What is Japan’s strategic significance to Russia? How do Russians perceive their country’s salience to the U.S.-Japan strategic alliance? How does the China factor figure into the prospects for improved Russo-Japanese relations? Reflecting on the strategic calculations behind the efforts to invigorate ties in the mid-2010s, this chapter concentrates on Russian thinking in light of the U.S.-Japan alliance and the state of Russo-American relations. It sheds light on problems that still bedevil this relationship, setting aside the Kuril Islands territorial issue (apart from its strategic implications).

It is well understood that Japan is not at the forefront of Russian strategic thinking. Tokyo has some bilateral significance for Moscow, but many are prone to view it through a “triangular” lens. Given the salience of Russo-American relations, it is inescapable that Russians perceive Japan through this lens, paying attention to U.S.-Japan relations as they consider Russia’s strategic opportunities with Japan. Another triangular lens views Japan from the perspective of the increasingly important Russo-Chinese relationship. Given China’s strong views of Japan’s regional military activities and Japan’s obvious interest in how these triangles evolve, Russians must be conscious of this framework for viewing relations.

Japan has good reasons for wanting to transform its relationship with Russia. Tokyo has openly expressed serious fears of a military confrontation with Beijing over China’s claims to the Senkaku (Diaoyu) Islands in the East China Sea. And Japan is uncertain how its strategic ally, the United States, would ultimately respond to a major military incident there.

Equally obvious are Russia’s motives. The eastern focus in Russian energy policies changed Russia’s appreciation for Japan as a prospective market for Russian energy resources. Russia requires a long-term and predictable partner because of the acute need for Japanese investment and technologies to provide for a modernization breakthrough in Russia’s Far East. An additional motivation for good relations with Japan was created by the financial crisis in which Russia found herself after the introduction of economic sanctions in 2014 and the unprecedented decline in oil prices in 2015–16. What is also apparent
to Russia is that its relations with Japan must improve if it is to achieve a more balanced economic and political strategy in Asia, in particular in the context of the economic and military rise of China.

Factors Influencing the Putin Administration’s Japan Policy

The activity of Russia in multilateral structures of East Asia has been most noticeable in the sphere of military security (Six-Party Talks, Shanghai Cooperation Organization, Association of Southeast Asian Nations Regional Forum, etc.). Russia has refrained from sending its highest-level officials to the summit meetings of economically-oriented regional organizations, like the East Asia Summit, which Moscow joined in 2011. In 2015, President Vladimir Putin even skipped the Asia-Pacific Economic Cooperation summit. Russia deliberately takes a neutral stance, in spite of diplomatic pressure from China, which tries to persuade Moscow to support it on the Senkaku/Diaoyu problem. On the Korean Peninsula, Russia develops relations with both the North and the South, which enables it to positively interact with both sides. Besides, Russia rejects the bloc-division approach to regional security and pursues the idea of “network diplomacy,” so as not to antagonize other regional actors. Russia does not participate in any military bloc and does not pose (at least on the level of official military doctrine) a threat to Japan, for whom the potential enemy is China or North Korea, not Russia. With this reasoning, Russia can look forward to a geostrategic relationship with Japan, accentuating multilateralism, if Japan can resist a clashing strategy dominated by the United States.

Many in Russia are persuaded that, unlike most countries of Northeast Asia, Russia does not face any problems from the historical past with its neighbors, such as those Japan is confronting with China and Korea. While Russia is not involved in territorial spats (apart from the Kuril Islands issue with Japan, which can be settled by Putin and Abe) and unresolved historical issues in East Asia, it has, more or less, normal relations with all opposing parties in these other Northeast Asia conflicts. In this context, Russia is the least “unpleasant” and “undesirable” partner. Its neutral status is the best trump card it can effectively use in the political bargaining with other parties. Russia’s potential role is (both in Moscow and among other regional actors) as a “go-between” nation. If Japan accepts it in this capacity, this will give a major boost to their bilateral negotiations.

