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ON THE ROCKS:
GORBACHEV AND THE KURILE ISLANDS

A thesis
Presented to the Faculty
of
The Fletcher School of Law and Diplomacy
by
Lisbeth Tarlow Bernstein
In partial fulfillment of the requirements for the
Degree of Doctor of Philosophy

April 1997
ABSTRACT

Between 1985 and 1991, Mikhail Gorbachev made dramatic shifts in Soviet foreign policy in regard to the United States, Western Europe, the Warsaw Pact states, China, and the communist states in the developing world. No comparable adjustment was made in Soviet-Japanese relations, especially with respect to the bilateral dispute over the Kurile Islands. This study seeks to explain why no substantial progress was made between Moscow and Tokyo. Was an opportunity missed? Were the barriers to progress ideological, political, economic, strategic or a combination?

The study seeks to answer these questions through analysis of private notes and meeting summaries not previously shown to Western scholars and interviews with some of Gorbachev's top advisers, including Aleksandr Yakovlev, Georgii Shakhnazarov, and Roald Sagdeev. The analysis uses several methodological approaches: realism and ideological perspectives; organizational and bureaucratic explanations; and learning and related concepts from cybernetics. It also provides an account of the evolution of the Kurile Islands issue to highlight Gorbachev's geopolitical "inheritance."

The study reveals that three conditions had to be satisfied for Gorbachev to embrace and implement successfully a new policy initiative on the Kuriles: (1) "learning," or the absorption of ideas that would produce a different conceptual paradigm about Japan; (2) a "propitious political environment" in which both domestic and international political spheres would be conductive to the adoption of a major policy shift; and (3) a sufficiently compelling "policy imperative."

When these conditions converged in 1990, Gorbachev sanctioned a semi-official "back-channel" negotiation to produce a solution to the territorial issue. Although this solution revolved around a transfer to Moscow of more than $20 billion of Japanese aid, the negotiators were charged with framing the agreement to avoid any suggestion of what it really was--an "islands-for-cash" deal.

When Gorbachev met with Kaifu in April 1991, the summit produced only modest results. The reason for this missed opportunity lay in the collapse of the "propitious political environment." The domestic economic conditions were such that a "policy imperative" had materialized. However, the overall domestic political support Gorbachev needed to sustain such an initiative had crumbled.
ACKNOWLEDGMENTS

I want to thank, first and foremost, the members of my dissertation committee at Fletcher: Professors John C. Perry, Hannes Adomeit, and Robert L. Pfaltzgraff, Jr. My interest in Russian/Soviet-Japanese relations was first sparked in Professor Perry's Japanese diplomatic history course. Over the past years I have continued to be inspired by his vision of the North Pacific region, and to benefit from his tireless efforts to build a program that brings together people and ideas from all corners of that region. In Professor Adomeit, I have a friend and colleague with a profound interest in, knowledge about, and willingness to discuss, at all hours of the day, Russia and the former Soviet Union in general, and the Gorbachev phenomenon in particular. I thank him for all of his help in refining both the style and substance of this dissertation.

Since 1992, I have had the enormous good fortune to work as associate director at the Davis Center for Russian Studies at Harvard University, a haven for students and scholars of Russian and post-Soviet studies. I am especially grateful to its director, Timothy J. Colton, for his patience and flexibility in supporting my effort to complete this dissertation. I thank John Schoeberlein-Engel, executive director of the Central Asia Forum at the Davis Center, from whose intelligence, scholarship, kindness, and generosity of spirit I constantly benefit. I work with a wonderful staff, and I thank them for their support in so many ways.

A special note of thanks goes to Sergei Grigoriev, who, as deputy spokesman for Gorbachev from 1990, was in a unique position to observe the events of the later Gorbachev period which play such a central role in this study. I thank Sergei for sharing his encyclopedic memory for names and facts, his insights into the workings of the Soviet Party and state structures under Gorbachev, and his time.

My cup runneth over with remarkable friendships, too numerous to name, who have cheered me along this path. I will only mention one, Barbara Kates-Garnick, who has shared this experience with me from start to finish.

A native of the Boston area, I am blessed to be surrounded by a large and loving extended family who nourish me literally and figuratively. In particular, my parents, Alma and Merton Tarlow, have empowered and encouraged me to pursue this goal. I owe a special debt of thanks to my husband, Stanley, who has tolerated my intense work habits with enormous patience, amusement, and love. I dedicate this dissertation to my sons, Michael Aaron and Geoffrey Tarlow Bernstein, who make my life so rich. Their support of my preoccupation with Russia augurs well for their own engagement in the world.
TRANSLITERATION OF RUSSIAN TERMS

In the transliteration of Russian terms, the Library of Congress style has been followed here. To enhance readability, however, some modifications have been made. The italics have been dispensed with in political household words such as perestroika. In such words the soft sign—in standard style indicated by an apostrophe—has also been deleted. Hence, the "correct" glasnost' has been rendered simply as glasnost. The Library of Congress transliteration for Boris El'tsin, Evgenii Primakov, et al. was also abandoned for the commonly adopted spelling Boris Yeltsin and Yevgeni Primakov.
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INTRODUCTION

Before the Gorbachev period, analysis of Soviet foreign policy was a particularly challenging task for scholars. Unclassified primary source material was virtually nonexistent, and few Soviet leaders were both knowledgeable about the policy-making process and willing to speak about it to Western scholars. Instead, the academic community had to rely upon and interpret official Soviet government statements, analyze the relationship between stated intentions and capabilities, and decipher "Kremlinological" clues, such as the seating arrangements at functions of officials in charge of certain policy areas. Not surprisingly, scholars had more success in identifying the products of the decision-making process than in understanding that process itself.

The ascendancy of Mikhail Gorbachev in Moscow in 1985 not only began to alter the essence of Soviet positions on a host of domestic and international issues; it also opened, over time, a plethora of new sources on how decisions were made. Slowly, as the Gorbachev era (1985-91) recedes into history, more primary sources will undoubtedly emerge that will further elucidate this startling six-year period. The story on virtually every aspect of the Gorbachev period remains incomplete, however, because Gorbachev himself has yet to write a candid memoir.1 Furthermore most official documents remain unavailable for scrutiny. Nonetheless, many individuals involved in important decision-making roles have now written accounts of their own experiences and/or have been willing to be interviewed. A number of scholars who have scrutinized the available material and have taken advantage of the opportunities to conduct such interviews have, in turn, produced studies that greatly enrich our understanding of what Gorbachev did, as well as how and why he did it.

1 Gorbachev's recently published memoir is far from candid or complete; see Mikhail Gorbachev, Zhizn' i reformy, 2 vols. (Moscow: Novosti, 1995).
This study examines one aspect of Soviet foreign policy that, seemingly, was largely unaffected by the Gorbachev policy revolution: Soviet relations with Japan, with special reference to the dispute over the "Northern Territories" or Kurile Islands. Gorbachev not only profoundly changed Soviet life through his policies of perestroika ("restructuring"), glasnost ("openness"), and demokratizatsia ("democratization"). He also fundamentally altered, through novoe politicheskoe myshlenie ("new political thinking"), Soviet relations with the United States, Western Europe, China, and the socialist countries of Eastern Europe and the Third World. Yet, Soviet-Japanese relations seemed unaffected. Was this indeed the case and, if so, why? Why was there no significant rapprochement between Moscow and Tokyo in the Gorbachev era and why was there no resolution of the territorial issue? Were opportunities missed that could have been seized upon? Were the barriers to progress ideological, political, economic, or strategic, or some combination thereof?

These questions are important because their answer would fill a neglected aspect of our understanding of the Gorbachev era. Answers to these questions also have policy implications for future progress on this outstanding dispute—the last major unresolved diplomatic problem descending from World War II.

The methodological approach taken in this analysis is predicated upon the assumption that no single analysis of the problem has sufficient explanatory power. The theoretical literature on international relations and decision-making has some value when applied to this issue. Chapter One, therefore, examines three different theoretical approaches: first, the realist and neorealist schools, where the main emphasis is on great power relations and the struggle by Moscow for power and influence relative to other major states; second, organizational and bureaucratic explanations, where the principal unit of account is the competition for influence among competing organizations and leaders in Moscow and other capitals; and finally, learning theory and related approaches which focus on individual decision-makers and how they modify their behavior and
policies based on the response they receive from the policies they have implemented. The chapter applies those theoretical avenues that are especially valuable in analyzing Gorbachev’s Japan policy and begins to assess which among them is most powerful as an analytical tool.

Chapter Two provides a detailed historical review of the Kurile Islands, from earliest times to the mid-1980s. This section is offered in the belief that one cannot fully understand what Gorbachev did or did not do concerning this problem without reviewing his "inheritance," namely how the issue evolved over an extended period, and how and why Tokyo and Moscow have differed on the issue. This chapter is not intended to provide an original contribution to the historical literature but instead to present a synthesis of the historical development through relying on secondary sources. As Neustadt and May recommended in their work on the role of historical analogies in analyzing policy options, it is important to understand "What's the story?" before jumping into an assessment of the policy alternatives.2

The three subsequent chapters analyze Gorbachev’s policy toward Japan and the territorial issue within specific time periods. Chapter Three examines policy between March 1985, when Gorbachev became general secretary, and the middle of 1988. Chapter Four covers the period from the middle of 1988, when a top Soviet official publicly acknowledged the existence of the territorial issue for the first time in decades, until the end of 1990, when real progress on this issue was made. Chapter Five analyzes the first four months of 1991, including the Tokyo summit, when the opportunity for progress evaporated. The concluding chapter presents a summary of the approach undertaken and the major findings.

Although Gorbachev undertook and implemented "revolutionary" policies in both the domestic and foreign arenas, he was instinctively a "reformer" who, in the face of

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revolutionary change, became increasingly conservative. On the domestic front, he sought to reinvigorate, but certainly not to abolish, the system. The subsequent demise of communism and the Soviet Union itself was an unintended result of this effort. When it came to foreign policy, he was motivated to undertake so-called "revolutionary" policies when they seemed to further the requirements of domestic reform, and less so by the perceived need to shake up foreign policy per se.

The basic argument of this study is that three conditions had to be satisfied in order for Gorbachev to embrace and implement successfully a radically new policy initiative vis-à-vis the Kurile Islands: (1) "learning," or the absorption of ideas that would result in a different conceptual paradigm concerning Japan; (2) a "propitious political environment," or a climate in both the domestic and international political spheres that would be conducive to the adoption and implementation of a policy shift; and (3) a "policy imperative," a sufficiently compelling reason to pursue an initiative completely contrary to traditional Soviet and Russian interests. Without a convergence of these factors, no radical change in Soviet policy toward the Kurile Islands issue could take place.

This study is based on a variety of primary sources. In addition to official statements and published articles, it relies heavily on interviews with individuals who were directly or indirectly involved in the policy-making process under Gorbachev. Prominent among those interviewed were chief policy advisers Aleksandr Yakovlev, Georgii Shakhnazarov, and Roald Sagdeev, as well as respected Japan experts who played a role in policy-making, including Georgii Kunadze, Konstantin Sarkisov, and Aleksei Zagorsky. Especially helpful in offering his insights was Sergei Grigoriev, who worked in the Central Committee apparat until 1990, when he was brought into the Gorbachev presidential administration as deputy spokesman. Although most official Soviet papers on relations with Japan between 1985 and 1991 are not yet accessible to the scholar, I was able to obtain some critical Politburo materials as well as unpublished
documents drafted by Gorbachev's advisers on the eve of his Tokyo summit. These documents, when weighed carefully and placed in context, provide insight into the decision-making processes in Moscow. Moreover, the conceptual approaches enumerated in the theoretical chapter make it possible to place disparate events and decisions in a coherent framework.

The ultimate story reveals a great deal about the complex environment and limitations faced by Gorbachev in his seeking to take initiative on an important foreign policy issue. It also suggests why progress toward resolving this problem will most likely elude policy-makers in Moscow for years to come.
CHAPTER I

Methodological Approaches

Mikhail Gorbachev, whether by design, incremental opportunism, or both, was a reformer whose goal was to revitalize the Soviet regime. By pursuing the policies of perestroika and glasnost, he advanced a reorganization of the political system and introduced elements of democratization and pluralism into a society that had known neither for seven decades.

In foreign policy, Gorbachev pursued policies equally unprecedented for a nation whose very legitimacy was derived from its adherence to Marxist-Leninist ideology. He pushed détente with the United States to previously unimaginable levels. He agreed to deep cuts in strategic nuclear forces. He made the difficult decision to withdraw the Soviet military presence from Afghanistan. He sought to improve relations with China and to settle outstanding border issues with Beijing. And, perhaps most importantly, he refrained from using force to prop up the communist regimes of Eastern Europe and thereby virtually encouraged the public uprisings against these governments that led to their demise.

The one notable issue on which Gorbachev seemingly made no progress was in Soviet relations with Japan. The Kurile Islands issue was not resolved, even though arguably its resolution could have led to significant Japanese economic assistance for the Soviet Far East—a policy goal fully consistent with Gorbachev's overall strategy. Why was no significant progress made in Soviet-Japanese relations in the Gorbachev era? To answer this question requires a multi-level understanding of decision-making during Gorbachev's tenure in office, drawing on "realist" and "neo-realist" explanations.
Families of Methodological Explanations

Realism, Neo-Realism and Ideology

The modern form of foreign policy analysis can be traced to the immediate post-World War II period and the development of the "realist" school of international relations, which was established by the noted German-born political scientist Hans Morgenthau and later revised by several American scholars, notably Kenneth Waltz of the University of California at Berkeley and Robert Gilpin of Princeton University. The realist school and its subsequent revisions (termed "neo-realist") emphasize the point that international politics remains first and foremost a struggle for power among sovereign states. "Power," according to this school, is a somewhat slippery, multi-faceted concept shaped, among other factors, by the state's military and economic strengths, its geographical and topographical features, the political stability of the regime, the ethnic cohesion of the populace, and the self-confidence of the elite in the goals of the government. This "black box" approach to foreign policy analysis tended to ignore or at least to downplay the vicissitudes of intra-governmental bargaining, the role of personalities, and other domestic policy influences. It took the neo-realists to acknowledge the importance of transnational actors (such as multinational oil companies) and international organizations (such as the Organization of Oil Exporting Countries [OPEC]) in shaping the foreign policies of individual states. Both realists and neo-realists emphasized the rational analysis of costs and benefits in the establishment of policies that furthered national self interests. As Gilpin concluded in the early 1980s:

World politics is still characterized by the struggle of political entities for power, prestige, and wealth in a condition of global anarchy. Nuclear weapons have not made the resort to force irrelevant; economic interdependence does not guarantee that cooperation will triumph over

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1 For the original publication on realism, see Hans Morgenthau, Politics Among Nations (New York: Knopf, 1948). For neorealism, see Kenneth Waltz, Theory of International Politics (Reading, Mass.: Addison-Wesley, 1979), and Robert Gilpin, War and Change in World Politics (New York: Cambridge University Press, 1981).
conflict; a global community of common values and outlook has yet to displace international anarchy. The fundamental problem of international relations in the contemporary world is the problem of peaceful adjustment to the consequences of the uneven growth of power among states, just as it was in the past.²

Students of Soviet foreign policy in the post-World War II period tended to use modified forms of the realist school to explain Soviet behavior abroad. Adam Ulam, arguably the most prominent observer of the subject well into the 1980s, saw Soviet foreign policy as being dominated by the constraints and aspirations of the past that the Bolsheviks inherited and affected only to a lesser degree by the ideological tenets of Marxism. Consequently, Ulam saw many continuities between Soviet foreign policy and the territorial and political ambitions of the tsars. He stressed, however, that the Marxist element of Soviet foreign policy promulgated by Lenin and Stalin introduced three novel elements: first, the "canon of the doctrine: the thought of Marx and Engels"; second, "the historical experience of the Bolsheviks in their struggles with other sections of the Russian socialist and revolutionary movement"; and third, "the lesson of the years of war and revolution, 1914-17, during which many previous tenets and strategies gave way to bold improvisations and new theories which we associate with the term Leninism."³ Ulam posed, more than twenty years ago, a question whose answer would come to haunt Gorbachev: "Can the Soviet state afford prolonged and far-reaching cooperation with the West if one of the results might well be the erosion of Soviet domination of Eastern Europe?"⁴

² Gilpin, War and Change, 230.
⁴ Ibid., 776.
One might use the term "modified realism" to describe the dominant way of thinking about Soviet foreign policy well into the 1980s. Moscow, the main argument then asserts, was pursuing national self interests dominated by traditional conceptions of Russian imperialism coupled with Marxist-Leninist ideology. Those national self interests were shaped by both economic strengths and weaknesses and the salience of military power.

Bureaucratic and Organizational Explanations

In the late 1960s, starting with the major work by Roger Hilsman on foreign policy decision-making in the Kennedy administration, a second methodological explanation gained ascendancy in the scholarly community. Hilsman argued that the essence of foreign policy-making—at least in Washington—was wrapped up in the political struggles for power by agencies within the federal government far more than in rational calculations based on some agreed upon notion of the national interest. Building on this work, Graham Allison wrote the classic *Essence of Decision* that established the "bureaucratic politics model" as an important determinant of foreign policy decision-making. Allison, Morton Halperin, and others, expanded upon earlier writings by Herbert Simon, and stressed the importance of *interagency bargaining* as an essential feature of the policy process. They emphasized two points:

1. Organizations use "bounded rationality" to make decisions. They use simplified assumptions and engage in "satisficing"—accepting the option that is

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5 Even in the 1990s, Hannes Adomeit ascribed an essentially realist conceptual framework to Soviet policy makers, from Stalin to Chernenko. He referred to an "imperial and ideological paradigm" that governed Soviet perceptions and policies from the end of World War II to the late 1970s and early 1980s. This mix of "ideological, geopolitical and military-strategic factors" in their thinking, Adomeit maintained, had provided the main "rationales and rationalizations for [their policies of] global expansion and imperial control." See Hannes Adomeit, "Russia as a 'Great Power' in World Affairs: Images and Reality," *International Affairs* (London) 71, no. 3 (1995): 37.


minimally satisfactory rather than systematically examining all options in order to maximize utility. Organizations, moreover, often become fixated upon operational means and lose sight of ends; the means become the ends. They develop organizational routines, "standard operating procedures," rather than reasoned decision-making, as their modus operandi.

2. Organizations tend to adopt multiple conflicting goals that are selected through complex political bargaining processes. Organizational subunits tend to protect their power, size, autonomy, and organizational "essences." Policy outcomes, consequently, are often resultant forces that partially satisfy the interests of all the constituencies involved but not fully the interests of any one of them.8

In Allison and Halperin's seminal article, "Bureaucratic Politics: A Paradigm and Some Policy Implications,"9 itself a development of Allison's earlier work Essence of Decision, the authors refine Allison's original paradigm of foreign policy decision-making by merging his "bureaucratic politics" and "organizational process" models. Giving nuance to the realist assumption that states are unitary actors with defined and even monolithic interests, the authors recognize that multiple, and often competing, forces play a role in the decision-making process of any nation. In the authors' words, the treatment of foreign policy decision-making as unitary reflects significant analytical weaknesses:

[I]t obscures the persistently neglected fact of bureaucracy: the "maker" of government policy is not one calculating decision-maker, but rather a conglomerate of large organizations and political actors who differ

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substantially about what their government should do on any particular issue and who compete in attempting to affect both governmental decisions and the actions of their government.\textsuperscript{10}

In their analysis, it is the presence of institutionalized and pre-existing "action channels" that influence the ways in which the preferences of individual actors shape foreign policy-outcomes.\textsuperscript{11}

Drawing on many aspects of traditional game theory, Allison and Halperin's paradigm integrates a multi-faceted understanding of decision-making with a recognition that the internal processes (or "organizational processes" in the paradigm's original formulation) of any body proceed according to fixed rules, and are shaped but not determined by the interests of any given player or set of players in the process. In this revised model, Allison and Halperin treat organizations as bureaucracies, implying a certain level of independence on the part of even minor players, and identifying channels of decision-making that flow bi-directionally.

Although in the 1970s and later it became fashionable to analyze U.S. foreign policy and the policies of other governments through the "lens" of bureaucratic politics, most Soviet specialists shied away from this approach on the grounds that the Soviet state was far more centralized than the American, and there was thus a paucity of information about exactly how decisions were made. For this reason, Soviet specialists tended to look more at results rather than at the processes by which decisions were reached. By the latter part of the Brezhnev period, however, it became increasingly clear to Western Sovietologists that at least some elements of bureaucratic politics were probably at work in Moscow, as well. In a publication that appeared at the end of the Brezhnev era, a number of prominent Sovietologists addressed the "domestic context of Soviet foreign

\textsuperscript{10} Ibid., 42.

\textsuperscript{11} Ibid., 45.
Ulam, William Griffiths, and Hannes Adomeit analyzed the importance of culture and ideology. Timothy Colton, Jeremy Azrael, and Walter Connor addressed political and societal considerations. Herbert Levine, among others, discussed economic determinants, and Andrzej Korbonski and Paul Marer discussed East European determinants of Soviet foreign policy.

Of special relevance to the current discussion is an essay by Alexander Dallin that presaged those characteristics of decision-making that were particularly prominent under Gorbachev. Dallin noted several tendencies that had developed in the post-Stalin era:

1. Once the mobilization mentality and the political terror associated with Stalin had abated, it was only natural that diverse priorities and demands should be voiced. The leadership thus faced a range of opinions reflecting different preferences and values, but lacked any mechanism to adjudicate such divergences.

2. Soviet society experienced the gradual but inescapable process of functional differentiation.

3. The more highly modernized [Soviet] society [became the more heavily it relied] on "experts," who tend to press for better and more information. At least some experts, by securing access to policymakers, gain the ability to introduce new notes into the policy dialogue that often clash with the refrains of ideologues and timid bureaucrats.

4. The vastly enhanced possibility, in the post-Stalin years, of losing on policy issues without losing one's job (let alone one's head) is likely to promote greater candor in expressing divergent views with the Soviet establishment. Thus candor, competence, and communications seem to have combined to substantially improve the type and quality of information available to a large number of high Soviet officials and specialists.

5. The termination of the mandatory priorities in economic allocation and development characteristic of the Stalin era has meant that available assets have permitted decision makers a wider range of choices, have imposed fewer constraints on them, and have more readily permitted satisfying all perceived constituencies to some significant extent.


