celebration.

The lingering “Northern Territories” territorial dispute over the four southern Kuriles Islands seized by the Soviet Union in the closing days of World War Two remains the primary stumbling block. Japanese participation in the U.S. theater missile defense (TMD) project remains another potential point of contention that might be capitalized upon by Yeltsin’s opponents, further complicating efforts to agree upon a peace treaty to formally end World War Two hostilities.

Mini-Summit Meeting

Although the summit on June 20 between Russian President Boris Yeltsin and Japanese Prime Minister Keizo Obuchi during the G-8 meeting in Cologne lasted a mere 10 minutes, the first direct contact between the two leaders since November 1998 scored some progress—especially for the Japanese.

According to senior Japanese officials, Yeltsin told his counterpart: “Border demarcation was actually my suggestion.” Border demarcation was in fact a Japanese idea, broached most prominently by then-Prime Minister Ryutaro Hashimoto during the April 1998 summit at Kawana and at Krasnoyarsk in November 1997, but never mind. Tokyo is very pleased to have Yeltsin appropriate it as his own.

During the Cologne summit, Obuchi told Yeltsin: “Let’s achieve the historic task of concluding the peace treaty and demarcating the border, based on the Krasnoyarsk agreement.” Senior Foreign Ministry Official Sadaaki Numata said that although the meeting was short, “we do feel that Mr. Yeltsin feels strongly about fundamentally
improving relations, through a resolution of the four islands and the conclusion of the peace treaty.’’

The ructions between Russia and NATO that arose during the Kosovo conflict did not seem to affect Japan-Russia ties, according to Japanese government sources. The inclusion of Russia in the G-8 meeting--thereby providing the opportunity for the direct interaction--contributed greatly to keeping Japan and Russia on track, according to Numata. The importance of such personal contacts cannot be underestimated, especially when viewing a mercurial figure like Boris Yeltsin who often appears to formulate foreign policy as he goes along.

Peace Treaty Prospects

The dispute over the islands of the Southern Kurile chain, known to the Japanese as the Northern Territories, is the key sticking point to a peace treaty which would put an official end to World War Two hostilities between Japan and Russia. Japanese Foreign Ministry officials told me they saw the fleeting talks as a positive signal toward meeting the 2000 deadline for completing the treaty.

Yeltsin-style pyrotechnics aside, Russian policy-makers are not pushing any new policy initiatives to solve the territorial dispute. Vassily Mikheev, an eminent observer of Russian-Japanese ties, said, “Until parliamentary elections in December 1999 and the presidential election in June 2000, Russian-Japanese political relations will be frozen at the status quo level.”

The Japanese, however optimistic they may appear, do not expect a peace treaty to be completed by New Year’s Day 2000 and recognize it could go to the wire -- to the end of 2000. The Japanese are hanging their hats on the camaraderie generated during the brief Cologne meeting.

Russian analysts say that Japanese hopes could be tenuous, given the uncertain post-Yeltsin future, and nationalistic rumbling over military cooperation between Japan and the United States over TMD. “In the coming year, the U.S. and Japanese plan to develop a Theater Missile Defense system can be used by the Russian military and political conservatives for their own purposes not only as a reason to criticize Yeltsin’s pro-American foreign policy but also as an excuse to postpone upgrading of Russian-Japanese relations until better times, “ says Professor Mikheev. Those better times? When a new president and parliament are elected, Mikheev said.

From the Japanese viewpoint the situation is not quite as static. The demarcation issue has proved thorny on the working level, but last November the two sides agreed to form a discrete vice ministerial-led committee to thrash it out. But not much actual progress has been made, with the Russian side in no position to make concessions on such an emotionally fraught issue as ceding territory.
The key is that they are talking about it, and the Japanese have taken a much less all-or-nothing approach, which helps keep the momentum. The Russians want two separate treaties: a peace treaty and a border treaty. The Japanese proposal has been kept under wraps but is widely reported as calling for the border to be drawn between the Northern and Southern Kuriles, with Moscow ceding Habomai, Shikotan, Kunashiri and Etorofu to Tokyo.

Economic Relations

Aside from the demarcation issue, a second committee was formed during the November summit to explore economic development of the four islands. Dealing with a far less contentious area, this committee has reported some concrete progress. The key cooperation area they identified was fisheries, using the existing bilateral fisheries agreement covering the islands to develop aquaculture. The idea is to farm fingerlings until they grow to a certain size and are released into the ocean. The fish will then be harvested once they reach a prescribed size. Gradual progress on other economic and humanitarian contacts is also expected in the coming year.

Chronology of Japan-Russia Relations
April-June 1999

April 1-2, 1999: Russian Deputy Foreign Minister Grigory Karasin visits Tokyo for the second round of subcabinet-level talks to discuss border demarcation and investment in the disputed Northern Territories (Southern Kuriles). (The first meeting was held in Moscow in January.)

April 15, 1999: Former Japanese Prime Minister Ryutaro Hashimoto visits Moscow at the invitation of Russian President Yeltsin. Hashimoto visits in place of Japanese Foreign Minister Komura, who was asked to delay his trip.


June 4, 1999: Consultation on security matters between the Russian and Japanese Foreign Ministries take place in Beijing. The primary topic of discussion is the Revised U.S.-Japan Defense Guidelines.

June 17, 1999: Obuchi and Russian President Yeltsin hold telephone conversation and agree to continue their contact at the G-8 summit in Cologne.

June 20, 1999: A brief summit between President Boris Yeltsin and Prime Minister Keizo Obuchi is held while the two leaders attend the G-8 meeting in Cologne.