Another important factor in Russia’s strategic thinking lies in the economic sphere. The policy of “turn to the East” prioritizes Japan as one of the key economic partners in Asia. In Moscow’s view, the strongest opportunities for bilateral cooperation with Japan exist in the sectors of energy, infrastructure, agriculture, housing, energy conservation, medicine, and information technology. Given its wealth and size, Japan could continue to be one of Russia’s most important energy markets for years to come, especially in light of the deep structural reforms of its energy sector after the Fukushima disaster. As steps for attracting
Japanese investment, Moscow showcased its presence at the September 2015 Eastern Economic Forum in Vladivostok, introduced in the Far East the system of “territories of advanced development” with unprecedented benefits for foreign residents, and declared Vladivostok a “free port” as of 2016. The late 2015 visit to Japan by Igor Sechin, head of the government-owned, Russian oil company Rosneft, reaffirmed Moscow’s interest in Japan’s investment in Russian oil and gas deposits in East Siberia and the Far East. By responding to these initiatives, Japan would greatly boost the prospects for a breakthrough in ongoing negotiations.

Japan’s Geopolitical Approach and Russia’s Response

Unlike China and even South Korea, Japan joined the sanctions policy and introduced regulations for financing new projects in Russia. Tokyo treats Russia’s action in Crimea as a violation of the postwar status quo and as something harmful to international stability. Chief Cabinet Secretary Yoshihide Suga told reporters, “Russia’s annexation of Crimea is in violation of Ukraine’s sovereignty and territorial integrity. Japan by no means approves of such attempts to change the status quo with force.” Speaking in Belgium on January 20, 2015, Foreign Minister Fumio Kishida told the international community that the situation in Ukraine is comparable to the Kuril problem in that the status quo has been changed by force. Russia was extremely sensitive to this statement. The official commentary from the foreign ministry stated, “It was militarist Japan in cooperation with Nazi Germany that used force to break the status quo which existed prior to World War II and occupied a whole number of countries as it sought to assert its dominance in the world.”

Though disillusioned with Japan’s behavior, Russia still acts on the premise that the Ukrainian issue does not affect Japan’s national interests directly, and it gives special treatment to Japan, separating it from other G7 countries. Moscow does not overly criticize Tokyo in state-controlled media and senior officials’ public statements. Japan’s sanctions are labeled as “limited,” “insignificant,” and “compelled” under severe pressure from Washington. Russia has especially stressed that Japan’s sanctions are milder, less sensitive than those introduced by the European Union.¹

Russia’s unspoken hope towards Japan, based on historical experience, is that Japan has always exercised political expedience and has been reluctant to stick to “democratic principles” in situations affecting its own national interests. For example, in its official development assistance policy, Japan was always the first to lift sanctions against “undemocratic” regimes, if they ran counter to its economic gains. For example, Japan was

¹ For example, in spite of visa restrictions on government officials, Japan readily accepted Sergey Naryshkin, speaker of the Lower House of the Russian Duma, who is included on the black list of G7 countries, as the head of the delegation attending the opening ceremony of the 2015 Japan-Russia cultural exchange in Tokyo.
the first member of the G7 to restore high-level relations with China after the Tiananmen incident of 1989. Moreover, while Japan formally joined Western sanctions against the Soviet Union after Soviet troops invaded Afghanistan, Tokyo continued to intensify trade and investment relations with Moscow, which grew rapidly in the early 1980s. At present, Russia hopes Japan would be pragmatic, as usual, and play the role of a “bridge” in normalizing Russia’s relations with the West, in exchange for certain economic benefits.