13 See Alexander Dallin, "The Domestic Sources of Soviet Foreign Policy," in Bialer, ed., The Domestic Context, 335-408.
6. A wider range of choices also becomes permissible due to the greater uncertainty within the Soviet elite about the validity of developments with manifestly disorienting implications for the faithful believers in the existence of a single Communist truth.14

Dallin concluded that there was a "growing complexity" to Soviet foreign policy-making in technical, administrative, and intellectual terms and that, as a consequence, there was also a "growing awareness by Soviet foreign policy-makers of the domestic arena in which they function."15

In sum, as the Soviet Union moved into the 1980s, thirty years after the reign of Stalin, it was inevitable, according to Dallin, that a diversity of viewpoints and therefore competition should develop within the Soviet foreign policy-making process. As more became known about the roles of individual actors and institutions, the bureaucratic and organizational decision-making models would take on greater explanatory power.

Learning and Concepts from Cybernetics

A third category of methodological explanations useful in understanding the Gorbachev period relates to concepts from psychology and communications theory that were first adapted by Karl Deutsch in the 1950s to explain governmental decisions. Deutsch, in his major work entitled The Nerves of Government, addressed the concept of "cybernetics—the systematic study of communication and control in organizations."16 Deutsch made his basic point at the beginning of the volume:

Men have long and often concerned themselves with the power of governments, much as some observers try to assess the muscle power of a horse or an athlete. Others have described the laws and institutions of states, much as anatomists describe the skeleton or organs of a body. This book concerns itself less with the bones or muscles of the body politic than with its nerves—its channels of communication and decision . . . . It might

14 Ibid., 349-50.
15 Ibid., 351.
be profitable to look upon government somewhat less as a problem of power and somewhat more as a problem of steering; and it tries to show that steering is decisively a matter of communication.17

Deutsch reviewed some of the basic concepts of cybernetics, a few of which are relevant for the discussion that follows:

Feedback, Servomechanism—a communications network that produces action in response to an input of information and includes the results of its own action in the new information by which it modifies its subsequent behavior.

Lag—the time that elapses between the moment negative feedback is received and corrective action is taken.

Simple learning—goal-seeking behavior (e.g., homing torpedo) that adjusts responses to react to a fixed goal.

Complex learning—self-modifying or goal-changing feedback.18

Insight into Gorbachev's behavior can in part be gained by examining some of his own words in the context of these cybernetic concepts. Consider language from his principal manifesto, Perestroika, written when he was rapidly developing and already implementing some of his major policy initiatives:

At some stage—this being particularly clear in the latter half of the seventies—something happened that was at first sight inexplicable. The country began to lose momentum. Economic failures became more frequent. . . . A kind of "braking mechanism" affecting social and economic development formed. . . . A gradual erosion of the ideological and moral values of our people began.19

An unbiased and honest approach led us to the only logical conclusion that the country was verging on a crisis. . . . This conclusion was announced at the April 1985 Plenary Meeting of the Central Committee, which inaugurated the new strategy of perestroika and formulated its basic principles."20

18 Ibid., 88, 90, 92.
20 Ibid., 10.
By late 1986, Gorbachev had received negative feedback about the state of the Soviet economy, and was forced to make major policy adjustments. On glasnost, Gorbachev noted:

We want more openness about public affairs in every sphere of life. People should know what is good, what is bad too, in order to multiply the good and combat the bad . . . . The current democratization process is reflected not only in publications, it is increasingly influencing the activities of the mass media.21

Gorbachev’s opening of the public debate inevitably fueled greater pluralism in the policy debate as well:

We need lasting peace in order to concentrate on the development of our society and to cope with the tasks of improving the life of the Soviet people . . . . Our Western partners must realize that our international society of building a nuclear-weapon-free and non-violent world and asserting civilized standards in interstate relations is equally fundamental and equally trustworthy in its underlying principles . . . . It is possible to suppress, compel, bribe, break or blast, but only for a certain period. From the point of view of long-term, big-time politics, no one will be able to subordinate others. That is why only one thing—relations of equality—remains.22

By 1987, therefore, it appeared that Gorbachev was pursuing a détente policy with the West in order to gain breathing space to revive the Soviet economy and to reinvigorate Soviet society. Adomeit has observed that this effort was a response to a fundamental crisis, which was caused by the failure of the governing ideology and of Soviet military power, the two pillars of Soviet policy. In the case of military power, Adomeit notes that by the early 1980s, Moscow had experienced "failures . . . more or less simultaneously in . . . policies toward the United States, Western Europe, Central and Eastern Europe, Japan, China, and the Third World."23 Concerning the first pillar, it was

21 Ibid., 61, 63.

22 Ibid., 118.

becoming clear that "each and every one of the major cognitive and predictive elements of Marxist-Leninist ideology" was erroneous.\textsuperscript{24}

Later, in \textit{Perestroika}, Gorbachev commented both on how he came to think differently than his predecessors about foreign policy issues, and specifically on the role of Europe and Asia in world affairs. Consider the following passages:

\textit{Life teaches people to think in a new way. We ourselves have gradually come to it, meeting it stage by stage, reworking our customary views on problems of war and peace, on relationships between the two systems . . . . Dialogue is the first thing I must mention in this context . . . . Once we have embraced the principle of new thinking, we make dialogue a basic instrument to test them out in international practice. Moreover, by means of dialogue we check how realistic our ideas, initiatives and international activities are.}\textsuperscript{25}

As for the Asia-Pacific region, Gorbachev thought that this was now the place where civilization is stepping up its pace. Our economy in its development is moving to Siberia and the Far East . . . . The Soviet Union is an Asian, as well as European, country . . . . due account [should be] taken of the interests of all the states and of a linkage between them.\textsuperscript{26}

Gorbachev cited his 1986 Vladivostok speech (to which we shall return in Chapter Three), and noted his desire to create a barrier against the spread of nuclear weapons in Asia and the Pacific, to reduce Pacific Ocean naval activities and armed forces and armaments in Asia, as well as to promote confidence-building measures and the non-use of force in the region. Gorbachev could not have been more clear in his overall goal: "We want peaceful competition between different social systems to develop unimpeded."\textsuperscript{27}

In sum, we can state with confidence that Gorbachev "steered" Soviet policy toward more openness at home and more accommodation abroad in response to a

\textsuperscript{24} Ibid., 7-8. These elements included emphasis on the scientific approach to international relations, a belief in the inevitable class struggle between socialism and capitalism, and the judgment that the correlation of forces was in favor of socialism.

\textsuperscript{25} Gorbachev, \textit{Perestroika}, 130.

\textsuperscript{26} Ibid., 166-71.

\textsuperscript{27} Ibid., 240.
diagnosis of the fundamental economic weakness of the system he inherited. In the policy-making process that he established, experts and specialists had far greater access than previously to a wider group of policy-makers, thereby making the Allison and Deutsch models more relevant in explaining Gorbachev's foreign policies than the policies of his predecessors.

**Explaining Gorbachev's Foreign Policy: Using Concepts of Learning Theory and Bureaucratic Politics**

One should stress, however, that this "new thinking" was less a part of a master plan and more a product of *ad hoc* decision-making, and, indeed, part of a learning process. Adomeit observes, "Moscow often improvised and reacted to unplanned and unforeseen events." As Gorbachev's close adviser Aleksandr Yakovlev later admitted, "At the beginning, we had little idea where events would take us."

Indeed, as the Gorbachev regime came to an end in 1991, Western specialists on Soviet foreign policy began to consider the value of "learning theory" and related concepts in explaining what had happened and why. A number of analyses have been produced in the last several years that tend to reinforce and elaborate upon the basic conclusion provided above. One of the most important researchers on the issue of learning in foreign policy has been George Breslauer, who, with Philip Tetlock, produced

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28 Adomeit, "Russia as a 'Great Power,'" 5.

29 Aleksandr Yakovlev, lecture at Harvard University, 7 November 1991.

a collection of studies by various authors on learning in historical and political contexts. In this volume, Breslauer and Tetlock establish a theoretical paradigm for learning upon which many other authors have based their specific case studies. Tetlock lays out five general approaches to the issue of learning in foreign policy-formation. The first, or "neo-realist approach," involves the adjustments in policy on the part of states to pressures in the international arena. The second, or "belief system approach," involves changes in the cognitive content of a state's image of the international arena. The third, or "cognitive structural approach," involves changes in the cognitive framework within which states analyze international political issues. The "organizational and political cultural approach" (analytically similar to Allison's bureaucratic politics model, discussed above), by contrast, involves changes in the institutional procedures by which states make foreign policy. The final model of learning identified by Tetlock is the "efficiency conception," similar to the neo-realist model, which places an emphasis upon increased efficiency through trial and error in the foreign policy-formation process. These five approaches roughly reflect the parameters of the study of political and institutional learning, although many scholars, of course, have synthesized their own approaches out of some combination of these models.

The analytical use of learning paradigms is particularly useful, it seems, in political contexts marked by rapid change, a reformist impetus, and a hierarchy sufficiently open both to allow new ideas to reach the top echelons of policy-makers and to create an environment in which the leadership is inclined to implement such changes. However, in order for learning to occur systematically and perceptibly, a political leadership must also be sufficiently centralized for an institutional memory to be maintained. Although this needed combination of flexibility and centralization did not obtain in the Soviet Union prior to the 1980s, the advent of Gorbachev gradually created

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an environment ideal for learning to play a large role, both domestically and internationally. Because of the unique characteristics of the Soviet Union and the complexity of the reform process initiated by Gorbachev, any one of Tetlock’s models could be applied to it. However, some combination of the "belief system approach" and the "cognitive structural approach" probably best captures the essence of the process of Gorbachevian learning, by means of which reform originated in a small collection of individuals and then diffused throughout various levels of the system. As Breslauer notes in an essay written when Gorbachev was still in power:

Gorbachev has been able to legitimize the far-reaching changes in thought he advocates and the highly conciliatory postures he has struck on specific issues because he can persuasively argue that alternatives based on expansionism and tough negotiating terms have demonstrated both their unaffordability and their unworkability.32

Because of the high degree of centralization remaining in the Soviet system in the 1980s and the relatively narrow base from which the reform process emerged, the Soviet system as a whole learned essentially through the lens of its general secretary. Gorbachev, the central originator of the changes in how Soviet foreign policy was formulated, thus acted as both impetus and catalyst, through both individual and institutional learning, of the increasingly open process by which the Soviet Union formulated its foreign policy. For these reasons, the analytical framework of learning is particularly appropriate to the Soviet case in the 1980s.

Legvold has noted in this regard that "Gorbachev began in 1985 with a few notable but scattered notions . . . [but] with each subsequent foreign policy speech, more ideas were added and earlier ideas elaborated, so that by the time of his address to the international forum in March 1987 they had begun to form a web."33 In confronting the question of why learning occurred in Soviet foreign policy, Legvold pointed to three

32 Breslauer, "What Have We Learned About Learning?," ibid., 841.

major features of the Gorbachev period: his domestic predicament, his unique leadership skills, and the impact of failure of his policies.34

These points were examined in greater depth by Celeste Wallander. She noted, first, that there are four distinct conceptions of "learning": as a rational response to the constraints of the international system; change in the beliefs of national leaders; change in the complexity of an individual belief system; and increased efficiency in the matching of policy means and ends."35 Wallander emphasized that "the disappearance of terror and the appearance of new political . . . institutions . . . contained the potential for groups to compete over policy."36 She further noted that "when Gorbachev and his supporters endorsed new ideas, they sought to undermine the authority and relevance of those who opposed the changes."37 She also pointed out that greater pluralism in policy-making would inevitably lead to an intensification of bureaucratic rivalries. In large part, however, she emphasized the economic determinism behind Gorbachev's motives:

[Changes in policy in] Eastern Europe, Africa, Nicaragua and Cuba all were due to the intensified economic crisis and the changed priorities it caused . . . . Only as domestic economic conditions reached crisis proportions and less radical policies did not alleviate the social, political and economic threat to Gorbachev's leadership [did] the political battle to reduce military and security commitments become central and sharper."38

Legvold and Wallander did not, however, discuss the institutions and personalities that helped shape Gorbachev's policies and priorities. Jeffrey Checkel, on the other hand, focused largely on such institutions. He noted that:

A changing external environment and the advent of a reformist general secretary created a series of policy windows through which aspiring policy entrepreneurs jumped. These purveyors of new concepts and ideologies--individual academic specialists and a number of research institutes--acted

34 Ibid., 707.
36 Ibid., 520.
37 Ibid., 529.
38 Ibid., 530, 536.
within institutional and political settings and at different times either constrained or enhanced their ability to influence policy.\textsuperscript{39}

Over time the willingness of the political leadership to consider new ideas led to the revision of assumptions and the reduction of the predominant "class struggle" approach to foreign policy analysis.\textsuperscript{40}

Checkel pointed out that the Institute of World Economy and International Relations (\textit{Institut mirovoi ekonomii i mezhdunarodnykh otnoshenii}, or IMEMO) had staffers who held a "complex, empirical and essentially non-class vision of world politics."\textsuperscript{41} Aleksandr Yakovlev, who was later to become Gorbachev's chief intellectual lieutenant, emerged as an effective policy entrepreneur as head of IMEMO in 1983-85, exploiting an emerging policy window to influence the views of Gorbachev, to whom he had direct access. Yakovlev was open to a range of new ideas and approaches on foreign policy provided that such approaches proceeded from the realities of the contemporary international system. For Yakovlev, this meant an emphasis on global interdependence. And Yakovlev and IMEMO were not alone. Andrei Kokoshin and his colleagues at the Institute for the Study of USA and Canada (\textit{Institut SShA i Kanady}, or ISKAN) were, throughout the latter half of the 1980s, knowledgeable and influential participants in the Soviet security debate. Under the directorship of Georgii Arbatov, the Institute had made contact with "a transnational episystemic arms control community during the 1970s and early 1980s," which greatly influenced its thinking.\textsuperscript{42} These researchers and quasi-governmental think-tanks were important in shaping Soviet policy toward Europe and the United States.

\textsuperscript{39} Checkel, "Ideas, Institutions, and the Gorbachev Foreign Policy Revolution," 273.

\textsuperscript{40} Ibid., 279-81.

\textsuperscript{41} Ibid., 282-4.

\textsuperscript{42} Ibid., 239, 249, 298.
In the late 1980s, IMEMO and its then director Yevgeni Primakov began to play an influential role in Soviet policy toward Japan. Having carved out Japan policy as an area in which to make his mark, Primakov built up a department of Japan studies filled with young, talented, energetic scholars of Japan, and used his network and access to Gorbachev and his advisers to push initiatives directly onto Gorbachev's agenda.

Sarah Mendelson and Charles Ziegler provided added definitional clarity to the processes that we are seeking to understand. Mendelson argued:

Learning is considered complex if reaction occurs at a basic level of an individual's belief system . . . . Gorbachev needed and cultivated the support of the specialized network because it helped him legitimize and publicize the multitude of economic and social pressures bearing down on the Soviet Union. At the same time that many of the ideas that Gorbachev endorsed and promoted in the late 1980s, including specific ideas regarding Soviet-Third World relations and changes in foreign policy, originated with the specialist advisers years before the ideas became policy.43

Mendelson pointed out three analytical categories for seeing how the process works: (1) the type of access which an "epistemic community" has to the political leadership; 44 (2) the degree to which an idea proposed by the community is salient to the leadership; and (3) the ability of the leadership to control political resources in order to place controversial ideas on the policy agenda and to empower the community to adapt them. 45 As we shall observe, the importance of policy analysts was central to the Gorbachev revolution generally and to the progress of movement on Japan in particular.

Ziegler moved somewhat further than other scholars in defining this learning process. He suggested that

adaptation may be defined as a process of utilizing new knowledge for adjustments within existing structures, to achieve a closer approximation

43 Mendelson, "Internal Battles and External Wars," 332, 339.

44 Defined by Mendelson as "a group of experts in different fields who share common understandings and beliefs about certain issues as well as some idea of how best to implement their beliefs;" ibid., 329, fn. 7.

to regime goals. Adaptation does not challenge the dominant motivating ideology, basic system values, decision-making structures, or central goals of an organization. Adaptive behavior seeks to preserve the existing order.46

It is clear that Gorbachev began his tenure as general secretary engaged in such adaptive behavior.

Ziegler differentiated "learning" from adaptive behavior. He noted that learning is dependent on quantitatively and qualitatively higher levels of new knowledge. Learning in institutions involves a process of building consensus through new knowledge, on the inadequacy of current problem solving strategies, and on the need for fundamental changes to realign methods with goals . . . . [Through this process] an agreement [develops] among a significant number of elite that fundamental change is warranted.47

Ziegler concluded that "the Gorbachev leadership pursued an adaptive strategy during the period 1985-87. By 1987-88, however, the contradictions of piecemeal reform had become increasingly apparent. . . . The period from 1987 to 1989 . . . was the decisive phase, with genuine learning evident in Soviet foreign and domestic policy."48

Janice Gross Stein placed this process in overall perspective when she defined Gorbachev as someone who was open to new ideas as a "motivated learner" and asserted that he was not initially committed to revolutionary change but learned by doing, engaging in behavior modification as negative feedback was received. She argued that "through inductive trial-and-error learning stimulated by failure, Gorbachev developed a new representation of the 'ill-structured' Soviet security problem."49 She also pointed out that behavior modification based on negative feedback is no simple, easy process and that:

46 Ziegler, Foreign Policy and East Asia, 12-3.
47 Ibid.
48 Ibid., 18.
49 Stein, "Political Learning by Doing," 156.
The evidence suggests that feedback was not obvious, that it was open to radically different interpretations, and that its meaning was construed very differently by Soviet leaders within a short period of time.\textsuperscript{50}

Gorbachev, together with Yakovlev and Foreign Minister Eduard Shevardnadze, have been termed the "three who made a revolution."\textsuperscript{51} Shevardnadze later wrote that during the early 1980s Gorbachev knew the kind of foreign policy that he did not want but had few clear ideas about what he did want.\textsuperscript{52} Gorbachev learned not only from Yakovlev and Shevardnadze, not only from the foreign policy intellectuals at ISKAN and IMEMO, but also from major figures abroad. In an interview with Stein, for example, Gorbachev revealed that he had many important discussions with U.S. Secretary of State George Schultz on philosophical issues. Gorbachev related that Schultz "helped me a great deal in developing my policies."\textsuperscript{53} Therefore on the question of how Gorbachev learned, Stein concluded that

he learned in part from those in the Soviet Union who had been thinking about security for a long time, in part from the meetings he held with senior officials abroad, and in part through the trial-and-error experimentation that he and his colleagues initiated . . . Over time, learning from others and from behavior became self-reinforcing and self-amplifying.\textsuperscript{54}

The substantive evolution of Gorbachev's thinking has been traced in a compelling fashion by David Remnick. Remnick noted that Gorbachev was well-acquainted with Central Committee advisers who had worked under former General Secretary Yuri Andropov: "the Americanist Georgii Arbatov, the policy advisers Anatolii Chernyaev, Georgii Shakhnazarov, and Oleg Bogomolov, the journalists Aleksandr

\textsuperscript{50} Ibid., 160.

\textsuperscript{51} See the caption of their photograph in David Remnick, \textit{Lenin's Tomb: The Last Days of the Soviet Empire} (New York: Random House, 1993). The photograph is the twelfth in a series that follows page 276.


\textsuperscript{53} Ibid., 179. This is a quotation from Stein's personal interview with Gorbachev in 1993.

\textsuperscript{54} Ibid., 179-80.
Bovin and Fyodor Burlatsky," even though "by the time Gorbachev came to power there were so many broken lives . . . . It was a miracle, after seven decades of murder and repression, that there was any intelligentsia left at all."\(^{55}\) Moreover, Remnick makes the important point that Gorbachev was not only a modern, educated man, unlike all of his predecessors, but that "he took office without taint of blood or corruption, a first for a leader of the Soviet Union."\(^{56}\)

The importance of Yakovlev to Gorbachev cannot be overstated. Especially critical were discussions between the two men in Canada after Yakovlev had been appointed Soviet Ambassador to Ottawa in 1983. Remnick, who interviewed Yakovlev and Gorbachev at length, reported the following:

In May 1983, Gorbachev was a leading member of the Politburo. He came to Canada and traveled with Yakovlev across the country, from Niagara Falls to Calgary, in an old Convair prop plane. They visited farmers and businessmen, but the most important talks they held were with each other. According to both men, they spent hours talking about the disasters awaiting the Soviet Union, the rot at the core of the economic system, the self-crippling lack of openness in the press, the cultural and scientific worlds. [Yakovlev concluded] "The most important common understanding . . . was the idea that we could not live this way anymore . . . We talked about absolutely everything, openly, and it was clear to me that this was a new kind of leader. It was a thrilling experience politically and intellectually."\(^{57}\)

In sum, Gorbachev moved incrementally to alter policies both at home and abroad, reacting to the failure of his initiatives with increasingly bold policies. He was himself open to learning and, to the extent possible, he surrounded himself with colleagues also amenable to change. He opened up the policy advisory process in order to legitimize his policies and was then in turn influenced by them. Over time, however, and especially after 1989, Gorbachev was on the defensive both against those who thought that he was not moving fast enough and also against those who thought he had


\(^{56}\) Ibid., 193.

\(^{57}\) Ibid., 294-5.
moved too fast. The collapse of the communist regimes in Eastern Europe, as Ulam had suggested twenty years before, made it difficult for the Communist Party to sustain its authority even in Moscow. By 1991 Gorbachev was fighting for his political life—which he ultimately lost—and the policy window for further change, including a rapprochement with Japan, was closed.

**Gorbachev and the Kurile Islands**

In order to understand the evolution of Gorbachev's Japan policy, we need to examine events through three lenses simultaneously: the learning that took place, especially between 1985 and 1987; the political alignment of bureaucratic forces that shaped policies; and the shifting policy imperatives during Gorbachev's tenure in office. It will be argued here that the new political thinking that evolved during this period influenced the emergence of a new paradigm *vis-à-vis* Japan that underlined the importance of improved Soviet-Japanese relations. A political environment conducive to a new initiative on the territorial dispute was firmly in place by the second period. However, relations with Japan were always a low-level priority for the leadership in comparison with relations with the United States, Europe, and China. Consequently Gorbachev, in his lack of interest in and knowledge about Japan, underestimated the role of the territorial issue in expanding Soviet-Japanese relations. It was only during a brief period in 1990 that a "policy imperative" motivated Gorbachev to take the territorial issue seriously. Faced with a major economic crisis, Gorbachev listened to advisers who argued that a compromise on the issue would result in sufficient Japanese aid to provide a short-term economic solution. By the time Gorbachev was prepared to consider the options for a solution, however, it was too late. From late 1990 until his resignation in December 1991, Gorbachev was battling for political survival, and it was no longer feasible to consider altering policy on the Kurile Islands.
Along the north-east coast of the Eurasian continent stretches a 1,200-kilometer [approximately 700-mile] chain of... volcanic islands. Suspended like a fiery necklace between Soviet [now Russian] Kamchatka and Japanese Hokkaido, the chain divides the Sea of Okhotsk from the Pacific Ocean and forms the northernmost extension of an insular arc originating in the Ryukyu and Mariana archipelagos. Nature has made the Kuril Islands the scene of a ceaseless struggle between the land and the sea, between the forces of Pluto and Neptune. Igneous rocks thrust up through fissures in the ocean floor erode under the remorseless pounding of waves until volcanic activity renews the challenge to an eternal duel.¹

In this inhospitable corner of the world, bristling with storms, volcanic eruptions, tidal waves, earthquakes, and impenetrable fogs, Russians and Japanese first encountered one another. Along this arc of submerged volcanic rock, at almost the same time, Russians probed from the north, Japanese from the south. Curiosity, exploration, exploitation, and confrontation all played a role in the encounter, which ultimately necessitated the delineation of a border between the two nations. The struggle over defining that frontier began in the middle of the nineteenth century and has continued for almost one hundred and fifty years. The absence of resolution to this frontier dispute remains the major obstacle to the establishment of normal relations between the two countries.