In pursuing its policy towards Japan, Moscow also counts on personal relations between the leaders of the two countries. Such relations are especially important, given the personality-oriented nature of the electorate in both countries. Since the beginning of Dmitry Medvedev’s presidency of 2008–2012, Moscow has deliberately played the game of “good cop, bad cop,” using the image of a stern Medvedev as the bad cop and the Japanophile Putin as the good one. When Medvedev was president, political relations fell to an unprecedented low as the parliaments of the two countries openly squabbled about the territorial issue. Seemingly oblivious to Japan’s negative reaction, the central government doubled investment in the Kuril Islands in 2011, while Russian military units located on the South Kurils were equipped with anti-surface and anti-aircraft defense missiles. Since 2009, Mr. Medvedev has thrice visited the South Kuril Islands (his latest visit, in his role as prime minister, was in August 2015).

Since returning to the presidency, Putin has shown himself to be in stark contrast to his predecessor. In 2012, he decided to resume the dialogue with Japan over the peace treaty and even spoke of the possibility of a hikiwake solution to the territorial problem. As he did not go into details, preferring to retain “strategic uncertainty” over the issue, the Japanese side interpreted these words as Russia’s readiness for further concessions. In Japan, observers took special notice of the fact that Putin refrained not only from visiting the Northern Territories but also from radical statements on the territorial issue, as Medvedev had made. The impression of “good” Putin was strengthened during the official visit by Prime Minister Abe to Moscow in April 2013. Although the visit did not lead to any visible progress in settling the problem, it was optimistically covered by the Japanese media as the beginning of a new, positive stage in Russo-Japanese relations, because the leaders agreed to resume the territorial dialogue.

Putin assessed very highly the fact that the Japanese prime minister was the only G7 leader to attend the opening ceremony of the Sochi Olympics of 2014. In 2015, he and Abe continued their personal contacts, regularly speaking on the phone on their birthdays, offering congratulations and exchanging presents, and seizing opportunities to share their personal views on international matters.

2 The Akita dog presented to Putin and the Siberian cat received by Abe were elevated by journalists to a symbolic level.
However, it is true that under Putin’s presidency there has been considerable a military build-up around the Northern Territories, including the reinforcement of Russian troops, wide-scale construction of military objects on the islands, and an increasing number of overflights near Japan’s border. In 2015, to the irritation of the Japanese side, Russia adopted an ambitious ten-year program of economic development on the Kuril Islands and completed, in September 2014, the construction of a new airport on Iturup. These facts show that, after 2012, Moscow demonstrated not two policy options embodied by different political leaders but rather a single “sticks and carrots” policy, seemingly contradictory but coherent enough and evidently aimed at making Japan more compliant. Moscow tries to revitalize relations with Japan by giving Japan vague promises, on the one hand, and “punishing” it for improper behavior (i.e., joining the sanctions policy and following orders from Washington), on the other.

The U.S. Factor

Does Russia matter for the U.S.-Japan strategic relationship? Both the regional and global contexts of the “Russian problem” are important. In East Asia, the U.S.-Japan relationship faces multiple threats that highlight its raison d’être. Among the main reasons frequently mentioned for its existence are the necessity to contain China, given its military and economic rise; the danger from North Korea; the existence of numerous territorial spats and problems of the historical past; and the absence of other mechanisms of international security in East Asia. From this point of view, it is clear that Russia does not matter much. Its status in the economic relations of Asia is still low, and its voice in regional organizations is not loud enough to influence the strategic balance in East Asia. Russian Siberia and the Far East are underdeveloped territories, facing a sharp demand for foreign investment. Fully realizing the weakness of its role in regional trade and economic relations, Russia is involving these territories in the existing economic integration efforts. In the regional geo-economics of East Asia, Russia is more an object of external influence than an independent actor. As far as Russian military activity in the region is concerned, neither the United States nor Japan prioritizes it in the list of dangers, treating Russia mostly as an auxiliary factor for regional strategic balancing. In this context, their main concern with Russia is that it will draw too close to China, whatever the reason—due to economic sanctions, diplomatic isolation, or overlapping interests and identities.

Yet the Russian component of the U.S.-Japan strategic alliance is perceived differently by Washington and Tokyo. As for the United States, one should understand that the global context of the U.S.-Japan partnership is more important than the regional situation in East Asia, in which Russia is treated by Washington as an actor that can be ignored. Therefore, it wants Japan to pursue a policy of global diplomatic isolation of Russia, including sanctions. In light of Russia’s ongoing posturing in Europe and its wider-ranging adversarial stance
against the West, the United States evidently is opposing not only Japan’s rapprochement with Russia, but even the resumption of high-level political contacts between Moscow and Tokyo, viewing them as a method to break the consolidated Western position. U.S. officials voiced their dissatisfaction with Japan’s intention to invite Putin to Japan. On September 22, 2015, State Department spokesman Mark Toner said, “We’ve been very clear in saying that we don’t believe that it’s time for business as usual with Russia given their behavior in eastern Ukraine.” Washington wants Tokyo to take part in “punishing” Russia on the global level, but not crossing a line that would lead to a qualitative leap in Russo-Chinese military ties that could change the strategic balance in Asia.

As for Japan, its approach is two-fold and ambiguous. On the one hand, as a loyal U.S. ally and member of the G7, it is eager to show solidarity with the West and has to refrain from pursuing excessively close political ties with Moscow. Japan is anxious about its Western partners’ reaction to its effort to build a special dialogue with Moscow. Most experts agree that, given U.S.-Russian relations, Russia will still be excluded from the G7 summit in 2016 hosted by Japan. This situation helps us to understand the reason for the anguish of Tokyo policymakers, which results in a half-hearted policy towards Russia. For example, Kishida’s visit to Moscow in preparation for Putin’s visit to Japan was postponed several times and, according to rumors, occurred in September 2015, only due to a personal kick from Abe.

From Russia’s perspective, one can hardly detect any strong impacts that its relations with Tokyo have on the U.S.–Japan strategic partnership. That is, the state of political ties between Tokyo and Moscow has not had any impact on the alliance. When there was a honeymoon in Russo-Japanese relations in the period of friendship between Boris and Ryu (Russian President Yeltsin and Japanese Prime Minister Hashimoto) in the late 1990s, nothing extraordinary happened in U.S.-Japan relations. Regardless of its relations with Japan, Russian policy towards the United States is motivated by other factors, mostly the global context. Japan is traditionally not an independent factor in Moscow’s diplomatic outlook, especially at present when old stereotypes are reactivated. Rather, Japan, in Russian politicians’ eyes, is a subordinate country with no powerful say in world politics. It is true that, unlike during the Soviet period, Russia refrains from openly blaming the U.S.-Japan alliance, at least officially. But this is not because Moscow sees the Japanese security policy as justifiable in view of the military rise of China—many people in Russian decision-making bodies tend to think that the U.S.–Japan security treaty still restrains Japan from becoming a military great power or choosing the nuclear option.

At first glance, Russia looks as if it is trying to split Japan and the United States, but, of course, it is not so naïve as to seriously hope to do so. Russia counts on Japan’s intrinsic pragmatism and its drive towards a broader posture in the region. Therefore, Moscow’s appeal is based on Japan’s own national interests, which do not necessarily coincide with
those of the United States. Russia tries to attract Japan with the potential benefits it could gain through fairer relations with Moscow, both economic gains and Russia’s neutral stance on Japan’s competition with China.

**The China Factor**

There is also a clear understanding that Russia’s diplomatic gridlock with the West has already resulted in Russian military posturing in the Pacific and led to a stronger convergence with Beijing. Some analysts insist that a persistent Japanese “hedging” policy against Russia is fraught with a new bloc-division system in Asia, in which Russia and China would jointly oppose the United States and their allies, including Japan. The scenario of a Russo-Chinese rapprochement in the military sphere is seen in both Washington and Tokyo as a nightmare. Yet this trend should not be overstated. There is a widespread illusion that Russia can form a sort of alliance with China. Though many Western experts position Russia in the “Chinese pole” in the emerging bipolar system, such a conclusion is not based on facts and contradicts historical experience. China has never pursued a policy of military blocs, and Russia has recent negative memories of confrontation with Beijing. Besides, becoming “a younger sister,” contrasting with its recent status as “older brother” in its relations with China, is not very popular, not only among ordinary citizens but also among policymakers.