Geographical Setting and Definition of Terms

The Kurile archipelago consist of over thirty volcanic islands extending southwest from the Kamchatka peninsula to Hokkaido, north of Honshu. It serves as a wall separating the Sea of Okhotsk from the Pacific Ocean, as well as a link between the lands

¹ John J. Stephan, *The Kuril Islands: Russo-Japanese Frontier in the Pacific* (Oxford: Clarendon Press, 1974), vii. This chapter, which provides a historical perspective, is based primarily on published secondary sources. Stephan is heavily relied upon, as he provides the richest coverage to date.
of Russia and those of Japan. The total area of the islands (approximately 15,600 square kilometers) is about seven times larger than the Ryukyu Islands south of Japan, or approximately the same size as the Hawaiian Islands. The distance between the southerly island of Kunishir and Cape Notsuke on Hokkaido is about ten miles. Only seven miles separate the northerly island of Shimushu and Cape Lopatka on the southernmost tip of Kamchatka.

The specific area of the Kurile Islands with which this study is concerned consists of four islands, or rather three islands and a group of small islands off the coast of Hokkaido: Kunashir (known to the Japanese as Kunashiri), Iturup (Etorofu), Shikotan, and the Habomai chain of islands. The total area is slightly less than 5,000 square kilometers. The Russians refer to this area as the "Southern Kuriles." The Japanese have always considered Shikotan and the Habomais as part of Hokkaido, and not part of the Kurile chain. They refer to the group of contested islands as the "Northern Territories."

Climate plays a capricious role in the region. Conditions vary quite considerably between near-Arctic winter temperatures at the northern end of the chain and a temperate climate in the south. The junction of contrasting currents and winds, bringing storms and fog to the area, makes this region exceptionally treacherous for sailors.

The diversity of flora on these islands reflects the climatic variations. The island chain consists of three distinct geobotanical zones.\(^2\) In the northern zone (Shumshu to Ushishir), tundra vegetation prevails. The poorest vegetation is found in the central zone (Keto to Urup), where only lichens, mosses, and a few bushes survive. Comparatively rich flora can be found on the southern zone (Iturup, Kunashir, Shikotan, and the Habomais). Abundant rainfall and warm ocean currents provide a environment propitious for coniferous and mixed forests of birch and spruce, as well as linden, oak, ash, and maple trees.

\(^2\) Ibid., 17.
A variety of fauna inhabit the islands. The large islands are home to brown bears, wolves, squirrels, and rabbits. Over time, foxes have been brought to Ushishir for breeding, and reindeer have been raised on Puramushir. The indigenous species of birds number in the hundreds. Sea otters, fur seals, and sea lions were once prevalent along the arc, but toward the end of the nineteenth century, these animals were nearly brought to extinction by a century of slaughter by Russian, Japanese, American, and British hunters. Today, small colonies of fur seals and sea lions are protected on the central islands.

The confluence of warm and cold ocean currents provides ideal conditions for marine life. Whales thrive on abundant phytoplankton. Salmon is plentiful in the island rivers, and cod, mackerel, and perch abound in the waters offshore. Kunishir and Iturup have supplied large quantities of king crab, as well. Stephan noted in 1974 that "[A]s long as their waters escape pollution, the Kurils will continue to be one of the world's major fisheries."^3

**Historical Context**

**Exploration**

Historians attribute the relatively late discovery and exploration of the islands to their remoteness and hostile climate. When first discovered, they were populated by members of the Ainu race, relatives of the indigenous inhabitants of Hokkaido and Karafuto (Sakhalin). Only in the mid-seventeenth century did small bands of Dutch, Russians, and Japanese converge, almost simultaneously, on the islands. These groups arrived at such "astonishingly close intervals . . . that identifying a single 'discoverer' is a hazardous, if not fruitless exercise."^4 This fact, however, has not prevented claims of first discovery, however partial, from being made.

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^3 Ibid., 18-9.

^4 Ibid., 32.
The Dutch Arrival

The Dutch claims to discovery of the Kuriles are based on the voyage of Maerten Gerritsen de Vries to the region in 1643. De Vries had been ordered by the Dutch East India Company to search for both islands rumored to be rich in gold and a north-east passage from the Pacific to the Atlantic Ocean. In these missions de Vries failed, but on his journey he "stumbled upon the Kuril Islands."5 His legacy was a set of "fog-bound observations" which served to obscure for some years the true geographical nature of the region.

The Russian Advance

The Russian arrival on the Kuriles was the extension of an eastward movement, begun in the late sixteenth century, A combination of motives thrust Cossack bands east from Muscovy. By far the most important lure was that of fur, Russia's "golden fleece." These early explorers pushed across Siberia, making use of numerous and extensive waterways covering the expanse from the Urals to the Pacific.6 En route they extracted skins, in the form of iasak (tribute), from local tribesmen as and the network of outposts they built facilitated a dramatically swift movement eastward. By 1632, a settlement was built on Yakutsk on the Lena River that was to serve as headquarters for the exploration of the Kuriles. Five years later in 1637, the Cossack Yermak, known as the "Conqueror of Siberia," reached the Sea of Okhotsk at the eastern limits of the Asian continent. His arrival awakened Russian hopes for developing a trade route to China.

The Cossacks amassed substantial wealth from the collection of iasak, but they were isolated and without provisions. Having reached the Pacific, they moved southward towards the fertile Amur region and established a post at Nerchinsk in 1656. Their push

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5 Ibid., 33.
into rich, food-producing areas that brought them into confrontation with the newly established Ching rulers of China. Militarily weak, the Russian explorers were forced to withdraw from the Amur Basin (by the Treaty of Nerchinsk, 1689), although they were allowed to carry on trade with China. Thus blocked, the Russian movement reversed course along the Pacific northward to Kamchatka, the Aleutian Islands, and Alaska.

Russian claims of discovery of the Kuriles date from 1697, when the explorer Vladimir Atlasov, having led an expedition to Kamchatka, viewed Mt. Alaid on Alaid Island.7 Russian exploration of the Kuriles began in earnest in the first decade of the eighteenth century thanks to official sanction and imperial patronage by Peter the Great. With a passion for scientific knowledge as well as an appetite for developing trade with Japan, the Tsar encouraged voyages in search of geographic, ethnographic, and geological information. Japan, for its part, was adhering to a policy of strict isolation, which was mandated by the Tokugawa shogunate in 1639, thus making conditions highly unfavorable for the development of the Kuriles as a Russian gateway to Japan.

Nevertheless, Russian expeditions did begin to explore the northern and central Kuriles around 1711. Credit for the first Russian-sponsored exploration of the Kuriles is attributed to Lieutenant Commander Martin Spanberg, a subordinate to Captain Vitus Bering of the Tsar's navy. Especially interested in the Kurile Islands as stepping stones to Japan, Bering sent Spanberg to travel along the arc and make contact with the Japanese. In 1738 Spanberg reached the island of Urup in the central Kuriles. The following year he reached as far as Ezo (Hokkaido) and Honshu and established the first Russian settlement in the Kuriles, on the northernmost island of Shimushu, which lasted until 1875. On his return voyage from Ezo, Spanberg sailed between Shikotan and the Habomais Islands, both part of the now contested "Northern Territories" of Japan. He thus became "the first Russian to sight this currently controversial cluster of islets off

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7 Stephan, The Kuril Islands, 38.
Hokkaido."\textsuperscript{8} Although Spanberg failed to make contact with the Japanese, his expeditions helped correct some Russian cartographic misconceptions about the islands. He also established that there were no Japanese living on the islands, and concluded that the islands therefore did not belong to Japan. This assessment of a political vacuum in the Kuriles, along with spirited accounts of a wealth of seals, "precipitated a 'fur rush' to the Kurils during the ensuing decades.\textsuperscript{9}

Beginning in the 1740s, Russian activity in the Kuriles focused on settlement, the subjugation of the indigenous population, and the establishment of commercial ties with Japan. The island of Shumshu became the center of Russian settlements in the Kuriles (and continued to be so until 1875), as well as the residence of the largest number of Russianized Ainu (until their removal to Shikotan in 1884). Shortly after 1700, the Ainu of Shumshu and Paramushir came under Russian influence. Initial encounters between the Russians and the natives were superficial and consisted of the collection of tribute, but the arrival of Orthodox missionaries deepened the association. Indeed, "by the nineteenth century, north Kuril Ainu were Orthodox Christians, bore Russian surnames, wore Russian dress, spoke Russian . . . and drank vodka."\textsuperscript{10}

There is still much disagreement as to whether the natives welcomed the Russians as liberators from the Japanese. One scholar contends rather that the Ainu often reacted by fleeing to "seek refuge from the iasak scourge."\textsuperscript{11} In 1731 the Department of Siberian Affairs ruled that each inhabitant was to pay iasak of one skin. As greedy local commanders increased the amount indiscriminately, many natives migrated southwards along the arc, keeping one step ahead of their conquerors.

\textsuperscript{8} Ibid., 47.


\textsuperscript{10} Ibid., 28, quoting V. M. Golovnin, \textit{Recollections of Japan} (London, 1819), 244, and A. Polonskii, \textit{Kurily} (St. Petersburg, 1871), 9-18.

\textsuperscript{11} Ibid., 48.
It was the effort to hunt down these "fugitive iasak-evaders" that spurred the Russian advances southward, first to the central and then to the southern Kuriles.\textsuperscript{12} Around 1760 the Department of Siberian Affairs tentatively sanctioned investment in the southern Kuriles, probably because of expectations of lucrative iasak and the possibility of a base for trading with Japan. With encouragement from the governor of Siberia, a certain "volatile" Cossack, Ivan Chernyi, set out in 1766 to survey the southern Kuriles. Over the next several years, he succeeded in pushing beyond the central Kuriles and reaching Iturup, there learning of Kunashir and Hokkaido. His achievements notwithstanding, Chernyi distinguished himself chiefly by his cruelty. Disregarding orders not to mistreat the natives, he "physically punished anyone who showed reluctance to pay the required exactions." Chernyi's excesses "left a wake of hatred, ensuring that subsequent Russian visitors would be accorded a hostile reception."\textsuperscript{13} Ainu antipathy toward the Russians reached a climax in 1771, when Ainu on Uruppu massacred almost an entire entourage of iasak-seeking Russians. This was but a brief victory, however, for shortly thereafter Russians and Japanese extinguished the last remnants of Ainu autonomy on the southern Kuriles.\textsuperscript{14}

By 1770 Russians had completed a preliminary exploration of the island chain. The other side to their often grim record of behavior toward the natives is the enormity of their success in having explored the entire arc in the face of treacherous navigational conditions and a paucity of supplies. This first wave of exploration spanned the entire island chain, mapped its contours, and began to shape its relationship to Japan.

\begin{footnotesize}
\footnote{\textsuperscript{12}} Ibid., 49. \\
\footnote{\textsuperscript{13}} Ibid. \\
\footnote{\textsuperscript{14}} Ibid., 50. \\
\end{footnotesize}
Japanese Thrust Northward

The Japanese probably first learned about the Kurile Islands from Ainu living in Japan who, beginning in the sixteenth century, traded with those in the Kuriles. This Ainu trade involved the circulation of Japanese goods such as swords, tools, lacquer ware from Hokkaido northward to the Kuriles and Kamchatka, where they were exchanged for furs. Eventually, Japanese merchants became interested in the Kuriles through stories of their wealth in fish, fur, and seaweed.

Japanese penetration of the islands developed as an extension of a complex Japanese-Ainu system of trade known as basho (literally, "place"). Eventually, this trade connection developed into a feudal, tributary relationship between the South Kurile Ainu, who came to Hokkaido, and the Lord of Matsumae. Because Matsumae was one of the only fiefs (han) unable to grow rice to support its population, it relied heavily on trade. Consequently, the basho system became highly developed. Starting around 1620, trade missions were sent by Japanese merchants to a basho in Akkeshi in eastern Hokkaido, located about 100 kilometers from Kunishir.

The earliest Japanese landings on the Kuriles remain undocumented. The first recorded landing of the Japanese occurred in 1754 when the merchant Hidaya Kyubei established a basho at Tomari (now Golovnino) on southern Kunashir. This was about the same time that the Russians were exploring the central and southern Kuriles. Japanese explorers did not actually penetrate the Kuriles until Mogami Tokunai, a surveyor attached to a shogunal mission, tried in 1785 to determine the extent of Russian settlement along Japan's northern frontier. Mogami reached as far as Urup in 1792, but the remainder of the Kuriles were not explored by Japanese until the end of the nineteenth century.

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15 Ibid., 52-3.
16 Ibid., 54-5.
The development of a frontier probably emerged as follows:

[Objective historians] and primary sources convey the impression that a Russo-Japanese frontier developed almost imperceptibly over a period of years, during which national boundaries in the modern sense of the word did not exist. Until the nineteenth century, neither Russia nor Japan had a clear conception of how far its sovereignty extended in the Kuriles. Lacking diplomatic relations or external stimuli, both countries allowed the arc's status to remain undefined. Only with the intrusion of broader international forces did nebulous continuity become a problem. 17

The difficult process of forming a Russian-Japanese frontier on the Pacific reflects elements of both cooperation and conflict that still exist today. For the Russians, Japan was increasingly perceived as a potential market for furs and a source of supplies necessary to reinforce the string of isolated Russian settlements along the Pacific coast. In the last decades of the eighteenth century, merchants and their envoys bypassed the Kuriles altogether and headed directly for Japan, hoping to establish contact and open its doors to trade. From 1792 to 1794, Lieutenant Adam Laxman led the first official, albeit unsuccessful, mission to Japan.

The Japanese, for their part, began to discern a security threat from the Russians to the north. As the Japanese became increasingly aware of a Russian presence, several missions were dispatched to Kunishir to develop the island's economic potential. In 1798, in reaction to the establishment of a Russian colony on Uruppu in the central Kuriles, authority over Kunishir, Iturup, and half of Hokkaido was removed from the Lord of Matsumae and placed under the direct rule of the shogun. To enhance the Japanese presence there, the shogunal administration quickly established an infrastructure by building roads and guard stations on Kunishir and Iturup.

A series of incidents in the early decades of the nineteenth century highlighted the need for a boundary line in the Kuriles. In 1804-05, Nikolai Rezanov, director of the Russian-American Company which had sponsored the colonization of Uruppu, attempted

17 Ibid., 60-1.

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to negotiate a trade agreement with the Japanese at Nagasaki. Angry at being rebuffed, he urged two of his officers to organize raids on Japanese posts on Sakhalin and the southern Kuriles. The shogunate reacted to this violent intrusion by militarily reinforcing Japanese garrisons on the Kuriles. Four years later, the Japanese exacted revenge when they seized a Russian survey officer, Captain Vasili Golovnin, who had landed on Kunishir, and released him only after he spent two years in captivity. During the negotiations for Golovnin's release, the Japanese and Russians for the first time tentatively discussed a partition of the Kuriles. The suggested line of demarcation was to be "based on Japanese claims to Kunishiri and Etorofu."

It took several decades, however, for the first treaty establishing a boundary between Russia and Japan in the Kuriles to be signed. Attention to this issue was a result of a growing Western presence in the area. Starting in the late eighteenth century and increasingly in the first decades of the nineteenth, Western ships, especially those from Britain and America, appeared in Kurile waters in search of whales and sea otters. Eventually the desire for trade with Japan became a driving force. The Americans led the way in an effort to break down Japanese isolation, a goal that Commodore Matthew Perry achieved with the Treaty of Kaganwa in 1854. Additional pressure in the region was felt by both the Russians and the Japanese with the outbreak of the Crimean War in the same year. In March, an Anglo-French naval squadron arrived in the North Pacific to harass Russian settlements in the Kuriles and on Kamchatka. The arrival of this fleet added a military dimension to Western pressure, and highlighted the strategic importance of the area.

Meanwhile, Russia too was attempting to gain entry to Japan. Vice-Admiral Evfimi Putiatin arrived in Nagasaki Bay with a small squadron a few weeks after Perry's arrival in Edo Bay. Unsuccessful in his first attempt in 1854, Putiatin was able several

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months later to take advantage of Japan's unfavorable strategic position to induce Japan to sign an agreement. The Russo-Japanese Treaty of Shimoda (also known as the Treaty of Commerce, Navigation and Delimitation), signed on 7 February 1855, opened to Russian ships the ports of Shimoda, Hakodate, and Nagasaki. Unlike Japan's treaties with America and later with Britain, the Treaty of Shimoda included a territorial clause, and for the first time, the Kurile Islands were formally divided between Russia and Japan. The two southernmost islands, Shikotan and the Habomais, were awarded to Japan, and all the islands to the north to Russia. The treaty further stipulated that the island of Sakhalin was to be administered jointly. The Japanese have continued to base their claims to the southern Kuriles on the terms of demarcation spelled out in this first Russo-Japanese treaty. They further argue that the fact that Shikotan and the Habomai Islands were not mentioned is proof that these particular islands never even belonged to the Kuriles.

The Treaty of Shimoda provided a temporary solution to the Russo-Japanese frontier problem in the Kuriles, and for the next twenty years the northern and southern Kuriles developed "without mutual interference."¹⁹ The status of Sakhalin, however, remained uncertain. The Treaty stipulated joint possession of Sakhalin because both the Russians and the Japanese had been more concerned with exclusive ownership of Sakhalin than with the division of the Kuriles. The Sakhalin question was resolved only with the collapse of the Tokugawa shogunate in 1868. The precarious political and economic situation under the new Meiji government convinced Kuroda Kiyotaka, a director of the Hokkaido colonial office, that Japan could not afford a confrontation with Russia. He argued convincingly that Japan, therefore, should rid itself of Sakhalin because it had become a significant liability.²⁰

¹⁹ Stephan, The Kuril Islands, 92.
²⁰ Ibid., 92-3.
The exchange of the Kuriles for the whole of Sakhalin was formalized by the Treaty of St. Petersburg, signed in that city on 7 May 1875, by Admiral Enomoto Buyo, a protege of Kuroda's, and Prince Aleksandr Gorshkov. Sakhalin was recognized as Russian, and in return, Article 2 stated that the Tsar ceded to Japan "the group of Kurile islands" which Russia then possessed. According to the Treaty, the "Kurile Islands" consisted of the eighteen islands (later, two more which had been forgotten were added to the list) from Uruppu northward. That the southern Kuriles of Iturup and Kunishir, along with Shikotan and the Habomai group, were not included in the list was to be used as additional evidence that these islands historically were never considered part of the Kuriles, and have therefore never belonged to any country other than Japan. Japan now owned all of the islands from Shimushu in the north to Kunishir in the south, and the frontier between Russia and Japan was defined as passing "through the strait between Cape Lopatka of the peninsula of Kamchatka and the island of Shimushu."

The Treaty of St. Petersburg also granted to Japan fishing and commercial privileges around the Sea of Okhotsk littoral, privileges that were important in the later development of Japan's marine industry in the Kuriles. Moreover, the Treaty addressed the status of the inhabitants on Sakhalin and the Kuriles. The Russian settlers could choose to remain there without danger of losing their property and with a lifetime tax exemption on any economic enterprise. The native Ainu, on the other hand, were given three years to choose which nationality they wished to embrace.

It is significant to note, in light of the later controversy, that at the time of the Treaty's ratification the Japanese denounced it as "unjust, insulting, and even fraudulent."21 Moreover,

[C]hauvinists and northern visionaries regarded the cession of Sakhalin for the northern Kurils as an exchange of Japanese territory for Japanese territory. Worse, Sakhalin's size, natural resources, and strategic importance made the Kurils look like a string of useless volcanic

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21 Ibid., 94.
protuberances by comparison. They attracted neither affection nor interest from the public. Indeed the circumstances surrounding their acquisition imbued them with a melancholic aura.22

Russians, on the other hand, were generally pleased with the Treaty, and acknowledged that it was a "practical accommodation." Indeed, the Russian General A. N. Kuropatkin wrote that the "exchange was advantageous for Russia and 'practically forced' upon Japan."23

Like a person who finds himself holding an unsolicited gift, Japan at first knew not what to do with a rocky filament stretching to a distant Kamchatka. Indifference reinforced by a harsh climate retarded investment. Nearly two decades elapsed before Japanese began to appreciate the arc's economic potential.24

Ironically, Moscow would later denounce the Treaty as imperialistic, and Tokyo would embrace it as a fair demarcation of the boundary. Japan would also cite as further proof of Japanese ownership that the Kuriles, after a decade of administrative uncertainty, were governed as part of Hokkaido, that "unlike Japan's later administration of Formosa, South Sakhalin, and Korea, which were ruled essentially as colonies, the Kuriles were governed as Japanese home territory until 1945."25

Conflict

The two decades following the Treaty of St. Petersburg witnessed a calm in Russo-Japanese relations, as both countries turned inward to the task of industrializing and modernizing. It was this very process of modernizing, however, that sowed the seeds of future conflict between the two countries. In the process, the imperial ambitions of European powers became relevant, as well.

22 Ibid., 95.


24 Stephan, The Kuril Islands, 96.

Initially, Russian policy toward Japan was passive. Russia was in a weak position both economically and militarily in the Far East. Despite its having acquired from China the maritime province of Manchuria and the port of Vladivostok on the Pacific in 1860, as well as Sakhalin in 1875, Russia faced major difficulties in projecting its power. The distance between European Russia and the Far East was enormous, and Russia lacked the ability to transport over land the food and provisions necessary to its political and economic ambitions. The existing river transport system which extended over thousands of miles was no longer adequate to supply a growing population in the region and the demands of the Far Eastern military forces. The Russian navy depended on Japanese harbors to operate year-round. Russia's policy toward Japan was therefore one of conciliation, the Tsar and his ministers hoping thereby to maintain the status quo in the region.