It is true that Russia is strengthening relations with China, especially in the military and technical spheres. The Chinese market is pivotal, as its share in Russian arms exports is more than 40 percent. In November 2015, Russia and China signed a new, $2 billion contract for the delivery of 24 Russian Sukhoi Su-35 fighter jets. Beijing is eager to get access to Russian military, high-tech products, like anti-aircraft S-400 Triumf missile systems, new generation Armada combat vehicles, and Yasen-class nuclear-powered attack submarines. The other side of the story is that Russia is anxious not to let China resort to unauthorized copying, as happened with its Russian-made Su-27 fighters that were modified into Chinese J-11 fighters.

Against this background, Russian supplies of arms to China are based on the premise that China is neither a potential enemy nor a loyal ally, but a solvent client towards whom Russia does not bear any “moral” reservations. Moscow feels itself free to develop military and technical cooperation with Asian countries, like India or Vietnam, that are treated by Beijing as geopolitical rivals. With India, Russia supports an even higher level of technical

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cooperation than with China. For example, it pursues a joint project with New Delhi for the development of a fifth-generation fighter, while the most recent contract with Beijing involves only the supply of a fourth-generation fighter. To the dissatisfaction of Beijing, Lukoil participates in a joint project with Vietnam for development of an oil field in the South China Sea, which is the object of Beijing’s territorial claims.

There is a clear understanding in Moscow that it cannot rely on China to be a full-fledged diplomatic ally. After all, China has not supported (though not criticized) Russia’s position on the Ukrainian crisis, abstained in the United Nations on the Crimean issue, and refused previously to acknowledge the independence of Abkhazia and South Ossetia. Therefore, Moscow, in its Asian policy, prefers to stay pragmatic and avoid any romantic illusions, although towards China this is less noticeable than towards Asian countries involved in the U.S.-led containment strategy against Beijing. Russia carefully tries to keep a balanced position between China and Japan, which proved effective in the mid-2000s, when Moscow hedged against both partners in selecting the route for its first Siberian oil pipeline.\(^5\) Russia consistently resists China’s offer to strike a deal, in which Beijing acknowledges the Northern Territories as Russia’s, and Moscow takes the Chinese side in the Senkaku/Diaoyu dispute. Russia’s main motive is not to add such sensitive issues to the Russo-Japan list of mutual grievances. Sometimes, however, Russia does prioritize Japan. For example, it supported Japan’s candidacy to join the Arctic Council (as an observer) in 2012, while rejecting the candidacy of China. It is because Russia wants to keep the door open for political dialogue with Japan, anticipating reconciliation in the face of mutual strategic challenges and threats.

The Japanese Perspective

Japan’s Russian policy has a much stronger domestic component than that of any other country in the G7. Tokyo’s persistent revival of the Northern Territories issue reflects the domestic concerns of the Abe administration. This issue is generally perceived by the Japanese public as a problem of national dignity. Several generations of Japanese have been indoctrinated with the idea that the Soviet Union committed an act of aggression against Japan by occupying these territories, so any retreat from the tough “four islands” position is a betrayal of the nation. As far as the generally pragmatic Japanese political elite is concerned, their policymaking towards Russia remains hostage to public sentiment. Under Japan’s electoral system, its politicians are very sensitive to the views of ordinary citizens (which are sometimes shaped by media reports). As Russia is not vital for Japan’s economic interests, it is not politically risky to give it an extra bashing. Thus, the Russian vector of Japanese diplomacy is, to a large extent, driven by nationalistic sentiment.