At the same time, however, Russia sought to improve its general position in the Far East. In 1886 Tsar Alexander III signed a decree ordering the construction of the Trans-Siberian railway, a line that would connect the Volga River in European Russia to Vladivostok on the Pacific Ocean, and hence unite the two parts of the Russian empire. Actual work on the railroad began in 1891, and over five thousand miles of tracks had been laid when the project was completed in 1903. The railroad was meant to transform Russia by stimulating settlement and economic growth in the Far East, thereby dramatically enhancing the projection of Russian power in East Asia.

Japan itself also had been seeking to establish a foothold in southern Manchuria as a stage for extending Japanese territorial and commercial interests there and in Korea. Not surprisingly, Japanese civilian and military leaders reacted with alarm to the construction of the Trans-Siberian railway. Russian and Japanese interests finally clashed.

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in the Liaotung Peninsula. In 1894, Japan attacked China, defeated China in a smashing victory, and wrested substantial territorial and commercial gains. In the Treaty of Shimonoseki, in 1895, China ceded to Japan the Liaotung Peninsula, with its strategically important Port Arthur and Dairen (Dal'ny), as well as Formosa and the Pescadores. With these spoils, Japan gained substantial opportunities for expansion on the continent.

Russia reacted to Japan's victory with a more aggressive policy toward Tokyo, which in turn would leave Japan with a thirst for revenge. Russia joined with France and Germany, which were interested in the independence of a weak and exploitable China, to force Japan to renounce its newly won territorial rights in the Liaotung Peninsula. Russia's role in this "Tripartite Intervention" was broadened when Russia itself secured a twenty-five-year lease to the same harbor, Port Arthur, from which Japan had just been forced to withdraw. A further affront to Japan was the Russian-Chinese defensive alliance of 1896, whereby China agreed to open all of its ports to Russian warships in the event of war with Japan, and agreed to build the Chinese Eastern Railway across Manchuria to Vladivostok, thus facilitating the movement of Russian troops eastward. Port Arthur would be joined to this railway at Harbin by another rail link, the South Manchurian Railway. Russia further strengthened its position in Manchuria during the Boxer Rebellion of 1900 when it occupied Mukden, and later, instead of evacuating it after the Boxers were suppressed, turned it into an important railroad center and flourishing commercial town.

Russia also counteracted Japan's advances in Korea. In a series of agreements with Japan in 1896 and 1898, Russia acknowledged Japan's special interest in the Korean peninsula but refused to recognize Korea as a Japanese sphere of influence, in exchange for which Japan would have recognized Manchuria as a Russian sphere of influence. Russia continued to spread its own influence in Korea, hoping to obtain "an ice free port open all year round," perhaps Masan, on the Korea Strait, "as a permanent naval station..."
for [its] fleet in Far Eastern waters." 27 A majority of Japan's policy-makers viewed war between the two countries as inevitable. 28

At this point British imperial ambitions came into play as well. Britain was concerned that Russia's expansion on the Asian mainland posed a threat to British commercial interests in China and to British colonial interests in Asia in general. Britain and Japan therefore agreed to an alliance in 1902 (renewed in 1905 and again in 1911) which served to safeguard Japan from another Triple Intervention, and to isolate Russia in the event of war between Russia and Japan.

War

There are various interpretations of the precise causes of the Russo-Japanese War. 29 Several considerations, it is widely held, played a significant role: the strategic importance of the Korean peninsula for Japan in terms of security, trade, and settlement of its surplus population; Russia's apparent unwillingness to demarcate spheres of interest in Korea and Manchuria; the growing military strength of the Russian forces in East Asia; Japan's own military strength, as well as the naval security provided to Japan by her alliance with Britain; and Japan's determination to avenge its humiliation at the hands of Russia and its allies in 1895.

The catalyst for war came when Japan, with British backing, unsuccessfully attempted to negotiate a Russian withdrawal from Manchuria. Subsequently, in February 1904, Japan struck, and its decisive victory over Russia "shook the Russian Empire to its foundation." 30 Russia lost Port Arthur, and the Russian Baltic fleet, after a prolonged

29 For a list of some of the more important sources, see Ian Nish, The Origins of the Russo-Japanese War (New York: Longman, 1985), 185, fn. 8.
journey around Africa, was virtually annihilated by the Japanese in the Battle of Tsushima.

Russia's humiliation was total. The Russians had reasoned that the Japanese, like all Asians, were inferior to Europeans. Indeed, Tsar Nicholas himself referred to the Japanese as "little monkeys." This was the first time Japan had defeated a European power, and "the psychological damage done by [this] war to Russia's sense of power in the Pacific continues to this day." The war left Russia militarily and financially exhausted and directly precipitated the internal crisis that led to revolution.

Although the 1905 Treaty of Portsmouth, arranged under American mediation, left Japan in a dominant position vis-à-vis Russia, it ironically marked the beginning of a closer collaboration between the two. The Treaty was less harsh to Russia than anticipated, for two reasons. First, America and England were concerned lest Japan emerge as too powerful a force in the Pacific. Secondly, Russia's plenipotentiary Count Sergei Witte, who possessed a shrewd understanding of Japan's war-induced financial and material weakness, was able to exploit successfully Japan's desire for a rapid peace. The Treaty stipulated that Russia grant to Japan several of the latter's long-desired goals: the military evacuation of Manchuria; the surrender of Liaotung (with Port Arthur) and the southern half of Sakhalin below the fiftieth parallel; the Russian lease of the South Manchurian Railway from Port Arthur to Changchun; the granting of fishing rights off the coast of Kamchatka; and the recognition of Japanese special interests in Korea. Moreover, Russia was not obliged to pay an indemnity, or to relinquish its railroad line through Manchuria, both of which penalties it had expected.

Japan and Russia came away with an awareness of their having been used as pawns by America and European imperial powers, and as a result, they developed a close

31 Gerald Segal, The Soviet Union and the Pacific (Boston: Unwin Hyman, 1990), 23.
32 Ibid.
collaboration based on self-interest which continued until the outbreak of the Bolshevik Revolution in November 1917. This rapprochement arose in part from the fact that "the very boldness of the American calculation of the balance of power led Japan and Russia to develop an appreciation of each others' natural interests in Manchuria," but it is also true that "American interests to share in the exploitation of Manchuria contributed to a Russo-Japanese rapprochement." The main purpose of the entente for both Russia and Japan was to carve out spheres of interests in the Far East and to prevent any third power encroachment. In a series of agreements, the two nations built up a partnership that, in essence, constituted an alliance. In the Motono-Iswalsky Agreement of 1906, Russia and Japan agreed to defend the status quo and respect each other's territorial integrity. In a secret convention, Russia recognized Japan's freedom of action in Korea, in exchange for which Japan recognized Russia's special interests in Outer Mongolia. The partnership was reinforced in 1910 with a second Motono-Iswalsky Agreement; in 1912 by a secret agreement to divide Inner Mongolia between the two countries; and in 1916 by a third secret convention that extended the spheres of influence to the whole of China and committed both countries to wage war against any third power encroaching on the interests of either side. This alliance, however, lasted only as long as it was politically expedient.

The Path to Confrontation: 1917-1945

The Bolshevik Revolution and subsequent Civil War put an end to the Russo-Japanese partnership. Once again a fundamental conflict of interests dominated the relationship and fostered feelings of mutual distrust and suspicion. At certain times the two countries would come together when it was regarded by both as the most direct route toward achieving basic goals. But even in these situations, the underlying atmosphere of animosity remained.

In 1917 the Bolsheviks seized power and immediately denounced all secret treaties concluded by the tsarist regime, and refused to honor all debts that it had incurred. Japan wasted no time in exploiting the collapse of authority in the Siberian Far East, first by granting de facto recognition to the Kolchak regime in western Siberia in 1919. In April 1918 Japanese troops landed in Vladivostok and failed to evacuate until 1922, two-and-one-half years after the American forces had withdrawn. Between 1920 and 1925 Japan even occupied Northern Sakhalin.

For purposes of mutual self-interest, the Soviet Union and Japan agreed in 1925 to establish normal relations and signed a convention at Peking (the second Russo-Japanese treaty). Japan formally recognized the communist government of what was then the Soviet Union, and Japanese forces withdrew from North Sakhalin. During this period, the Kurile Islands played a rather insignificant role in Soviet-Japanese relations. As conditions in the region stabilized, the islands developed into the center of one of the world's most productive fisheries. Thousands of Japanese seasonal workers flocked to the northern canneries on Shimushu and Paramushiro. In Northern Sakhalin, the permanent population increased from 14,000 in 1925 to 17,549 in 1940.

In 1931, Japan invaded China, conquered the entire Manchurian region, and set up the puppet state of Manchukuo. By 1935, Japan had succeeded in canceling all of Moscow's gains in Manchuria. Moscow responded to Tokyo by attempting to placate her while directing revolutionary and subversive activities against Japan through the Comintern and Soviet intelligence agencies. Moscow also responded with a dramatic military build-up in the region, and by 1935, Moscow had approximately 240,000 troops in the Far Eastern provinces.34 The following year Japan signed the Anti-Comintern Pact with Germany and Italy, an agreement directed mainly against the Soviet Union. Border incidents, which had begun in 1933 along the Soviet-Manchurian border, became

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increasingly serious after 1936. All-out war almost occurred during the Chengkufeng
Incident (1938) near Vladivostok and the Nomonhan Incident (1939) on the Manchuria-
Outer Mongolia border. The Nazi-Soviet Non-Aggression Pact of 23 August 1939
shocked Japanese decision-makers. Once again, Japan sought to preclude Soviet pressure
and accordingly pursued rapprochement with Moscow. As Soviet-German relations
began to deteriorate, Japan seized the opportunity to push for a Japanese-Soviet
Neutrality Pact, which was signed in 1941.

Even as Moscow took advantage of Japanese willingness to normalize relations, it
was preparing itself for other contingencies with Japan. In 1932, it had become aware of
its acute vulnerability in the Soviet Far East, cut off from the Pacific by the Kuriles. For
the first time, Moscow established a Soviet Pacific Fleet and built new bases at
Vladivostok, Nikolaevsk, and Petropavlovsk.

Japan responded to Soviet pressure with a two-pronged approach. First it set out
to establish a military presence on the Kuriles, and in 1940 the Imperial Army began to
build up its troops, construct ports and airfields, and establish a unified command, the
Northern District Army. Secondly, Japan sought an accord with Moscow as a means of
preventing Soviet interference with Japan's objectives in the South.

In pursuit of this accord, Japanese ambassador General Tatekawa went to Moscow
in 1940. During the negotiations, Soviet Foreign Minister Viacheslav Molotov at one
point suggested that Tokyo should give Moscow a "present" in exchange for this pact,
specifically South Sakhalin and the Kuriles. This was rejected by Japan. In the final
neutrality pact, signed on 13 April 1941, both sides pledged mutual respect for the other's

35 On the Chengkufeng Incident, see Alvin Coox, The Anatomy of a Small War: The Soviet-
Japanese Struggle for Chengkufeng/Khasan, 1938 (Westport, Conn.: Greenwood, 1977). On the
Nomonhan Incident, see Alvin Coox, Nomonhan: Japan against Russia, 1939 (Stanford, Calif.: Stanford
University Press, 1985).

36 William F. Nimmo, Japan and Russia: A Reevaluation in the Post-Soviet Era, Contributions in
Asian Studies, no. 3 (Westport, Conn.: Greenwood, 1994), 14.
territory and neutrality in the event of an attack by one or more powers. This agreement was to last for five years. Moscow had conceded on South Sakhalin and the Kuriles, and instead settled on the "gift" of coal and oil concessions in North Sakhalin. It is significant to note that the "return" of the entire archipelago was thus part of Soviet thinking long before the question of Soviet entry into the Pacific War arose.

After the Nazi attack on the Soviet Union on 22 June 1941, and the U.S.-British-Dutch embargo of oil shipments to Japan, Tokyo prepared for war with America and Britain. In this context, the Kurile Islands played a significant strategic role in the war plans of commander-in-chief of the Japanese Combined Fleet, Admiral Isoroku Yamamoto. Japan executed a carrier strike against the U.S. Pacific Fleet at Pearl Harbor, and for purposes of secrecy, arrived there by way of the Great Circle Route from Japan to Hawaii. For this attack, Hitokappu Bay on the southeast coast of Iturup Island in the southern Kuriles was an ideal staging point. The island had a landlocked natural harbor with a narrow channel heading directly to the Pacific. All communications between Iturup and the home islands could be easily cut. The Japanese force at Hitokappu Bay consisted of 6 attack carriers, 2 heavy cruisers, 1 light cruiser, 2 battleships, eleven destroyers, 3 submarines, 432 aircraft, and 8 fleet refueling tankers. Complete secrecy was maintained until the attack on 7 December.

The strategic importance of the Kuriles was further emphasized in June 1942 when Japan used Paramushiri as a staging area for the aborted Japanese invasion of the western Aleutians. The mere arrival of Japanese air forces in the northern Kuriles was perceived as threatening by some American war planners who envisioned a Japanese invasion of America from this region. When the United States shifted to the offensive in 1942, American military staffs focused on the strategic value of the islands and began to


plan for an American landing in the Kuriles as a route to Hokkaido and Honshu.\textsuperscript{39} Toward the end of 1943, the United States no longer saw the Kuriles as a staging base for an invasion of Japan, but rather as a "strategic gateway" to the Soviet Far East, where the U.S. was proposing air bases.\textsuperscript{40} Such a contingency, however, would have involved U.S. air, sea, and ground operations against the Kuriles in order to create a supply route through them. For reasons that would become evident later, Stalin never responded to these proposals.

At the peak of Japan's presence in the Kuriles in the middle of 1944, the total population numbered 60,000. Most of the Japanese occupied the northern islands of Shimushu and Paramushiro, with the rest on Onnekotan, Uruppu, Iturup, and Kunishir. From 1943 on, however, U.S. submarines isolated the Kuriles from the Japanese homeland. By late 1944, after the Japanese position had weakened, many soldiers were rotated back to the homeland, leaving approximately 25,000 troops in the northern Kuriles, and 10,000 in the southern islands.\textsuperscript{41} Nevertheless, as the final battles of the war were being fought in the summer of 1945, Japan had come to expect an invasion of the Kuriles by the United States, not by the Soviet Union.

The Yalta Agreement Regarding the Kuriles

Soviet entry into the Pacific War had unavoidable implications for the Kurile Islands. The formal accession to Stalin's demands, at Yalta in February 1945, was a source of the currently "unfinished business" between Moscow and Tokyo.

From late 1943 until early 1945, negotiations continued among the Western allies, the Chinese, and the Soviets concerning, inter alia, terms for Moscow's entry into the war

\textsuperscript{39} Ibid., 43.
\textsuperscript{40} Ibid., 44.
\textsuperscript{41} Ibid., 47.
and disposition of the Japanese empire. The Cairo Declaration, signed in November 1943 by Roosevelt, Churchill, and Chiang Kai-shek, set a retributive tone:

The three great allies are fighting this war to restrain and punish the aggression of Japan. They covet no gains for themselves and have no thought of territorial expansion. It is their purpose that Japan shall be stripped of all the islands in the Pacific which she seized or occupied since the beginning of the first World War in 1914, and that all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China. Japan will also be expelled from all other territories which she has taken by violence and greed.42

Roosevelt informed Stalin of these conditions at the Teheran Conference, where Stalin expressed his approval of the communiqué and its contents.43 Japan would later argue that this Declaration did not cover the Kuriles, which Japan had acquired by peaceful means in 1875, rather than by "violence and greed."

While the primary focus of the Teheran Conference in November 1943 was on the strategy for defeating Germany, the outlines for final agreement on the Far East were also being drawn. As part of this process, Stalin was negotiating a price for his entry into the Pacific war. Following the Conference, Roosevelt reported to a secret session of the Pacific War Council in Washington that Stalin wanted South Sakhalin and the Kurile Islands turned over to the Soviet Union "in order that [the Soviets] may exercise control of the straits leading to Siberia."44 In December 1944, in Moscow, Stalin repeated the Soviet terms to U.S. Ambassador Averell Harriman, explaining that "the Japanese now controlled the approaches to Vladivostok, that [Moscow] considered that the Russians were entitled to protection for their communications to this important port and that 'all outlets to the Pacific were now held or blocked by the enemy.'"45 Stalin was clearly

43 Ibid., 556.
44 Ibid., 869.
building a case for the reversion of the islands to the Soviet Union based on both Japanese behavior and alleged Soviet requirements.

Later in December, the Division of Territorial Studies of the State Department published a prophetic memorandum. Apparently ignored at the time, it articulated the very position vis-à-vis the Kuriles that the U.S. government would adopt after the war. Written by Professor George H. Blakeslee, a political scientist from Clark University, an authority on Japan, and a wartime consultant to the State Department, the secret memorandum was entitled "Japan: Territorial Problems: The Kurile Islands." In it, Blakeslee argued that "Japan had a 'strong claim' to the southern Kuriles on the basis of nationality, self-determination, geographic propinquity, economic need, and historic possession." The Soviet Union, on the other hand, had a "substantial claim" to the northern islands. Although Moscow might press for the central and southern Kuriles as well, these claims, according to Blakeslee, could not be justified:

Such a transfer would 'create a situation which a future Japan would find difficult to accept as a permanent solution. It would deprive Japan of islands which are historically and ethnically Japanese and of waters which are valuable for fishing. If the southern islands should be fortified that would be a continuing menace to Japan.'

Blakeslee acknowledged that the Kurile Islands were strategically important to Japan, the Soviet Union, as well as to the United States, and his memorandum concluded with the following recommendations:

1. The southern Kuriles should be retained by Japan subject to disarmament.

2. The northern and central Kuriles should be administered by the USSR under international trusteeship.

3. Consideration should be given to the retention of fishing rights by Japan in the waters of the northern group.

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46 Ibid., 60.
47 Ibid., 60-1.
The Blakeslee Memorandum was published in the *Yalta Papers*, with a telling footnote stating that it "was not included in the Yalta Briefing Book and no evidence has been found to indicate that it was brought to the attention of Roosevelt or Stettinius".\(^{48}\)

At the Yalta Conference of 4-11 February 1945, Roosevelt, Stalin, and Churchill agreed upon the conditions of Moscow's entry into the Pacific War. On 8 February, Roosevelt and Stalin met privately to discuss the Far East. Also present were Harriman, Molotov, and the two interpreters, Charles Bohlen and V. N. Pavlov. Turning to a discussion of the "political conditions under which the USSR would enter the war against Japan,"\(^{49}\) Roosevelt essentially affirmed Stalin's earlier conditions with the statement that "there would be no difficulty whatsoever in regard to the southern half of Sakhalin and the Kurile islands going to Russia at the end of the war."\(^{50}\) This event no doubt explains why Roosevelt's interpreter, Bohlen, wrote in his account of the Yalta meeting that Roosevelt still "evidently thought that both southern Sakhalin and the Kuriles had been seized by Japan in the 1904 war and that Russia was only getting back territories that had been taken from her."\(^{51}\)

On February 10, Molotov presented to Harriman a draft of the conditions under which Russia would enter the war against Japan "two or three months" after Germany's surrender. With minor changes, Stalin's conditions were codified the following day. The two clauses specifically regarding Japan were:

2. The former rights of Russia violated by the treacherous attack of Japan in 1904 shall be restored, viz.:

a. The southern part of Sakhalin as well as all islands adjacent to it shall be returned to the Soviet Union . . . .

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\(^{48}\) Stettinius replaced Hull as Secretary of State in November 1944.


\(^{50}\) Ibid.

\(^{51}\) Ibid., fn. 18.
3. The Kurile Islands shall be handed over to the Soviet Union. Secrecy surrounded the Agreement Regarding Japan. It was neither mentioned in the joint communiqué released the following day, nor was it part of the formal protocol of the conference. As Rees states, "the Yalta award partly legitimized the complete Soviet occupation of the archipelago, and with the islands the replacement of Japan by the Soviet Union as the dominant power in Northeast Asia."

In the spring of 1945, when it became apparent that Germany would soon collapse, Moscow began to prepare for war against Japan. In April a large-scale redeployment of Soviet forces to the Far East began, despite the fact that the Soviet-Japanese Neutrality Pact was supposed to remain valid until April of 1946. A provision had been included for automatic renewal for an additional five years "in case neither of the contracting parties denounces the pact one year before the expiration of the term." The clause was vague, however, concerning the date when the cessation would take effect. That is, if the Treaty were denounced one year before expiration, it was unclear whether the termination would be effective at the moment of denunciation, or at the end of the five-year term. On 5 April 1945, Molotov advised Sato Naotake, the Japanese ambassador to Moscow, that the Soviet Union wished to denounce the pact. Japanese officials later insisted that Molotov had assured them that the pact would remain in effect for one more year, until April 1946, and Japan proceeded over the next four months to plead for Moscow's intervention with Roosevelt and Churchill in order to achieve a mediated peace which would preclude an Allied occupation of Japan. Whether or not Soviet representatives had made those assurances, Moscow proceeded to act as though

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the pact had expired immediately.\textsuperscript{54} Japan would later include this violation of the treaty among its grievances against Russia.

One week after Moscow abrogated the Neutrality Pact, Roosevelt died and President Truman reaffirmed to Stalin the terms of Yalta. By this time, the military need for Soviet entry into the Pacific War was less urgent. Stalin, however, was more interested than ever in obtaining his concessions. Harry Hopkins, sent by Truman to Moscow in May to prepare the ground for the forthcoming Potsdam Conference, reported that "Stalin expects that Russia will share in the actual occupation of Japan and wants an agreement with us and the British as to zones of occupation."\textsuperscript{55}

Over the next two months, Japan's position became increasingly hopeless. U.S. air forces ranged over the entire Japanese archipelago, and Japanese cities were being devastated. In June Okinawa fell after 80 days of intense fighting. In the same month, Truman approved plans for the invasion of Kyushu, targeted for 1 November. In the last of a series of almost desperate attempts to enlist Soviet mediation to end the war, Ambassador Sato was informed that the Emperor wanted to terminate hostilities, and toward that objective, wished to send the former premier, Prince Konoye, to Moscow as a special envoy. Konoye had drafted proposals which stipulated that Japan would relinquish its colonies, Okinawa, South Sakhalin, and the northern and central Kuriles. As in all of the previous proposals, however, the South Kuriles were classified as "inalienable."\textsuperscript{56}

On 16 July 1945, the successful test explosion of the first atomic bomb in New Mexico convinced American and British leaders that the end of the Pacific War was at hand. On 26 July, the Potsdam Declaration, signed by Truman, Churchill, and Chiang

\textsuperscript{54} Lensen, \textit{The Strange Neutrality}, 3-17. See also Nimmo, \textit{Japan and Russia}, 6.

\textsuperscript{55} Rees, \textit{The Soviet Seizure}, 70, fn. 3.

\textsuperscript{56} Ibid., 71.
Kai-shek, called for the unconditional surrender of Japan. Article 8 stated that "the terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku, and such minor islands as we determine." Concerning the Kurile Islands, the Potsdam Declaration had two significant implications. As in the Yalta Agreement, Japanese sovereignty over the islands would be denied. Unlike at Yalta, however, the Soviet claim to the Kuriles was not acknowledged. Japan's immediate response was to ignore the Declaration.

After the United States dropped the first atomic bomb on Hiroshima on 7 August, Japanese Foreign Minister Togo Shigenori cabled urgent instructions to Sato in Moscow to intensify efforts to involve Moscow in mediation with the Western allies. Rather than mediating, Molotov read a Soviet Declaration of War to Sato on August 8. Sato was allowed to telegraph the Declaration to Tokyo, but since the message never arrived, the Soviet offensive which began the following day "achieved both tactical as well as strategic surprise."

When a second atomic bomb was dropped on Nagasaki on 9 August, massive Soviet military operations in Northeast Asia had already begun. Eighty Soviet divisions, comprising 1.5 million troops, quickly moved into Manchuria from the north, east, and west, and defeated the Kwantung Army in less than two weeks. On 11 August, Soviet forces from North Sakhalin and from the Maritime Province of the Soviet Far East attacked South Sakhalin and defeated the Japanese garrison of about 20,000 troops within a week. Additional Soviet troops landed in northeast Korea. On 15 August, Emperor Hirohito proclaimed Japan's unconditional surrender in a broadcast to the nation. Three days later, Soviet troops attacked the northern group of the Kurile Islands.

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58 Rees, The Soviet Seizure, 74.
The drama of the final battle in the Kuriles underscored Stalin's plans for them. At Potsdam, U.S. and Soviet military planners had met to coordinate strategy for Soviet entry into the war, and to agree on respective zones of military operations. In the Kuriles, it was agreed that the line of operational demarcation would run between Pamushiro and Onnekotan. North of this line would be the Soviet operational zone, leaving the central and southern Kuriles in the U.S. operational zone. In the days preceding Japan's surrender, the U.S. government was developing the implementation of the Japanese surrender. General Douglas MacArthur was appointed supreme commander for the Allied powers in Japan on 13 August and was empowered to effect the surrender of all Japanese forces and to preside over the occupation of Japan. According to General Order No. 1, Japanese forces in Japan, the Philippines, and Korea south of the thirty-eighth parallel would surrender to MacArthur. Forces in the Pacific Ocean would surrender to Admiral Nimitz. The Soviet commander-in-chief, Marshal Vasilevski, would preside over the surrender of forces in Manchuria, in Korea north of the thirty-eighth parallel, and in South Sakhalin. The Kuriles, then part of Japan, were not mentioned, although the U.S. joint chiefs "evidently assumed that U.S. forces would receive the Japanese capitulation in the southern and central Kuriles" based on the operational line of demarcation.

On 16 August, the day after the text of General Order No. 1 had been approved by Truman and sent to the British, Soviet, and Chinese governments for clearance, Stalin sent a message to Truman requesting two "corrections":

1. To include in the region of surrender of Japanese forces to Soviet troops all the Kurile islands which, in accordance with the decisions of the three powers in the Crimea, have come into possession of the Soviet Union.

59 Ibid., 72.
60 Ibid., 75.
2. To include in the region of surrender of the Japanese armed forces to Soviet troops the Northern part of the Island Hokkaido which adjoins in the North to the La Pérouse Strait which is between Karafuto and Hokkaido . . . .

This latter proposal has a special meaning for the Russian public opinion. As it is known, the Japanese in 1919-1921 held under occupation of their troops the whole Soviet Far East. The Russian Public Opinion would be seriously offended if the Russian troops would not have an occupation region in some part of the Japanese proper territory.61

On the following day, Truman summarily dismissed Stalin's request for an occupation zone in Hokkaido, but, significantly, he did agree to change General Order No. 1 so that all of the Kuriles would be surrendered to Vasilevski.

On the night of 17-18 August, two days after the imperial announcement of Japan's surrender, Soviet artillery at Cape Lopatka opened the final battle of the Pacific War by shelling Shimushu. Over the next two weeks, Soviet troops of the Kamchatka Defense Region and aircraft from the Petropavlovsk Naval Base carried out operations. The islands were defended by two Japanese divisions and several smaller units, consisting of 43,000 soldiers, as well as about 10,000 naval personnel. By 4 September, the entire Kurile archipelago, including Shikotan and the Habomais, were occupied and placed under Soviet control. Along with Soviet occupation of Manchuria, Port Arthur, Dairen, South Sakhalin, and Korea, these events signaled the successful end to the Soviet Far East campaign. Yet, Stalin had ordered preparations for landings in Hokkaido, but canceled them two days later after deciding not to risk a confrontation with Washington.62

On 2 September, while representatives of Japan signed the Instrument of Surrender to the Allied powers aboard the USS Missouri, Stalin issued a victory address to the Soviet people. In stressing the sense of satisfaction in reclaiming territory from Japan

61 Ibid., 76.

and in underlining the strategic value of the Kuriles, Stalin set the tone of future Soviet attitudes toward the islands:

Our defeat in the war of 1904-05 with Japan left a bitter memory in our minds, for it stained our name. Convinced that some day Japan would be beaten and this stain removed, we have been waiting for that day. For forty years we Russians of the older generation have been waiting for it. Now the day has come. Today, Japan has admitted defeat and signed an instrument of unconditional surrender. This means that Southern Sakhalin and the Kurile islands have been transferred to the Soviet Union, and will henceforth serve not as a means for isolating our country from the ocean or as a base for Japanese aggression in our Far Eastern area, but as a means for linking the Soviet Union with the ocean and as a base for our defense against Japanese aggression.63

Stalin thus made clear his intention to retain control of the new acquisitions. By 1945, Japan had held the Kuriles for 70 years. The number of civilian residents on the islands at the time of the Soviet occupation was approximately 14,000. This figure was relatively low, especially if one considers that the civilian population of Okinawa in 1945 was 750,000. The repatriation of Japanese civilians was slow (with the exception of a number of Japanese civilians in the south Kuriles who escaped to Hokkaido soon after the war). Moscow had interpreted the Yalta arrangements concerning South Sakhalin and the Kuriles to include the transfer of residents as well as territory, and the Japanese there were issued identification cards indicating their new Soviet nationality. In response to Allied pressure, however, Moscow yielded and civilian repatriation began in December 1946; it had almost been completed by the end of 1947.

The number of Japanese forces on the Kuriles at the end of the war was much higher, approximately 50,000, reflecting the greater military importance of the islands. Moscow dealt harshly with these Japanese, a fact that would later exacerbate Japan's bitterness toward the Soviet Union. Moscow deported most of the Japanese army and navy personnel to Siberia for use on forced labor projects, and held many of them there until 1949, and some were detained even longer.

63 Pravda, 3 September 1945; quoted in Rees, The Soviet Seizure, 82, fn. 12.
Peace Treaty

In the period between the end of the war and the signing of a peace treaty, the territorial issue became the major stumbling block in the formulation of terms. Moscow proceeded to establish firmly the Soviet presence on the Kurile Islands, and to try to weaken U.S. influence over Japan. Japan's protest of Soviet occupation of the islands became increasingly emphatic. At the same time, Washington became wary of Soviet maneuvers in the Pacific and increasingly embraced Tokyo's position on the southern Kuriles.

The pace of Soviet absorption of the Kuriles reflected their significance in Stalin's post-war strategy in the Pacific. Permanent border guards replaced army units on the islands, Soviet civilians and demobilized soldiers were settled immediately, the ruble replaced the yen, and in February 1946 the Soviet government declared the Kuriles to be Soviet territory, and their resources to be the property of the Soviet state. In January of the following year, Moscow established the Sakhalin oblast (province) of the RSFSR, consisting of Sakhalin (North and South) and the Kuriles. When the last of the Japanese inhabitants on the south Kuriles were expelled to Hokkaido in the winter of 1947-48, the Kuriles had no Japanese inhabitants for the first time in 200 years.

The overall direction and execution of the U.S. occupation of Japan was in the hands of General MacArthur, now Supreme Commander of the Allied Powers (SCAP). Concerning territorial matters, Washington abided by the terms of the Potsdam Declaration, namely that Japan was limited to "four main islands and such minor islands as should be determined."64 The final definition and disposition of such islands was to be decided in a peace treaty.

Beginning in 1946, Japan had a label for the territorial issue. Concerned with the continuing Soviet occupation of the Kuriles, the Japanese on Hokkaido coined the term

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64 Dean Acheson, Present at the Creation (New York: Norton, 1969), 428; quoted in Rees, The Soviet Seizure, 86.

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"Northern Territories Problem" (Hoppo Ryodo Mondai). Initially the term referred to all of Japan's lost territory to the north of Hokkaido. After the terms of the Yalta Agreement were made public in February 1946, however, the Japanese were confronted with the reality that territory had been lost to Japan. This did not stop Japanese protests, but, after 1946, they focused their protests increasingly on the southern Kuriles, where most of the Japanese inhabitants had lived. Japan argued that Kunishir and Iturup had never been under Soviet rule before 1945, and that Shikotan and the Habomais had indeed always been parts of Hokkaido. Calls for the return of the southern Kuriles were made not only on the Prefectural Assembly level, but on the foreign ministry level, as well.

The Truman administration increasingly came to support the Japanese position. In October 1947, the director of the State Department's Policy Planning Staff, George F. Kennan, sent a memo to MacArthur discussing the ending of the occupation. Concerning the territorial provisions of a future treaty, he suggested that "the southernmost islands of the Kurile archipelago would be retained by Japan." The implicit boundary line would thus be in accordance with that of the Treaty of Shimoda of 1855, and with the recommendations of the Blakeslee Memorandum of 1943. During 1948, the intensification of the Cold War with the Berlin blockade and the impending victory of communism in China added to a perception in Washington of increased security needs in the Pacific and of the importance of concluding a peace treaty with Japan. Japan was no longer viewed as a hostile nation to be subdued, the paradigm of the Potsdam period, but as a potential ally of the West in its struggle with the communist East. The outbreak of the Korean War in June 1950 made it "clear in the United States that pressure of events had swept away all ideas of a punitive peace with Japan or that the conclusion of a treaty could be long delayed . . . ."

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The terms of the San Francisco Treaty represent a compromise position closely resembling the terms of the Potsdam Declaration. Article 2(c) of Chapter II states:

Japan renounces all right, title, and claim to the Kurile Islands and to that portion of Sakhalin and the islands adjacent to it over which Japan acquired sovereignty as a consequence of the Treaty of Portsmouth of 5 September 1905.67

Japanese Prime Minister Shigeru Yoshida wrote in his memoirs that the Japanese government had requested that John Foster Dulles, chief U.S. negotiator of the treaty, make clear in the treaty that the southern Kuriles were not included in the islands to be transferred. According to Yoshida, Dulles urged that, since such a request would necessitate renegotiating with each country involved in the process and thus delaying the signing of the treaty, the Japanese waive the point and rather express their position in their speech accepting the terms of the treaty.

Subsequently, in his formal acceptance speech, Yoshida made an indirect claim on the southern Kuriles. He reiterated the argument that Kunashir and Iturup had been ceded to Japan by treaty with Russia in 1855, and that Shikotan and the Habomais had always constituted parts of Hokkaido.68 The Soviet delegate to the San Francisco Conference, Deputy Foreign Minister Andrei Gromyko, objected to a number of the treaty's terms. On the territorial issue, he argued that "the draft treaty is in contradistinction to the obligations undertaken by the United States and Great Britain, under the Yalta agreement regarding the return of Sakhalin and the Kurile Islands to the Soviet Union."69 The problem for Moscow was that the treaty did not specify to whom Japan should relinquish its claim over the islands. Thus the Soviet Union refused to sign the treaty, and its basic position would be maintained for decades.

67 Ibid., 95.


69 Rees, The Soviet Seizure, 97, fn. 21.
The San Francisco Treaty was signed by 49 countries (including Japan), with three countries (the Soviet Union, Poland, and Czechoslovakia) refusing to do so. On 28 April 1952, the Treaty came into effect and so formally ended the Allied Occupation of Japan. According to the Treaty, Japan renounced ownership of all of the Kuriles, but no beneficiary was named to the islands. Significantly, the signatories to the Treaty did not recognize Soviet annexation of the islands. Later, in his memoirs, Khrushchev expressed regret that the Soviet Union had not signed:

When the protocol of the peace treaty with Japan was drafted, there was a place reserved for our signature. Our interests were totally taken care of there. All we had to do was sign, and everything would have fallen into place; we would have gotten everything we were promised. We would also have restored peaceful relations with Japan and been able to send representatives of our diplomatic service to Tokyo.70

Normalization of Soviet-Japanese Relations

The San Francisco Peace Treaty and the U.S.-Japan Security Pact tied Japan closely to the United States and the West. According to Article 26 of the Treaty, Japan could not grant benefits to any other state without granting the same benefits to the parties of the San Francisco Treaty. In addition, as stated in Article 2 of the Security Treaty, Japan could not grant any military bases to a third power without the prior consent of the United States. Yet a growing movement within Japan began to resent Japan's dependent position and to fear being drawn into a conflict between the United States and the Soviet Union.

Stalin's death in March 1953 opened the door to the normalization of Soviet-Japanese relations. From Moscow's point of view, improving diplomatic and trading relations with Japan fit into the new policy of "peaceful coexistence." Moscow set out to exploit the growing anti-Americanism in Japan in the hopes of weaning Japan away from the West.

From Japan's point of view, several issues, in addition to the territorial one, needed to be resolved. First, Japan's acceptance into the United Nations had been excluded by the Soviet Union. A second issue was that of Soviet fishing restrictions in the waters surrounding the Kuriles. Japanese fishermen were blocked from what they considered to be their own traditional fishing grounds, and if they entered into these waters, they were subject to arrest and their boats to confiscation. A third and exceptionally emotional issue was that of Japanese prisoners of war. At the time of Japan's surrender in August 1945, at least one-half million Japanese prisoners were being held in territories under Soviet control. A Japanese government estimate in 1951 concluded that over 200,000 Japanese prisoners had died in the Soviet Union between 1945 and 1951; over 28,000 were still unaccounted for; and over 17,000 still were in Soviet hands.71

The process of normalizing relations was inextricably intertwined with Japanese domestic politics. In 1954 the pro-West Yoshida government was brought down by a coalition of the Democratic Party, and its conservative president Ichiro Hatoyama, with the two socialist parties. Normalization of relations with both the Soviet Union and China was one of the Democratic party's major political slogans. To further complicate matters, Hatayama's Foreign Minister, Shigemitsu, held a much harder line vis-à-vis the Soviet Union, insisting that the territorial issue be settled before relations could be normalized. Not only were there differences of opinion between the Liberal and Democratic parties, but within the minority government, as well. The fact that Hatayama's Democratic party emerged as the leading party in the Japanese Diet in 1955, but that the Democrats did not have an overall majority, made the course of normalization talks with the Soviet Union most uncertain.

The opening demands represented the maximum conditions on both sides. Moscow asked for the military neutralization of Japan, and Japan asked for the Northern Territories (a broadly defined area, including the Kuriles, South Sakhalin, Shikotan, and the Habomais), as well as fishing access to the northern waters, Soviet support for Japanese entry into the United Nations, and repatriation of all remaining Japanese prisoners from the Soviet Union.

The Hatayama government had also provided the Japanese plenipotentiary in London, Shunichi Matsumoto, with a compromise position to advance. The Habomais and Shikotan were to be claimed as inherently Japanese territory, and their return was to be considered satisfactory grounds for a treaty. The South Kuriles (Kunashir and Iturup) were claimed for "historical reasons," but their return was not considered essential to an overall peace settlement. The northern and central Kuriles were claimed for bargaining purposes only.²²

On 5 August 1955, the Soviet delegate Jacob Malik offered a modified position, giving Shikotan and the Habomais to the Japanese, as well as dropping the demand of the neutralization of Japan. Suddenly, the Japanese government reversed its position, and demanded the South Kuriles as well as Shikotan and the Habomais, demands that the Soviets summarily rejected. The reason for this about-face was the intervention of U.S. Secretary of State John Foster Dulles, who threatened to annex Okinawa if Japan relinquished its claim to the two larger islands. At the time, Dulles explained his action as an attempt to strengthen Shigemitsu's bargaining position in pressing for all four

²² Ibid., 109. A version of this, later known as the "two plus two" formula—two islands returned now, two to be returned later—resurfaced periodically as a way to resolve the dispute. For a contemporary policy analysis that examines this formula, see Graham Allison, Hiroshi Kimura, and Konstantin Sarkisov, co-directors, Beyond the Cold War to Trilateral Cooperation in the Asia-Pacific Region: Scenarios of New Relationships between Japan, Russia, and the United States, A report of the Strengthening Democratic Institutions Project, Harvard University, 1992. This publication examines more than sixty scenarios that would return the islands to Japan. The "two plus two" formula first resurfaced under Gorbachev in October 1988, when it was cited by Yevgeni Primakov, then head of IMEMO.
islands. It has subsequently been widely perceived, however, as an attempt on the part of the U.S. to preclude the cession of more territory to the Soviet Union, as well as to prevent a rapprochement between Moscow and Tokyo.

The platform of the newly merged Liberal-Democratic party in November 1955 included the demand for return of the South Kuriles to Japan as part of any peace treaty with the Soviet Union. During the second round of talks, the Japanese rejected a "West German" solution, whereby diplomatic relations would be restored but settlement of territorial issues would be postponed. During the third round of negotiations, Hatayama was believed to support the West German formula, but the Yoshida wing of the Liberal-Democratic party, supported by Foreign Minister Shigemitsu, insisted on claiming the South Kuriles. Soviet Foreign Minister Shepilov argued that the "war of aggression" waged by Japan in 1904-1905 precluded Japan's claim of Kunishir and Iturup based on the treaties of 1855 and 1875. Shepilov also recalled that the Yalta Agreement had stated that the Kuriles and South Sakhalin should be given to the Soviet Union, and asserted that by accepting the Potsdam Declaration and signing the San Francisco Treaty, Japan had renounced these islands. Nevertheless, the Soviet Union was willing to hand over Shikotan and the Habomais in "the cause of peace." This was to be Moscow's "final offer." According to Rees, Shigemitsu was about to accept the treaty when he was recalled to Tokyo. The Kurile islands had become the center of factional dispute among the Liberal-Democrats. By September 1956, a majority of Liberal-Democrats were

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73 In a recent article based on documents from the British archives, Fiona Hill reveals how Dulles in fact manipulated the territorial dispute to further U.S. political and security objectives. By encouraging Japan to press its claim to Iturup and Kunishir as well as Shikotan and the Habomais, Dulles was able to keep "the USSR and Japan in a suspended state of animosity and Japan in the United States' camp." Moreover, "by granting Japan residual sovereignty over Okinawa in June 1956, and then threatening to revoke this if Japan recognized Soviet title to the Kuril Islands and South Sakhalin, [Dulles] deflected Japanese irredentist sentiment away from [Okinawa] and the U.S. bases." See Fiona Hill, "A Disagreement between Allies: The United Kingdom, the United States, and the Soviet-Japanese Territorial Dispute, 1945-1956," *Journal of Northeast Asian Studies* 14, no. 3 (1995):43.

74 Nimmo, *Japan and Russia*, 47.

willing to accept a limited normalization agreement based on the West German model, leaving the territorial issue to be settled in a formal peace treaty. Also, by now a sizable irredentist movement on Hokkaido were prepared to accept such an agreement.

On 19 October 1956, the Joint Declaration by the Union of Soviet Socialist Republics and Japan was signed. All outstanding issues between the two countries, with the exception of the territorial one, were resolved. The state of war was ended, diplomatic and consular relations were established, an earlier fishery agreement was declared reactivated, and all Japanese nationals still held in the Soviet Union were to be repatriated. Moscow supported Japan's entry into the United Nations and tacitly accepted Japan's security arrangements with the United States. Although the solution of territorial issue was postponed for a formal peace treaty, Moscow agreed, in Article 9, that with a future peace treaty Shikotan and the Habomais would be returned.

The Joint Declaration took effect on 11 December. The vote for ratification in the Japanese Diet was unanimous because the Yoshida group of Liberal-Democrats had walked out in protest. On 19 December, Japan was admitted to the United Nations. The formal peace treaty, however, which was to settle the territorial issue between Japan and the Soviet Union, had yet to be signed.

During the course of the negotiations, the continuing tension between the Soviet Union and the United States made Washington increasingly supportive of Japan's irredentist position. By late 1956, the position of the State Department was completely consistent with that of the Blakeslee memorandum of 1943 and George Kennan's position paper of 1947. A State Department aide-mémoire given to the Japanese on September 7 stated:

The United States has reached the conclusion . . . that the islands of Etorofu and Kunashiri (along with the Habomai Islands and Shikotan which are part of Hokkaido) have always been part of Japan proper and should in justice be acknowledged as under Japanese sovereignty. The
United States would regard Soviet agreement to this effect as a positive contribution to the reduction of tension in the Far East.\textsuperscript{76}

**The Kuriles Islands Issue**

The territorial issue between Moscow and Tokyo was to remain insurmountable for the next thirty years. Both sides staked out a position, and while there were periods when the two seemed to converge, they were never able to make the compromises required for agreement.

*The Soviet Position*

For decades, Moscow argued that the "so-called territorial issue" was a "non-issue concocted by reactionaries and militarists." Moscow's sovereignty over the Kuriles, the argument followed, was a "fact rooted in history, recognized at Yalta, confirmed at Potsdam, and finalized at San Francisco." Moscow was convinced that the entire Kurile chain belonged to it by right of "prior discovery and prior settlement."\textsuperscript{77} Official Soviet publications argued that "Japan has no genuine legal claim to any of the Kuriles because . . . when the Japanese first reached the arc in 1799, the islands were already in Russian hands."\textsuperscript{78} The argument asserted further that the treaties of 1855 and 1875, according to which Japan won the southern and northern parts of the Kuriles, were invalidated by Japan's aggressive policy in the Russo-Japanese War. Japan's alignment with Germany during World War II precluded Japan's right to invoke the guarantee of mutual respect for each other's "territorial integrity and inviolability," as formulated by the Soviet-Japanese Neutrality pact of 1941. The Soviet Union attacked Japan and regained possession of the Kuriles in accordance with the Cairo Declaration (which provided that Japan should be expelled from all the territories it had taken by "violence and greed") and with Yalta

\textsuperscript{76} Ibid., 117, fn. 10.

\textsuperscript{77} Jain, *The USSR and Japan*, 172.