\(^5\) Finally, the route was chosen to ensure the oil supplies to both countries.
For Abe, the central topic for his future summits with Putin is the issue of the islands. Japan feels itself to be in a much stronger position than before the Crimean affair. In Japan’s eyes, after Russia opened a Pandora’s box by breaking the principle of inviolability of state frontiers, a new window of opportunity has appeared for changing the situation with the Kuril Islands. Many Japanese think that Putin is capable of showing “generosity” and might “return” the Northern Territories to Japan (starting from the premise that, as Putin gained a new, larger territory, losing small islands would not be domestically painful for him). Besides, Tokyo reckons that the growing instability in the Russian economy will make Russia more compliant, and make Putin more willing to sacrifice something for Japan’s tacit approval of the new status of Crimea.

No less important for Japan in its relations with Russia is the China factor. Given the need for leverage with China, Japan tries to keep its ties with Moscow at least normal and refrain from excessive assertiveness over the Northern Territories—officials and chief negotiators are much more reserved in their statements than are “opinion leaders.” Yet Japan has not determined a viable, long-term strategy towards Moscow. The decisions are made on the spot, reacting to the situation in Russo-American relations, the situation around Ukraine and Syria, or the state of the Russian economy. Until now, this wait-and-see approach proved to be not the worst choice for both parties, given the relatively mild level of mutual assaults and the ongoing political contacts—a situation quite different from Russia’s relations with other G7 countries.

**Conclusion**

Japan and Russia are both declining powers with the perspective of being pulled down to the position of secondary players in East Asia. They are both overshadowed by an assertive China. Japan needs balanced and pragmatic relations with Russia to withstand China’s pressure in connection with the Senkaku/Diaoyu problem as well as the growing military build-up of China’s navy, which sets off alarm bells over the problem of security for its “remote islands.” For Tokyo, it is important to have additional guarantees against the threat of a strategic and military bloc between Beijing and Moscow on an anti-Japanese basis. Japan is extremely nervous about Russo-Chinese military and technical cooperation, though its fears are sometimes exaggerated and based on worst-case scenarios.

For Russia, which does not want to fall under excessive economic dependence on China and become its “younger sister,” “fair” relations with Japan, especially investment cooperation, would become a part of a grand “hedging policy” toward China. Moscow uses a “sticks and carrots” approach, continuing a strategy of economic development and military build-up on the South Kurils, on the one hand, and teasing Japan with hopes about a “mutually acceptable” solution to the territorial issue, on the other. This game could last indefinitely, which is to Russia’s benefit, as the publics in both countries would consider
any imaginable solution to be a “betrayal” and mean political suicide for their leaders. Meanwhile, ongoing administrative control over the disputed islands will, sooner or later, give Russia irrefutable arguments to treat this issue as settled.

For Russia, Japan together with the United States counterbalances China, and China counterbalances Japan. In this context, Moscow does not consider security arrangements conducted within the U.S.-Japan security alliance to be a threat, and, moreover, regards them as a balancing factor in the East Asian security paradigm. Both countries face similar security challenges in anticipation of the unpredictable situation on the Korean Peninsula. The test of a “hydrogen bomb” in January 2016, which took place near the Russian border, emphasized the need for coordinated action in the United Nations and other international institutions. Japan wants to demonstrate that it has the capability to influence the regional political agenda; Russia wants to show that it is still a player in East Asia. Together, they can enhance their political positions in Northeast Asia.

But contrary to Japan’s priority, which is mostly in the geopolitical sphere, Russia bases its Japanese policy on economic interests. Russia needs Japan as a market for its hydrocarbons, a source of investment and technology, and a partner in the development of the Arctic region. Besides, Russia hopes that Japan would become a “weak link” in the Western coalition and help Moscow to withstand the consequences of the diplomatic isolation encountered after the Ukrainian crisis. In Russia’s view, closer relations could contribute to a safer international environment in East Asia. Moscow understands that it is not too late to foster relations with Japan, but as in the case of Japan, it has no clear-cut strategy and takes a wait-and-see approach based heavily on its assessment of the global situation.