\textsuperscript{78} Ibid.
(according to which the Soviet Union would enter the war against Japan in exchange for the restoration of Sakhalin and the islands adjacent to the Soviet Union after Japan had been defeated). Japan itself accepted this territorial transfer by accepting the terms of the Potsdam Declaration (Paragraph 8 of which provides that "Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, and such other minor islands as [the signatories] determine.") Finally, Japan signed the San Francisco Peace Treaty of 1951 which, the Soviets felt, reaffirmed the transfer of this territory.

The Japanese Position

Tokyo's position on the territorial issue remained almost a mirror-image of Moscow's. The Japanese argued that the Kuriles were "inalienable" and "inherent" Japanese lands based on history and international law. Long before any Russians visited these islands, Japanese merchants and officials had made frequent visits to Kunashir and Iturup. Japanese title to these islands was recognized by Russia in the Treaty of Shimoda, and Moscow did not even question that title until seventy years later in 1945. The Cairo Declaration removed from Japan lands "taken by violence and greed," which does not describe Japan's acquisition of these islands. The Yalta Agreement was merely "a statement of common purpose," concluded "without Japan's participation or knowledge," and hence not valid or binding as an international agreement formally disposing of territory. Moscow, moreover, had violated the Neutrality Pact of 1941 by attacking and annexing the Kuriles. Although the Potsdam Declaration limited Japan to the four main islands, it could also include "such minor islands as [the Allies] determine." Although Japan renounced all title and claim to the Kurile Islands in the San Francisco Treaty, it did not relinquish its claim to Kunashir and Iturup, as they were not legally part of the Kuriles as defined by the Treaties of Shimoda and San Francisco. Finally, the Japanese

79 For a thorough explanation of the Japanese position, see Kamiya, "The Northern Territories," 121-51.
asserted, the San Francisco Treaty did not provide for a disposition of the islands, and even if it had, Moscow would have no claim since it was not a signatory to the Treaty.80

Post World War II Soviet-Japanese Relations

Diplomatic Relations

Soviet policy toward Japan from 1945 to 1985 was a reflection of and a reaction to Soviet relations with the United States and with China. Over those forty years, Moscow treated Japan as a junior partner of the United States, and after 1972, as a possible ally of China, to be weaned away from the two countries by the carrot or the stick, or to be ignored. The more Moscow perceived a threat from either Washington or Beijing, and the more it viewed Japan as drawing to one and/or the other, the more it attempted to isolate Tokyo. Indeed, Moscow's policy toward the territorial issue can be seen as a barometer of how the Soviet government was perceiving the larger strategic picture at any given time.

Soon after the normalization of Soviet-Japanese relations in June 1957, Premier N. S. Khrushchev, in an interview with the Japanese newspaper Asahi Shimbun, spoke of "friendly Japan" and stated, "Our economic interests do not clash with Japan, but your interests do clash with those of America because you are rivals."81 This statement's emphasis of the complementary nature of the economies of Japan and the Soviet Union, as well as the reciprocally competitive nature of the economies of Japan and the United States, was to be a recurrent theme in Soviet pronouncements. Khrushchev further declared that he would propose to the Soviet government that it hand over to Japan the islands of Habomai and Shikotan, even before the signing of a peace treaty, with the provision that America return to Japan the island of Okinawa.82

80 Jain, The USSR and Japan, 52-3.
81 Ibid., 29-30, fn. 2.
82 Ibid.
In the early 1960s, while negotiations for the revision of the U.S.-Japan security treaty were underway, Moscow adopted a stiffer attitude toward Japan. In August 1961, Khrushchev sent a letter to Prime Minister Ikeda in which he stated that while the Soviet Union desired completely to normalize relations with Japan, this would not occur as long as Japan maintained a military alliance with the United States and permitted American military bases on Japanese soil. \(^8\)

Ikeda pointed out that the U.S.-Japan security alliance was in place at the time of the Soviet-Japanese joint declaration of 1956, and that the declaration itself affirmed the right of individual and collective self-defense. \(^4\)

The 1960s saw little in the way of negotiations concerning the territorial issue. Moscow was increasingly preoccupied with the dramatic rift in its relations with China, and as the Sino-Soviet conflict intensified, China became an increasingly vocal supporter of Japan's territorial position. Moscow soon found it expedient to reverse its course and to counter China's increasing influence over Japan by projecting the Soviet Union as a peace-loving nation as well as a potentially important market for Japan. Signs of flexibility included permitting Japanese fishermen to collect edible seaweed around the Soviet-held island of Kaigara in 1963, the agreement to release all Japanese fishermen in its custody, and allowing Japanese to visit the graves of their relatives in the Habomais and Shikotan. \(^5\)

In 1964, Anastas Mikoyan, first Deputy Chairman of the Council of Ministers, paid a visit to Japan as head of a parliamentary delegation. The letter he brought from Khrushchev was positive in tone and devoid of earlier criticism concerning foreign troops on Japanese soil. Mikoyan proposed the establishment of a Soviet-Japanese Economic Committee to study the problems of economic cooperation between the two countries. (This Joint Committee was subsequently established and held regular

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\(^8\) Kamiya, "The Northern Territories," 132-3.

\(^4\) Ibid.

\(^5\) Jain, The USSR and Japan, 35.
meetings beginning in 1966.) Mikoyan also visited graves of Japanese prisoners-of-war who had died in Russian camps in Siberia. And finally, Mikoyan even hinted that Moscow might restore to Tokyo the islands of Habomai and Shikotan, another flirtation with the "two plus two" formula.86

In the mid-1960s, Soviet-Japanese collaboration in economic and other fields developed further. The Soviet-Japanese Economic Committee for Business Cooperation was established in 1965. Moscow and Tokyo signed a consular convention in 1966, and general consulates were set up in Sapporo, Osaka, Moscow, and Leningrad. Agreements were concluded to hold periodic consultations at the Cabinet Minister level and to further commercial, economic, and cultural ties. Finally, when an arrangement establishing direct air traffic between Moscow and Tokyo was signed in 1966, Japan became "the first capitalist state" allowed to fly directly over the Soviet Union.

Despite progress in improving Soviet-Japanese relations on these various levels, there was little movement toward agreement on the territorial issue. In September 1969, Premier Kosygin, in his talks with Foreign Minister Kiichi Aichim, argued that "any tampering with territorial issues would spread to other countries" and that the "present boundaries of the Soviet Union... were sacred and inviolable."87 Even after Japan's agreement with the United States in 1970 on the reversion of Okinawa, Moscow refused to adjust its position on the islands.

The Sino-Soviet conflict, which reached a climax in 1969 with serious clashes on the banks of the Ussuri River, forced Moscow to reevaluate its strategic concerns. Although Moscow had never shifted attention completely away from Europe, it was now forced to develop a strategy for the Far East as well. Such a requirement no doubt was at least partially responsible for the decision to establish détente with the West, a policy

86 Ibid., 38.
87 Ibid., 47, fn. 48.
which was intended to release resources for use in the East. Therefore, the anticipation of
the normalization of Sino-American relations in 1972, followed quickly by the
normalization of Sino-Japanese relations, came as a dramatic blow to Moscow. Soviet
leaders now envisaged two worst-case scenarios: a shift in the balance of power in East
Asia toward its main adversary, China; and a Sino-American-Japanese encirclement or
containment of Moscow. To avoid the disastrous possibility of being isolated, Moscow
accelerated efforts to improve relations with the United States and Japan.

In regards to Japan, Moscow sought to reduce political tensions and strengthen
economic relations. As an indication of how clearly Soviet leaders perceived the need for
improved relations, they indicated again a willingness to adopt a more flexible attitude
regarding the Kuriles by expressing, for the first time since 1956, a willingness to discuss
the issue. When Foreign Minister Gromyko visited Japan in January 1972, the
agreements reached between Moscow and Tokyo marked a breakthrough in Soviet-
Japanese relations. The change in the Soviet attitude was reflected in Gromyko's
statement that the U.S.-Japan security treaty did not obstruct Soviet-Japanese relations.88
Also, for the first time since 1956, the two foreign ministers held talks on the need for a
peace treaty, and announced that negotiations toward that end would take place later in
the year. Moreover, Japan showed flexibility in its willingness to open discussions on a
peace treaty before Moscow had agreed to return the claimed territories.

A complex game of quadripartite diplomacy was now in full swing among
Washington, Moscow, Beijing, and Tokyo. The Nixon-Kissinger détente policy
produced the dramatic visit of President Nixon to China in February 1972, the purpose of
which was to capitalize on Sino-Soviet tensions to improve Sino-American relations,
thereby placing pressure on Moscow to be more cooperative in helping extricate the
United States from Vietnam and to be more forthcoming in strategic arms negotiations.

88 Ibid., 135.
Beijing hoped that improved Sino-American relations would moderate Soviet antagonisms toward China, and Russia willingly encouraged the flowering of détente with the U.S. in order to forestall Sino-American relations’ moving too much to Moscow's disadvantage. These diplomatic maneuverings opened new opportunities, however slight, to resolve the Kuriles issue.

Once again, however, little was accomplished. The joint communique issued during Premier Tanaka’s visit to the Soviet Union in October 1973 mentioned "outstanding questions, a legacy of the Second World War," but Moscow continued to maintain that no territorial question existed. From the mid-1970s on, the build-up of Soviet military forces in the Far East was paralleled by a hardening of positions on the Kuriles. In January 1979, Japan protested against the Soviet deployment of several thousand ground troops on Kunishir and Iturup, and the construction of military installations on the Kuriles. Such a build-up not only ran counter to Japan’s efforts to settle the dispute by peaceful means, but it posed a direct military threat to Japan. Both the Lower and the Upper Houses of the Japanese Diet passed resolutions demanding the withdrawal of Soviet troops from the islands and a quick solution to the Kuriles issue. Official Soviet commentators countered that such claims constituted an encroachment upon the sovereignty of the Soviet Union. Indeed, not only did Moscow ignore Japanese protests, but it continued the military build-up on the islands.

With the benefit of hindsight, Soviet officials later admitted that the policy of pressure through a show of military strength had backfired. In essence, what had been a limited issue flared into a major concern. In 1981, February 7 was declared "Northern Territories Day" in commemoration of the Treaty of Shimoda, which had established the

89 Ibid., 57.

90 A number of faint attempts to move the issue forward were initiated by both Moscow and Tokyo from 1974 to 1978, but to no avail. See Nimmo, Japan and Russia, 54-8.

Kuriles as part of Japan. The following day, Dmitri Polyanski, the Soviet ambassador to Japan, warned Japanese officials that "not one stone from the islands will be returned."92 In an interview with the Japanese Kyodo news agency, Viktor Afanas'ev, the editor of Pravda, described relations between the two countries as "at the lowest level since the Second World War."93

Economic Relations

Writing in 1984, Hiroshi Kimura, a prominent Japanese Sovietologist, described the economic dimension of Soviet-Japanese relations as essentially immune from the world of politics, and if anything, as effecting a positive influence on the relationship as a whole: "... no matter how bad Soviet-Japanese relations became in the politico-diplomatic field, trade and other economic dimensions, based on an economic complementarity between Japan and the USSR, prevented overall bilateral relations from worsening."94 Kazuo Ogawa, director of the Department of Economic Studies of the Tokyo-based Japan Association for Trade with the Soviet Union and Socialist Countries of Europe, wrote in 1987: "Economic and trade relations are at the base of Japanese-Soviet relations; Japanese-Soviet relations without economic and trade links would be very fragile indeed." In 1989, Robert Rehbein argued that the potential of this "natural trading relationship" had never been realized due to the existence of numerous constraints--economic, political, and domestic--on both sides."95

As contradictory as these analyses seem, they all contain a piece of the truth. The Soviet-Japanese economic relationship exerted a positive influence on

92 Ibid., 142.
93 Ibid., fn. 105.
political/diplomatic relations between Tokyo and Moscow, but it was also subject to the constraints inherent in that essentially fragile relationship.

Evolution of Economic Relations

Before diplomatic relations between Moscow and Tokyo were normalized in 1956, trade between the two countries was modest. In the years immediately after World War II, it was supervised by the General Headquarters of the Allied Occupation Forces. The Soviet Union imported wooden boats, steam engines, freight cars, fishing nets, rope and other materials from Japan, and it exported there mainly Sakhalin coal. In the early 1950s, a small amount of private, non-official trade occurred, but the politics of the Cold War kept it to a minimum. For example, in 1952 Japan joined COCOM (the Coordinating Committee), which had been established in 1949 by the United States and West European governments to control the transfer of strategically important commodities to communist countries. In terms of both value and volume, trade never reached a significant level in the first post-War decade.96

The development of economic ties began in conjunction with the normalization of diplomatic relations. Article 7 of the Joint Declaration provided for negotiations towards a commercial treaty. A trade protocol allowed each nation "Most Favored Nation" (MFN) treatment in the export and import of goods. The next year, in 1957, the first five-year Soviet-Japanese Treaty on Commerce and the first Trade Payment Agreement were signed, providing a framework for the stable growth of trade relations.97 In June 1958 an agreement was signed establishing a sea route between the ports of Yokohama and Nakhodka as well as between Japan and the Black Sea. There was some increase in trade as a result. Total exports and imports between Japan and the Soviet Union rose from $20

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97 The Trade Payment Agreement was renewed every five years from 1965 until the Soviet invasion of Afghanistan in 1979.
million in 1957 to $50 million in 1958. The overall volume, however, remained at an abysmally low level.

A more significant expansion in Soviet-Japanese trade only occurred in the 1960s, mainly as a result of the Soviet "rediscovery" of Siberia and the Soviet Far East, and the role that Moscow envisioned Japan as playing in it. At this time, as economists Hewett and Levine point out, there was a shift in Soviet motives for trade. The early Bolsheviks had believed that economic self-sufficiency was necessary for the independence of the new Soviet state. Autarchy would keep the Soviet Union free from foreign pressure and subversion. Foreign trade was to be carried on only for the purpose of obtaining otherwise unavailable goods, and ultimately for the purpose of enhancing Soviet industrialization. Even in the 1950s, Soviet foreign trade was based on the theory that there existed separate world socialist and capitalist economies. Socialist countries could therefore benefit most by building up a socialist trading bloc.

In the 1960s and early 1970s, however, a number of Soviet economists argued that the existence of two different social systems did not preclude the existence of a single world economy, within which the two world systems could interact, compete, and cooperate. No doubt such thinking coincided with the perception by the Brezhnev-Kosygin leadership that increased trade with the West would invigorate their stagnating domestic economy. Conveniently, many Western leaders at that time were embracing the notion of trade as a means of fostering economic interdependence and ultimately enabling the West to influence Soviet behavior, an idea that was one of the Western predicates of détente.

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99 Ibid., 65, fn. 24.


101 Ibid.
One of the main beneficiaries of this thinking was Soviet trade with Japan. The Soviet leadership apparently believed that the solution to revitalizing the Soviet economy was the development of Siberia and the Far East, where the bulk of the country's natural resources lay. They felt that the focus of this effort should be the attainment of "complementarity" between the Soviet and Japanese economies.

From the Soviet perspective, the basis of the complementarity argument lay in the fact that the Soviet Union, and especially Siberia and the Far East, were resource-rich but technology- and labor-poor, whereas Japan was technology- and labor-rich, but resource-poor. Siberia and the Soviet Far East hold vast reserves of timber, energy, and mineral resources, and eastern Siberia alone possessed "about half of the nation's minable coal, more than a third of its sizable timber supply and hydroelectric capabilities, and extensive concentrations of iron ores, gold, high-quality asbestos, and rare and strategic minerals." It also held potentially large oil reserves. The Soviet Far East also had an enormous wealth of ore reserves, gold and diamond mines, and energy reserves ranging from coal, natural gas, oil, hydroelectric capacity, and timber.

Japan, on the other hand, was and still is one of the world's largest importers of raw materials. Japan's national wealth lay mainly in its high-quality and low-price manufactured goods and highly developed technology. The key to Japan's superior technology and industry was its large, well-disciplined, and highly motivated labor force. Japan was also strong in capital available for investment. On the other hand, the Soviet Union was deficient in advanced technology, machinery, capital for investment, and a highly-skilled work force (as dire as this last deficiency was in the European part of the Soviet Union, it was even more severe in Siberia and the Far East).

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102 Rehbein, "The Japan-Soviet Far East Trade Relationship," 42.
103 Ibid., 40.
104 Ibid., 42.
Two other factors enhanced the attractiveness to both parties of expanded economic relations. The first was the geographical proximity of Japan to Siberia and the Far East. From Moscow's point of view, the vast distances and the lack of sufficient infrastructure made Siberia a region with which it was difficult to develop trade. From Japan's point of view, its proximity provided access to resources via a relatively less expensive route. The second additional inducement to a stronger economic relationship was the anticipation of access to assured markets. With Moscow's relationship with Beijing on the verge of total rupture, Moscow perceived the need to replace China as a source of markets for Siberian resources. Japan, too, expected to obtain the benefit of assured markets for Japanese equipment, material, and consumer goods.

**Structure and Dynamics of Soviet-Japanese Trade**

The Soviet Union and Japan engaged in three major types of trade. So-called "big trade" involved the export of Far Eastern resources under the direct control of the Soviet Ministry of Foreign Trade through its various foreign trade organizations. Most of the timber products, diamonds, non-ferrous metals, and gold were exported this way. The export of Far Eastern diamonds and gold, although adding little to the overall volume of Soviet-Japanese trade, was an important source of foreign currency.

A second type of trade, which was really a component of "big trade," involved the use of "compensation agreements" to finance Siberian and Far Eastern development projects. According to these agreements, the Japanese extended long-term, low-interest loans with which the Soviets purchased machinery and equipment needed for the exploration and development of the region's natural resources. After the project had

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105 The only way to reach Siberia, other than by air transport which is prohibitively expensive, is by rail. The railway system, built by the tsars, is nearing collapse. Even with the Baikal-Amur Mainline railway, completed in 1984, rail transport from the industrial western regions takes two weeks or longer to reach Vladivostok.


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become operational, the Soviets would repay the loan by supplying a portion of the
developed resource. When they were signed, the agreements specified the value of the
products (volume and prices) and set a time-frame for delivery of output, but these terms
were negotiable on a periodic basis. Compensation agreements were in fact a type of
barter arrangement, useful for financing imports from an industrialized capitalist country
such as Japan. They were a means of solving the problem of the non-convertible status of
the ruble and satisfying Moscow's desire to balance trade and avoid large foreign
currency deficits. Development projects based on these agreements were the mainstay of
Soviet-Japanese economic relations and exerted an enormous influence on Siberian and
Soviet Far Eastern regional development. We will return to this topic below.

The third type of trade was "border" or "coastal" trade. Such trade had its origin
in 1963 in the fishing industry between Hokkaido and the Primorskii Krai and the
Khabarovsk Krai. The Soviet Ministry of Foreign Trade would determine which
commodities could be traded and with whom, and it administered the trade through its
foreign trade organization, Dal'intorg, based in Nakhodka. The advantage of this
arrangement was that it eliminated the intermediate step of central bureaucratic channels.
Soviet-Japanese border or coastal trade involved small-scale agreements for trade in
timber, small machine parts, and consumer-oriented goods. The Soviet exports consisted
mainly of lumber and fish, thus mirroring the commodity structure of "big trade."
Japanese exports consisted mainly of textiles, consumer goods and machinery, and
equipment for local enterprises. All trade was conducted on a barter basis. Although the
actual scale of trading remained minimal (its total value rose from 43.6 million rubles in
1976 to only 70.8 million in 1982, representing only 1.9 percent of total Soviet-Japanese
trade), its value lay in providing much needed equipment, agricultural products, and

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107 Ibid., 263.
consumer goods to border regions, and in providing markets for small- and medium-sized Japanese companies.108

Soviet-Japanese Development Projects

As noted above, the planning and implementation of Siberian and Far Eastern development projects based on compensation agreements have been the cornerstones of Soviet-Japanese economic relations, as well as the key to expanding Soviet-Japanese trade. In the decade between 1969 and 1979, 12 per cent of Soviet imports from Japan and 11 per cent of Soviet exports there were under such agreements.109 By 1981, the figures were 32 per cent of Soviet imports and 25 per cent of Soviet exports.110 Since 1967, over $2 billion of credit have been generated by such agreements.

The initial impetus for this collaboration came from the Soviet side, but it was the immediate response and ongoing involvement of Japanese businessmen which was critical to developing a workable framework.111 In 1961, then Deputy Premier Mikoyan, while on a visit to Japan, proposed joint exploitation of the Garinskoe mine in the Soviet Far East. The following year, a delegation of Japanese businessmen (including the chairman of the Japanese Chamber of Commerce and the chairman of the Keidanren, the Federation of Economic Organizations) traveled to Siberia to meet with representatives of the Soviet Ministry of Foreign Trade in order to determine the feasibility of collaboration on Soviet economic development. Their meetings led to the signing of the Agreement on Japan-Soviet Economic Joint Sessions in 1965, and the Keidanren took the initiative in setting up the Japan-Soviet Economic Committee, which would meet regularly to plan

108 Ibid., 267.
109 Ibid., 249.
economic cooperation. In so doing, the agreement and involvement of Japanese industry were assured. In fact, Ogawa points out that "Keidanren . . . consistently played a leading role, so much so that the Japan-Soviet Economic Committee, the secretariat of which [was] located in Keidanren, [became] almost synonymous with Keidanren itself." In addition to Keidanren representatives, negotiations also included representatives of such semi-official organizations as the Japanese Chamber of Commerce and Industry, the Japan Export-Import Bank, and the Japan Association for Trade with Socialist Countries.

Given the on-going persistence of specific political issues between the Soviet Union and Japan, one could argue that it is surprising that economic relations until 1985 were as good as they were. Japan consistently linked the settling of the territorial dispute with the signing of a peace treaty, and frequently resisted Soviet efforts to expand economic ties. Japan was further constrained by the exigencies of East-West relations, including COCOM restrictions on trade and the use of economic sanctions by Western nations to influence Soviet behavior. The Soviet Union, on the other hand, argued that economic relations should be separate from political issues.

**The Gorbachev Inheritance**

In sum, as Gorbachev assumed power as general secretary of the Communist Party of the Soviet Union, the following major considerations governed the Kuriles issue:

1. Deep animosity in Moscow toward Japan, stemming especially from the defeat of Russia in the Russo-Japanese War of 1904-05.

2. Diametrically opposed diplomatic positions in the two capitals on the historical basis for the control of the territories.

3. A legacy of inflexibility by Moscow toward the issue, which was displayed by Stalin, Khrushchev, and Brezhnev.

4. Periodic Soviet flirtation with a "two plus two" formula that would return Shikotan and the Habomais to Japan and leave the disposition of Kunashir and Iturup to a later date.

5. Consistent opposition by the Soviet military leadership to returning the islands because of the strategic significance of the Sea of Okhotsk.
6. Modest but growing Soviet-Japanese economic relations from the late 1960s through the early 1980s that held the promise of enhancement of Siberian economic development.

7. A European-centric Soviet foreign policy that only focused on Japan as an occasional tactical move to reduce U.S. and Chinese influence in Northeast Asia.

8. The consistent absence of Japanese specialists in positions of leadership in the Soviet decision-making hierarchy.

We next turn to a detailed analysis of Gorbachev, the origins of his "new thinking," and the attempts to apply the new approaches to the Kuriles issue.
CHAPTER III

Learning Without Action: March 1985 - June 1988

In the period from March 1985 to the end of June 1988, Moscow's policy toward Japan reflected largely superficial changes. New thinking in foreign policy during this period, however, did affect Moscow's posture towards Japan. Fresh concepts about the importance of Japan both as a player in the world economy and as a potential ally in the future development of Siberia and the Soviet Far East were articulated in the press and in speeches of the leadership, first tentatively and then with increasing emphasis. In terms of the political environment, this period witnessed personnel changes and the reorganization of several foreign policy-making units, a process which paved the way for subsequent shifts in policy. What was strikingly absent, however, was a policy imperative that would focus the leadership on the territorial issue.

Learning and New Thinking

Gorbachev's Openness to Learning

Gorbachev was elected general secretary of the Communist Party on 11 March 1985. The subsequent articulation of new policies, in both the domestic and foreign arenas, was to be expected. As one Western analyst has written, "The advent of a new general secretary has normally meant a significant change in the direction of Soviet public policy, although any change has usually taken some time to establish itself as the new leader gradually marginalizes his opponents and co-opts his supporters on the Politburo and Secretariat." What was not to be expected, however, was the depth and

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breadth of change in the new Party leader's ideas, which found expression in equally profound new policies.

An analysis of Gorbachev's background reveals several features relevant to his subsequent openness to new ideas. His had an upbringing, typical of the Stalinist period, which was marked by rural poverty and collectivization, as well as by personal experiences with Stalin's random terror. At the same time, Gorbachev was innately intelligent and inquisitive, and had an early exposure to critical thinkers. Despite these opportunities for openness, however, Gorbachev's early entry into and successful climb within the Communist Party, as well as his deep commitment to its ideals, presaged an inhibition of a more fully developed political and intellectual independence.

Gorbachev was born on 2 March 1931 to a peasant family in the small village of Privol'noe, located in the Stavropol' Krai (region or territory) in the north Caucasus.² His birth coincided with the second year of Stalin's devastating collectivization campaign and the resulting famine in southern Russia and the Ukraine which claimed more than 30,000 lives. The Party leadership in Gorbachev's region distinguished itself with its enthusiasm in carrying out the campaign. Gorbachev's maternal grandfather, a Party member and a leader in the collectivization drive, became chairman of the first kolkhoz (collective farm) in Privol'noe. Gorbachev's father was a tractor driver at the same kolkhoz. Nevertheless, Gorbachev's family was not immune to Stalin's random terror. In 1933 Gorbachev's paternal grandfather was denounced for not fulfilling a sowing plan and sent to a timber-producing camp in Irkutsk, leaving the family broken and near starvation. His maternal grandfather, the collectivization leader, was imprisoned for fourteen months for no

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Gorbachev's experience during World War II exposed him to additional Stalinist repression. Privol'noe was occupied by the Germans from August 1942 until January 1943. Upon returning to Stavropol', the Red Army deported hundreds of thousands of non-Russians for their alleged collaboration with the Germans. Deportations of Karachai, Chechens, Ingush, Kabardins, Balkars, Crimean Tatars, and Kalmyks numbered in the hundreds of thousands. One of Gorbachev's biographers surmises that young Gorbachev "must have realized what was going on," especially in the neighboring Kalmyk Republic, and undoubtedly heard more about it in the 1950s, when many of these people were rehabilitated by Khrushchev and returned home.3

Gorbachev's adolescence reads like a socialist realist novel. In order to attend high school, he left his family each week and traveled to Krasnogvardeiskoe, where he rented a bed from an old retired couple. In high school, as David Remnick writes, "He was the classic small-town overachiever, a class-president type who scored high marks, starred in school plays, and won the heart of the best-looking girl in the school."4

Gorbachev combined native intelligence with conventional ambitions. At school, he was the leader of the Komsomol organization. During weekends and summers, he worked on a collective farm, as a mechanic in the machine tractor station (MTS) or on a combine harvesting grain. He soon became a local success for his work, and in 1949 won the highly coveted Medal of the Red Banner, considered to be the first step toward a successful career in the Party. He became a candidate for Party membership when he was eighteen, an age considered quite young for such a distinction. Yuri Serikov, a classmate of Gorbachev's, described him as a typical "believer" in the system: "We were told that

3 Tatu, Gorbachev, 10.
4 Remnick, Lenin's Tomb, 153.
Stalin was doing everything perfectly, and we believed it all. That was our level of understanding, and Mikhail Sergeevich was no exception. None of us ever thought twice about it."5

After high school, in 1950, with the help of his local Party organization, Gorbachev enrolled in the Law Faculty of Moscow State University (*Moskovskii gosudarstvennyi universitet*, MGU). He would become the first Soviet leader since Lenin to have received a legal training, and the first Soviet Communist Party and top government leader ever to graduate from this most prestigious institution. Not only did Moscow offer Gorbachev a cosmopolitan exposure, but the curriculum of the Law Faculty exposed him to a comparatively broad range of reading, including such classics of Western thought as Rousseau's *Social Contract* and the U.S. Constitution.

Throughout his university years, one can trace in Gorbachev two tendencies in his intellectual and social development which would be relevant to his later leadership. On the one hand, he was exposed and attracted to probing intellectual discussions with intelligent, open-minded classmates, many of whom would later become his assistants in perestroika, including Abel Aganbegyan, Anatolii Lukianov, and Evgenii Velikhov. On the other hand, although Gorbachev criticized what he would call the "perversions" of communism, he was nevertheless a staunch defender of its basic tenets.

One of Gorbachev's closest friends during these formative years was Zdènek Mlynár, a communist exchange student from Prague. Mlynár later became an active reformist and participated in Alexander Dubcek's Prague Spring reforms of 1968, which were summarily crushed by Soviet forces. In an article for the Italian Communist Party newspaper *L'Unità*, published a few weeks after Gorbachev became general secretary, Mlynár described Gorbachev as intelligent, intellectually curious, independent-minded,

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5 Ibid., 154.

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with a predisposition to question authority. Gorbachev was intensely interested in truth and reality:

Mlynar recounts that [Gorbachev] told him the truth about the suffering of ordinary people during the war— as opposed to "the wartime romanticism of the soldiers" who were their classmates. And Gorbachev explained the difference between the collective farm laws they studied in class and real life in the countryside, where the law had a "minor role" and a larger part was played by "ordinary violence in 'assuring labor discipline' on the collective farms."

Mlynar was struck not only by Gorbachev's independent opinions on a variety of subjects, many of which bordered on heresy, but his "willingness to share [them] spontaneously with a school companion, let alone a foreigner." Indeed, one word by Mlynar to a police informant could have spelled the end of Gorbachev's promising career.

On the other hand, Gorbachev was a conventional and ambitious communist, as well as a devout student of Marxism. At MGU, he was a leader of the Law Faculty's Komsomol group, a role he carried out energetically. Two of Gorbachev's classmates remembered him as a "hard-liner in the Komsomol who made speeches scolding the shortcomings and improprieties of fellow Party members." In 1952 Gorbachev became a full member of the Communist Party. Mlynar remembered that Gorbachev, like himself, "took Marxism very seriously. . . . We were convinced that Marxism was the final answer that would change the world." Rudolf Kolchanov, who shared a room with Gorbachev for three years, recalled that "Gorbachev was intellectually curious, he was tolerant, but there were no signs of radicalism. You can't make those leaps. Remember,

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7 Ibid., 28. The depth of the relationship between Gorbachev and Mlynar was captured in a photograph of Gorbachev weeping at Mlynar's funeral in April 1997; see *New York Times*, 28 April 1997.


Stalinism was something deep inside us. We were only lucky that we were young enough and flexible enough to change later on.\textsuperscript{10}

While a student at the university, Gorbachev met his future wife, Raisa Maksimovna Titorenko. The daughter of a Ukrainian railway engineer who had been sent to Siberia, presumably to one of Stalin's labor camps, Raisa was born in the Siberian town of Rubstovsk in 1932.\textsuperscript{11} When she and Gorbachev met, she was a student in the Faculty of Philosophy at MGU. They married in 1953, and two years later returned to Stavropol'. She later defended a doctoral dissertation in sociology on the social differentiation and the conditions of daily life in the local collective farms in Stavropol'. What was unique in Gorbachev's choice of Raisa as a wife, in comparison to other members of the Soviet elite, was that he married someone whose intelligence and education were at least equal to his. Moreover, she was attractive, poised, and cultivated in the arts. From the beginning, she and Gorbachev were perceived as enjoying a deep friendship and mutual respect. That she had so much influence over Gorbachev, and continued to do so throughout his leadership, would become a source of frustration and resentment for many of Gorbachev's close advisers.\textsuperscript{12}

When Gorbachev and Raisa returned to Stavropol', Gorbachev worked in the Komsomol and Party apparatus, and completed a course at Stavropol' Agricultural Institute. His steady and rapid rise through the Party ranks was greatly facilitated by the patron-client relationship he enjoyed with Fedor Kulakov, the first secretary of the Stavropol'\textit{kraikom} (krai Party committee). After a post as Komsomol chief in 1960, Gorbachev became first secretary of the Stavropol' city Party committee in 1966, and then second secretary of the regional Party committee two years later. Several years after

\textsuperscript{10} Remnick, \textit{Lenin's Tomb}, 159-60.

\textsuperscript{11} Tatu, \textit{Mikhail Gorbachev}, 20.

\textsuperscript{12} Interview with Georgii Mirsky.
Kulakov was transferred to Moscow in 1964, Gorbachev himself became head of the kraikom and was elected a deputy to the Supreme Soviet. In 1971, at the Twenty-fourth Party Congress, when Kulakov became a full member of the Politburo, Gorbachev was made a full member of the Central Committee, skipping the interim position of candidate member. After Kulakov's death in 1977, Gorbachev replaced his mentor as Central Committee secretary in charge of agriculture. Two years later, Gorbachev himself became a candidate member of the Politburo, and the following year, in October 1980, he became a full member of the Politburo at the remarkably youthful age (relative to Soviet custom) of forty-nine.

While in Stavropol', Gorbachev had distinguished himself for his honesty, hard work, and interest in innovative techniques, especially in agriculture. For example, he was an advocate for the so-called "autonomous link" (beznariadnoe zveno) system of contract labor, which had a decidedly "unsocialist" flavor. With the goal of providing some incentive to the kolkhoz worker, this system based payment on results. As a consequence of his implementation of this system, Gorbachev managed throughout the period to preserve a reputation untainted by corruption or even blame for poor harvests.

Like any typical local Party boss with such an opportunity, Gorbachev used his position to cultivate relations with high-level Party officials from Moscow. He would generously entertain them as they passed through Stavropol' Krai on their way to their dachas in the Crimea, or as they spent time visiting the various sanatoria in Stavropol'. In this way, he became personal friends with such leaders as Kosygin, Suslov, and Andropov.13 Reflecting Gorbachev's ability to cultivate such relationships, Arkady Shevchenko, former adviser to Foreign Minister Andrei Gromyko and defector to the West in 1978, wrote in his memoirs in 1985:

Gorbachev is intelligent, well educated, and well mannered. . . . At his post in Caucasia he . . . was also known as a reasonable man, with less

13 Arkady N. Shevchenko, Breaking with Moscow (New York: Knopf, 1985), 185.
arrogance than most professional Party apparatchiki. Apparently he was also clever enough to listen to people he served.\textsuperscript{14} 

To understand Gorbachev's intellectual development, one must consider the effect on him of that pivotal moment in communist history, Khrushchev's denunciation of Stalin in his famous "Secret Speech" to the Twentieth Congress of the CPSU in 1956. Gorbachev was twenty-five years old when Khrushchev unveiled the horrors of the Stalin era and denounced the dictator's "cult of personality." Gorbachev, like other members of the generation who came of age in the 1960s during the thaw under Khrushchev (hence they were called "shestidesyatniki," or "children of the 60s"), began to dream of a "socialism with a human face" for Russia. Disillusionment replaced hope, however, when Soviet tanks rolled into Prague to crush the fledgling reform movement in 1968. In reaction to that watershed, some people of conscience became dissidents, like the courageous Andrei Sakharov. Gorbachev belonged to a second category, those contradictory men, politicians, academics, and journalists whose lives were filled with doubt, small victories, and sorry compromises. They had done things of which they were ashamed or should have been. For the sake of ambition, they told themselves lies and half-truths. . . . They thought one thing and said another, and sometimes, after speaking lies long enough, they believed them and were beyond redeeming.\textsuperscript{15}

As Georgii Shakhnazarov, who became one of Gorbachev's chief policy advisers, later said, "Gorbachev, me, all of us, we were double-thinkers, we had to balance truth and propaganda in our minds all the time. . . . It is not something I am particularly proud of, but that is the way we lived. It was the choice between dissidence and surrender."\textsuperscript{16}

A final important point about Gorbachev's background is that while he continued his traditional, albeit swift, rise through the Party ranks, he was increasingly exposed to people, especially members of the intelligentsia, who were worried and angry about the

\textsuperscript{14} Ibid, 184-5.

\textsuperscript{15} Remnick, \textit{Lenin's Tomb}, 167-8.

\textsuperscript{16} Ibid., 168.

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political and economic state of the country. When Yuri Andropov became Soviet leader in December 1982, he expanded Gorbachev's authority beyond that of agriculture and gave him responsibility for critically examining the country's economic and political situation.

Andropov's fifteen years as chairman of the KGB had given him unlimited access to the most sensitive information exposing the negative state of the economy and the wide-spread corruption within both the Party and state structures. In the late 1970s or early 1980s he had created a secret department in the KGB whose task it was to "prepare critical evaluations of the economic situation." Upon assuming the mantle of general secretary, he undertook a crackdown on corruption, a discipline campaign, an anti-alcoholism effort, as well as limited steps toward economic reform. He ordered Gorbachev to prepare a critical examination of the social, economic, and political conditions in the country and an investigation into how to improve them. He created a series of working groups in late 1982, and invited as participants a number of intellectuals, "including many who had never played much of a role in affairs of state." Many of the intellectual underpinnings of Gorbachev's later reforms can be traced to their analyses.

Also at this time Gorbachev obtained access to a report written in the 1970s warning the leadership about the new scientific-technological revolution taking place in the world, one which was by-passing the Soviet Union. One of those responsible for the report was Georgii Arbatov, founding director of the Institute on the USA and Canada, Central Committee member, and adviser to the Kremlin leadership since the early 1960s. In his memoirs, Arbatov writes that the Politburo had finally decided to hold a special Central Committee plenum on the new scientific-technological revolution, about which

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18 Ibid., 61.
Arbatov had long been concerned. To provide materials for a Central Committee commission in charge of preparing for the plenum, Arbatov and Nikolai Inozemtsev, director of the Institute of World Economy and International Relations, were commissioned to head a working group. Young experts were drawn in, including Abel Aganbegyan, a bright young economist, who became one of Gorbachev's leading economic advisers for perestroika. The consultants spent months interviewing experts and officials all over the country, and produced a "comprehensive economic-reform program that for those days was quite progressive," concluding that "quicker progress in science and technology was simply unthinkable without radical changes in the economy."\(^{19}\) The leadership, however, was unprepared for any fundamental reform, and reacted to the report by canceling the plenum. Later, in 1989, Arbatov took solace in hearing economists under Gorbachev refer to "an interesting document [that] had been prepared in the early 1970s, but that unfortunately . . . had been quashed."\(^{20}\) Arbatov was told that the original had been found in Brezhnev's safe after his death, and that it "apparently had ended up in Gorbachev's hands."\(^{21}\)

In the period between March 1983, when Andropov was diagnosed with kidney disease, and his death in February 1984, Gorbachev enjoyed and profited from Andropov's patronage. Although Gorbachev's ranking in the Politburo was two steps below that of Viktor Chernenko, who succeeded Andropov as general secretary, it was apparent that during those last few months of Andropov's life, Gorbachev was Andropov's surrogate in the Politburo and in the Central Committee secretariat.\(^{22}\) During this period economists and social scientists made increasingly sharp arguments for the

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\(^{20}\) Ibid.

\(^{21}\) Ibid.

need for reform, to which Andropov had always been basically averse. Although few were openly published, numerous studies were undertaken in the 1980s that railed against the economic situation. Several reports became well known. One, sponsored in by the Central Committee's Economic Department and completed in 1983 by Tatyana Zaslavskaya, a sociologist at Aganbegyan's Institute of Economics and Management of the Siberian Department of the Academy of Sciences, delivered a devastating critique of the entire economic system.23

In August 1984, the newspaper Trud published two articles by Aganbegyan that were "unusually candid" analyses of the country's economic problems.24 Aganbegyan projected a sharp fall in the working-age population during the next five-year plan, predicted that the central planners would not be able to compensate for the shortfall with increased capital investment in new plants and machinery as was their usual remedy, and asserted that the only solution would be to increase the labor productivity by at least fifty percent. He further advocated "decentralizing the economy, reducing Moscow's control, and encouraging enterprises to experiment on their own."25 Kaiser writes that "an old friend with excellent contacts" once told him that Gorbachev himself shared Aganbegyan's thinking but worried that the vast administrative bureaucracy in the ministries and enterprises could not be persuaded to accept really significant changes.26

One year before becoming general secretary, Gorbachev met with Aleksandr Yakovlev, who would become the intellectual driving force behind perestroika. The meeting was a turning point in the relationship between the two men, who together would embody new ideas and conceptualize a new direction for the country. Yakovlev's

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23 Robert Kaiser recalls that this paper "caused a sensation in the West when it was leaked to Dusko Doder of The Washington Post," in Kaiser, Why Gorbachev Happened, 91.
24 Ibid., 68.
25 Ibid., 69.
26 Ibid.
memories of that meeting also serve to highlight the early stage of Gorbachev's learning experience in understanding the essential decay of the system. The meeting occurred in the spring of 1983, when Gorbachev was heading a Soviet parliamentary delegation to Ottawa. As ambassador to Canada, Yakovlev accompanied the delegation on a ten-day tour of the country. In the course of a private walk, Gorbachev and Yakovlev formed an immediate intellectual connection that would be critical for the development of perestroika. As Yakovlev recalls in his memoirs:

We started to speak most openly without any internal editing, neglecting all kinds of caution. We were both telling each other that the system was so rotten that it was difficult to even cure the system, that the Party had stagnated. That something had to be done and done urgently. That the present Soviet leadership was not in a position to understand it, that no one knows what has to be done, how to find a way out of the situation. We both stressed that the situation in the leadership in the country at that time was becoming really critical.27

By July 1983, Yakovlev was back in Moscow where Gorbachev had arranged for him to become the new director of the Institute for World Economy and International Relations (IMEMO). He soon became an important link between Gorbachev and the institutniki, as experts at the various institutes of the Academy of Sciences were known. Under Yakovlev, IMEMO institutniki— as well as those from other Academy of Sciences institutes—began to draft for Gorbachev studies on a broad range of subjects relevant to improving the economic situation of the Soviet Union. Topics included analyses of the United States, Europe, as well as issues of economics, finances, and national security.28

Yakovlev, some years later in conversations with subordinates, noted as particularly important to the momentum behind perestroika a four-volume set of research findings prepared by his institute around 1983. In analyzing the military and political aspects of confrontation in the world, the document concluded that the armaments race was the


28 Ibid., 10.
principal cause of the sorry state of the Soviet economy.\textsuperscript{29} According to Yakovlev, this work, which was so sensitive it was immediately classified, provided a major push for change in both domestic and foreign policy.\textsuperscript{30}

In summary, Gorbachev was highly intelligent, well educated, critical, questioning, and politically astute. On the one hand, he held a deep belief in the promise of communism for the Soviet Union. On the other, his ability to process information, his openness to critical thinking, and his exposure to some of the best minds in the country led him to understand the essential weaknesses of the Soviet system. It was this combination of openness to learning and fervent patriotism that motivated him to seek a solution for the ailing system.

The Domestic Imperative

By the time Gorbachev had reached the top of the Party hierarchy, he had a highly informed perspective on his country's endemic problems. Gorbachev was not the first Soviet leader to identify and conceptualize domestic problems. What distinguished Gorbachev from his predecessors, however, was his ability and willingness to make the transition from what Ziegler calls "adaptive" behavior to "learning" behavior.

As cited in Chapter One, Ziegler defines "adaptation" as "a process of utilizing new knowledge for adjustments within existing structures, to achieve a closer approximation to regime goals."\textsuperscript{31} Adaptive behavior "seeks to preserve the existing order." It does not "challenge the dominant motivating ideology, basic system values, decision-making structures, or central goals of the organization."\textsuperscript{32} Such behavior is characteristic of the reformist approaches adopted by Lenin, Khrushchev, and Andropov.

\begin{itemize}
\item \textsuperscript{29} Ibid., 9.
\item \textsuperscript{30} Ibid.
\item \textsuperscript{31} Charles E. Ziegler, \textit{Foreign Policy and East Asia: Learning and Adaptation in the Gorbachev Era} (New York: Cambridge University Press, 1993), 12-3.
\item \textsuperscript{32} Ibid., 13.
\end{itemize}
Gorbachev, however, became radicalized in his thinking, and by 1987 he had begun to display "learning" behavior, defined by Ziegler as "dependent on quantitatively and qualitatively higher levels of new knowledge." It entails processing new knowledge "on the inadequacy of current problem-solving strategies, and on the need for fundamental changes to realign methods with goals."\(^{33}\)

On the domestic level, the information which Gorbachev began to absorb some years before he assumed the top leadership position revealed a bleak canvas of negative trends pervading all spheres of economic, political, social and cultural activity. Much has been written about the situation in the Soviet Union after twenty years of Brezhnev's sclerotic leadership. For our purposes, a short summary, based on the writing of Western Sovietologist Seweryn Bialer, will suffice.\(^ {34}\)

Bialer's categorization of the "sources of Soviet reform" under Gorbachev and the "factors that promoted radical reforms" can accurately be labeled "sources of learning." Bialer's domestic factors include: (1) "the domestic performance of the Soviet system during the Brezhnev era"; (2) "the new and necessary conditions of Soviet economic growth"; and (3) "the changed nature of Soviet society and the conditions of its stability."\(^ {35}\)

Gorbachev became the leader of a country in the midst of a national systemic crisis. It was experiencing, in Bialer's words, a "crisis of effectiveness" in almost every sphere except the military. First and foremost, social and economic conditions were abysmal. Beginning in the 1970s, the Soviet Union began experiencing a host of economic problems, including declining growth rates, low productivity, food shortages, alcohol and drug abuse, and rising ethnic discontent.

\(^ {33}\) Ibid., 12-3.


\(^ {35}\) Ibid., 29.
Politically, the country evidenced a profound sense of alienation which had permeated not only the general public, but the political leadership as well. The highly bureaucratized administrative Party-state administration, in which initiative and independent action were discouraged, had resulted in mass political apathy. Massive bottlenecks in decision-making were both a catalyst for and result of widespread corruption.

Culturally, pervasive pessimism and feelings of hopelessness permeated all layers of society. The veneer of optimism, characteristic of the ruling ideology, was ever more clearly contradicted by the bleak realities of Soviet life.

The conditions described above had serious implications. It seemed obvious that without due attention given to reversing the downward trends by reforming the system, a breakdown was inevitable. Moreover, for an ideologically derived system based on the premise that only it could promise a future of economic and social prosperity, these downward trends threatened to undermine the very legitimacy of the system.

The second category of domestic sources and learning included "the new and necessary conditions of Soviet economic growth under contemporary circumstances." In a speech to the Central Committee plenum of February 1988, Gorbachev made what Bialer has described as a "mind-boggling statement," namely that in the twenty years previous to his accession of power, the Soviet national income, with the exception of industries related to alcohol, "did not increase in real terms." As far back as the early 1970s, it had become clear that the model of economic growth developed by Stalin had not only outlived its usefulness but was dangerously inhibiting further development. The Stalinist model of economy was based on a strategy of economic growth. Geared toward the priorities of heavy industrial development and military strength, this model called for increasing investments of labor, capital, resources and land both in the production and

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36 Ibid., 30.
distribution processes. In the period between the late 1970s and the mid-1980s, the country's ability to sustain this kind of growth had sharply diminished. Gorbachev, thanks largely to economists like Aganbegyan, had become aware of the necessity to switch to an intensive strategy of growth. This model required:

(i) increased productivity of labor and capital through technological progress and better incentives; (ii) declining relative costs of production; (iii) conservation of raw materials and energy; and (iv) improved quality of products and a buildup of infrastructure.37

Only this type of economic strategy would accommodate the new priorities, which had shifted away from the development of dinosaur industries and the burgeoning military-industrial complex and toward the consumer sector, with an emphasis on raising abysmally low living standards.

A third category of domestic sources of Gorbachev's learning was social, and these trends appeared both as direct results and as by-products of official policies. They included (1) a social system of "stratification that rewarded power and was indifferent to performance," and that had resulted in a lazy, unmotivated, unproductive work force; (2) "official corruption and unfulfilled promises that led to far-reaching political alienation of the society as a whole from the party and the regime"; (3) the fact that the "phenomenal growth of the Soviet middle class, and particularly its professional component, was not reflected in the official arena with power sharing and professional and political autonomy of any kind"; and (4) "the expansion of the enormous Soviet welfare state."38

In addition to domestic considerations, several issues on the international level were critical sources of reform.39 These included objective conditions and Soviet capabilities within the international environment, as well as Soviet perceptions of both.

37 Ibid., 31.
38 Ibid., 32.
39 Bialer argues that as important as the domestic political, social, economic, and social factors were as motivations for reform, they would not have been sufficient in the absence of international factors; ibid.
The most important condition in the international environment was the scientific, technological, and information revolution that had been taking place in the capitalist world beginning in the early 1970s. The dramatic results of this phenomenon included the widespread development of sophisticated communications and information networks, a massive increase in industrial and public services, qualitative improvements in consumer goods, a dynamic global economy, and profound changes in the technology of modern warfare. As suggested above, not only was the Soviet model of economy failing to produce growth, its very goals were irrelevant to events in the international arena.

The ideological implications of this state of affairs were just as critical as the economic repercussions. The Soviet system rested on principles that self-confidently predicted the inevitable triumph of socialism over capitalism. Such optimistic assessments had traditionally been used to justify hardships. For a time, the slogans of "catching up and surpassing" the principal capitalist countries of the world found support in Moscow's successes, especially in the military and space arenas. Those successes, however, paled in comparison with the progress achieved in the scientific-technological revolution in the capitalist world. There were several dangerous implications of this situation. In the first place, the information and technology revolution involved not only the major capitalist countries of Western Europe and the United States, but it increasingly characterized the newly industrialized Asian nations. Indeed, in a short time, the world would realize that Japan had surpassed the Soviet Union as the world's number-two economy. Moreover, the very nature of the revolution threatened the secrecy with which the regime had for so long been able to protect itself. A system previously able to control the flow of truth about the outside world by managing the flows of people and information was increasingly at the mercy of a proliferation of networks of computer, telephone, photocopying, and other information technologies that were beginning to permeate its borders.
Finally, this revolution had significant implications for Soviet national security. The country, which had based its confidence almost exclusively on winning the inevitable conflict between the socialist and capitalist camps, would not be able to compete with the new generation of weapons being developed in the West without massive capital investment, if not complete industrial restructuring. A glaring example of the ever-widening scientific gap was the development in the U.S., beginning under President Reagan, of the highly sophisticated, if controversial, Strategic Defense Initiative (SDI).

The declining Soviet position in the world served as a second international source of reform. The optimistic Soviet assessment of the international "correlation of forces" in the 1960s and early 1970s was based on a series of Soviet successes. These included the temporary international withdrawal of the United States in the wake of Vietnam and Watergate, the West's seeming acquiescence in Soviet domination of Eastern Europe, and the Yom Kippur War of 1973 and the resulting oil "shocks," which provided the Soviet Union with a temporary economic windfall that masked its underlying economic weakness.

By the 1980s, however, many trends had turned against the Soviet Union. Among the most significant of these reversals was the fact that the Soviet military buildup in both Europe and the Asia-Pacific region, and especially its invasion of Afghanistan in 1979, had resulted in precisely the type of capitalist military alliances ("capitalist encirclement") and economic embargoes that Moscow had always feared. This dialectic led to a further escalation of the arms race, which in turn piled additional economic pressures upon Moscow.

In addition, Moscow was experiencing imperial over-extension. Soviet client states abroad were an increasing drain on an already weak economy. It was increasingly obvious that Moscow could not sustain such support indefinitely. Moreover, such support was not even resulting in the anticipated political gains. Indeed, most countries happily took the aid while remaining independent of Moscow's political influence. One
of the most ideologically dangerous developments since the 1969 Sino-Soviet split was the eventually successful movement in Poland, beginning in 1980, to overthrow communism altogether.

Gorbachev was as aware of these ominous international factors as he was of the domestic trends. The articulation and implementation of all of these policies—perestroika, glasnost, demokratizatsiia, and new thinking—did not, however, evolve smoothly and quickly, but rather in a zigzag fashion through a process of trial and error, and involving the gathering of new information and concentrated coalition building. This process in turn evolved as Gorbachev himself progressed from "adaptive" to "learning" behavior.

**Domestic Policy Thinking**

The initial phase of perestroika, from 1985 to 1987, was characterized by purely "adaptive" reforms. These policies were aimed at reinvigorating the established system—the values of which were still embraced—in order for it to function in a more effective way. When these reforms produced only very limited results, Gorbachev began in 1987 to introduce qualitatively new changes. Motivated still by the professed goal of saving the system, these increasingly more radical reforms ultimately served, unwittingly, to undermine that very system.

The first two years of perestroika represented a continuation of the processes set in motion by Yuri Andropov. Andropov's attempted solution to the system's economic inadequacies and the poor performance of its implementers had been the acceleration (uskorenie) of economic development by moving from extensive to intensive development. His campaign for discipline was based on the tight link between performance and rewards to enterprises and individuals.

Gorbachev, whom Andropov had made responsible for the economy and Party cadres, had gained enough authority to help sustain some aspects of this reform during
the Chernenko interregnum from February 1984 to March 1985 as the unofficial number two Party leader. Upon assuming the top leadership in March 1985, Gorbachev began to use the term perestroika more frequently, but its major thrust was still toward acceleration of economic development. He coupled a continuation of Andropov's focus on discipline, however, with an emphasis on the application of the latest scientific and technological developments to all sectors of the economy, especially machine building. Gorbachev's call for glasnost at this time was aimed primarily at exposing and correcting the inertia and incompetence in the state bureaucracy.

Throughout this first phase of perestroika, it was Aleksandr Yakovlev who both prodded Gorbachev and provided the intellectual justification for a gradual radicalization of policy. No other individual during this period appeared to hold comparable influence over the evolution of Gorbachev's thinking. Indeed, it is unclear how far or how fast Gorbachev would have gone on his own, but it is probable that he would have been more tentative for a longer period of time, missing perhaps some crucial opportunities, and avoiding some clashes. In the later years of his leadership, the political pressures became so great that Gorbachev turned his back on Yakovlev's advice. But during this initial phase, Gorbachev's openness to learning, his ad hoc approach, and his determination and confidence made him receptive to Yakovlev's ideas.

In June 1985, Yakovlev was reappointed as head of the Propaganda and Agitation Department of the Central Committee. The responsibilities of this department were particularly pertinent to Yakovlev's unofficial status as the architect of perestroika. The department was mainly responsible for "the formulation of official Party ideology and the implementation of concepts contained in official Party documents." Other responsibilities included overseeing Soviet printed and electronic media, book

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40 Based especially on interviews with Sergei Grigoriev, and on Grigoriev, "Alexander Yakovlev."

41 Grigoriev, "Alexander Yakovlev."
publications, work of creative unions, as well as the official propaganda for foreign consumption. This last responsibility involved monitoring the Western media, especially the American media, for its representation of the Soviet Union. Since Gorbachev was so sensitive to American perceptions of perestroika, he was especially dependent upon Yakovlev's insights in this area.

Yakovlev, in turn, was highly dependent upon Gorbachev's support and patronage. One reason for this dependence was the fact that Yakovlev was not yet a member of the Central Committee, although he had a high appointment in its apparatus. Secondly, because he had been abroad for ten years, and had left initially under dubious circumstances, he had lost many of his former apparatus ties. To Central Committee veterans, like his immediate bosses Yegor Ligachev and Nikolai Ryzhkov, he was suspect. Yakovlev's dependence upon Gorbachev as his sole support in the Party's inner circle probably explains Yakovlev's early caution. He had to calibrate carefully his radicalization of his new boss, lest he overstep the limits and find himself marginalized and branded a revisionist.

For a few years, Yakovlev successfully navigated and was able to influence Gorbachev's thinking in critical areas. Gorbachev remained firm in his determination to improve the social and economic conditions of the country, but his willingness to introduce radical initiatives with systemic implications was far less than Yakovlev's. Whether for reasons of ideological commitment or fear of losing power, or a combination of the two, Gorbachev resisted splitting the Party. Yakovlev, on the other hand,

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42 Ibid.

43 For years it was assumed that Yakovlev had been exiled to Canada because of an outspoken critique of Russian nationalism he had published in Literaturnata Gazeta in 1972. In 1990, however, Yakovlev revealed in an interview with Komsomolskaia Pravda that the article was merely a "catalyst," and that the real reason he "fell out of favor" was the "questions he raised about the beginnings of a cult of Brezhnev's personality in 1971 and 1972"; Kaiser, Why Gorbachev Happened, 110.

44 The fear was a realistic one in that his perspective was a minority in the Politburo throughout this period.
internalized "learning behavior" far sooner than Gorbachev. As early as the end of 1985, Yakovlev wrote a memorandum to Gorbachev in which he tried to convince Gorbachev of the necessity of splitting the CPSU into two parties in order to create, as he explained it, a democratic field of competition. On the path toward that end, Yakovlev believed, both parties would undergo renewal on the basis of free elections, and as a result, society would be reinvigorated. Yakovlev claims that while advocating this democratic concept, at the time he, like Gorbachev, was still motivated by the drive to improve and not eliminate the socialist system.45

Although Yakovlev failed during this period to convince Gorbachev of the futility of trying to reform the Party, he did succeed in "radicalizing" both glasnost and demokratizatsia.46 In the area of glasnost, Yakovlev effectively expanded the policy in 1986 from simply inviting the media to criticize the failings of the economy to exhorting all segments of the intelligentsia to expose the Party apparat's resistance to perestroika. In 1987, Yakovlev was able to engage the intelligentsia in a campaign to expose the truth about Stalin and the "blank spots" of Soviet history. That Gorbachev himself was not yet ready to push glasnost onto a resistant Party apparat was reflected in his tentativeness on the topic of Stalin in his speech commemorating the Seventieth Anniversary of the Bolshevik Revolution. More radical reformers who had expected Gorbachev to use the occasion to deliver a severe denunciation of Stalin were decidedly disappointed. In his report, Gorbachev did, however, invite the country's intellectuals and scientists to continue to study the past, and he subsequently designated Yakovlev to create and chair a commission for additional study of Party documents connected with repression.47

Constant exposure to the thinking and writing of the intelligentsia in turn helped "shape

45 Grigoriev, "Alexander Yakovlev."
46 Ibid.
47 Ibid., 33.
Gorbachev's views and attitudes. Grigoriev credits the work of the historical commission with exposing the facts about Stalin and in helping Gorbachev experience "an intellectual breakthrough." In April 1988, at a Central Committee meeting convened to discuss the Nina Andreeva letter, Gorbachev exploded when one member objected to the denunciation of Stalin's cult:

> When we didn't know what was happening, it was one thing, but now we finally know the truth . . . Stalin is a criminal without any morality. Just for you, not for publication, I tell you one thing. One million Party activists were shot dead. Three million Party cadres were sent into the camps where they rotted to death. By those quotas to kill people, the best people in the country were killed. And this is not to mention collectivization, which took many more millions of human lives . . .

The use of glasnost to expose the truth thus also served to radicalize Gorbachev's own thinking.

Yakovlev used glasnost and the intelligentsia to help push Gorbachev over another intellectual hurdle, namely accepting the need for the reform of the political system itself. This acceptance, perhaps the most radical mental shift in his transition from "adaptation" to "learning," was the motivation behind his campaign for demokratizatsiia. In 1986 Gorbachev had realized that perestroika was not progressing fast enough. Part of the problem lay in bureaucratic inertia in the state and Party, but labor enthusiasm for reform had also failed to materialize. The skepticism and distrust of the Party and state apparatus, it seemed, were far deeper than anticipated. In his book Perestroika, Gorbachev noted that during his trip to Krasnodar in September 1986, he

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48 Ibid., 20.

49 In March 1988, Sovetskaia Rossiia published a "letter" from Nina Andreeva, a Leningrad teacher, which contained a diatribe against Gorbachev's policies reminiscent of malevolent Stalinist accusations. There were rumors at the time, later confirmed, that it had been published under Ligachev's instructions in an unsuccessful effort to reverse the progress of reform.


"realized how bitter the people [were], what problems people raised!" Gorbachev came to understand the need to engage the "human factor" through demokratizatsiia. As he said in 1987, "a house can be put in order only by a person who feels that he owns the house."53

The full scope of demokratizatsiia was elaborated in Gorbachev's report, "On Perestroika and the Party's Personnel Policy," prepared in January 1987 for the Central Committee plenum. Yakovlev had worked on this report and other materials for the plenum almost incessantly for two and a half months, but the issues were so controversial that the plenum had been postponed three times. Yakovlev reportedly said that "in the process of work over the report, we came to the conclusion that no personnel changes, no qualitative improvement will take place if the Party leaders [are] not elected on an alternative basis. Alternative basis has immediately become the curse word for the Party apparatchiks."54 The report identified the Party and state leadership as having failed to foresee the crisis and develop a response to it. Only by opening up the decision-making process, it said, would these problems be avoided in the future. The report asserted that the Party's urgent task was "further democratization of the Soviet society."55 The solution to the bureaucracy's inertia was contained in the revolutionary proposal to hold multi-candidate elections for state and Party officials and for management positions in enterprises. Gorbachev further advocated "supporting and increasing the role of the Soviets," a suggestion which presaged future reforms to elevate those bodies. The implications of this reform cannot be overestimated. Not only did it break the Party's monopoly on appointments based on the nomenklatura system, but, more significantly, it


54 Grigoriev, "Alexander Yakovlev."

55 Ibid.
broke its monopoly on decision-making and implementation by calling for the promotion of non-Party members.\textsuperscript{56} In other words, not only was the economy to be restructured, so too was the political system. \textit{Demokratizatsiia} of society was required for the mobilization of the "human factor," which would be the "decisive force" for the success of perestroika.

When Gorbachev first introduced the concept of \textit{demokratizatsiia} at the Twenty-seventh Party Congress in December 1986, he seemed to mean by the term attention to proper democratic procedures. The January 1987 plenum resolutions, however, called for the participation of non-Party members as a vital force of its own. In \textit{Perestroika}, Gorbachev identified the acceptance of this principle as the result of learning:

\begin{quote}
We need broad democratization of all aspects of society. That democratization is also the main guarantee that the current processes are irreversible. We know today that we would have been able to avoid many of these difficulties if the democratic process had developed normally in our country. \textit{We have learned this lesson from our history well and will never forget it.} We will now stick firmly to the line that only through the consistent development of the democratic forms inherent in socialism and through the expansion of self-government can we make progress. . . . Perestroika itself can only come through democracy.\textsuperscript{57}
\end{quote}

This mental breakthrough ultimately led to Gorbachev's radical proposal at the Nineteenth Party Conference in July 1988 to introduce open elections.

Thus by the end of the first period, the foundation for Gorbachev's shift from "adaptive" to "learning" behavior was in place. Gorbachev had made the transition to adopting essentially new goals and values, although it remained to be seen how those goals could be achieved.

**Foreign Policy Thinking**

Learning was prominent in foreign policy as well. Gorbachev's new understanding about the Soviet Union's standing in the world, coupled with domestic

\textsuperscript{56} Ibid.

\textsuperscript{57} Gorbachev, \textit{Perestroika}, 32 [emphasis added].

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imperatives, led to the evolution of doctrines in foreign policy that were as different from those of his predecessors as they were from those evolving in the domestic policy arena. Although the actual implementation of many of these policies did not occur until later, the major conceptualization of this new paradigm was set by the end of June 1988.

Attention to foreign policy was an integral component in Gorbachev's drive to cure the ailing country. The interconnectedness of domestic and foreign policy was underlined by Gorbachev himself in his interview with *Time* magazine in September 1985:

Somebody said that foreign policy is a continuation of domestic policy. If that is so, then I ask you to ponder one thing: If we in the Soviet Union are setting ourselves such grandiose plans in the domestic sphere, then what are the external conditions that we need to be able to fulfill those domestic plans? I leave the answer to that question with you.58

In a 1987 speech at a dinner for Margaret Thatcher, Gorbachev said that "Our foreign policy today stems directly from our domestic policy to a greater extent than ever before."59 The main arguments for change in Moscow's foreign policy were indeed directly related to domestic policy: (1) In order to devote attention to the enormous problems at home, the Soviet leadership needed a calm international atmosphere. (2) Good relations with former enemies, especially the United States, were imperative to halt the arms race which had become a dangerous drain on an ailing economy, and threatened to become even more so if the Soviet Union were compelled to defend itself against SDI. (3) Good relations with capitalist countries were also important to set the stage for economic benefits to be derived from trade, foreign investment in Soviet development projects, and integration of the Soviet Union into the world economy, including membership in international organizations.


59 *Pravda*, 1 April 1987.
In Gorbachev's foreign policy, new political thinking was, like perestroika and glasnost in domestic affairs, a set of principles and policies which developed over time. With the goal of assisting domestic restructuring, the principles of NPT as it evolved came to represent a dramatic new paradigm, anathema to the dogma of Marxism-Leninism.

As with perestroika and glasnost, Gorbachev's vision for NPT became increasingly radicalized. The timing and content of his intellectual shifts are important for understanding the evolution of his thinking about the Asian-Pacific region in general, Japan in particular, and for the development of Soviet-Japanese diplomatic activity in this period.

Gorbachev's NPT had begun as an understanding of the imperative of shifting resources from the defense to the civilian sector. This would be accomplished by arms control and disarmament agreements aimed at reversing the spiral of the arms race. A second benefit of this policy would be the improvement in the East-West climate of hostility, in particular between the Soviet Union and the United States. The rationale behind this policy was the acknowledgment that the existence of nuclear weapons had made war unwinnable, and therefore had ended the effectiveness of military means for solving political problems. Moreover, it had resulted in an interdependent world, where nations had a common interest in avoiding war. Between 1985 and 1987, Gorbachev and his team concentrated on developing a series of arms control proposals. During this period, Gorbachev continued to view the United States specifically, and capitalism in general, as negative forces and as problems to overcome. Improved relations between Moscow and Washington were regarded as the means toward the goal of eliminating nuclear weapons and reallocating resources away from the military.

Michael McCGwire, an authority on national security policy under Gorbachev, surmises that the failure of the Reykjavik summit in 1986 may have been the catalytic event which prodded Gorbachev to a new level of thinking. He argues that in the
aftermath of the summit Gorbachev realized that merely offering arms control proposals and repeating such slogans as the need to rely on "political and not military means" to achieve security were not enough to convince the West of Moscow's seriousness, and that a reworking of basic doctrine was therefore necessary:

It is clear that Gorbachev and his followers recognized the inherent conflict between the Marxist-Leninist concept of antagonistic social systems and the new political thinking about international relations with its image of an interdependent world and the need for cooperative endeavors.60

Therefore, beginning in the fall of 1986, Gorbachev engaged civilian analysts and advisers to challenge the concepts of class analysis and the correlation of forces.

The result of the ensuing intellectual ferment was Gorbachev's adoption by the end of 1987 of a set of principles that together constituted a "reorienting of . . . key ideological concepts," or rather a de-ideologizing of foreign policy.61 Those principles included the following:

1. Peaceful coexistence can longer be seen as a breathing space before a renewed assault by capitalism, but must be viewed as a permanently operating condition.

2. National interests and general human values, and not class interests, are to be the basis for relations between states.

3. Capitalism's instinct to destroy socialism has been overridden by the need to avoid nuclear war; therefore militarism and a clash with socialism are not inevitable; moreover, capitalism will not necessarily collapse, and indeed its economic prognosis is very favorable.

4. The precedence of national interests renders obsolete the traditional analysis of the correlation of forces; a "zero-sum" concept of international relations must give way to an "expanding sum."

5. The struggle between two opposing systems is no longer the determining factor in international relations.

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61 Ibid., 291.
By the end of November, at the time of Gorbachev's speech on the Seventieth Anniversary of the October Revolution, all of these concepts had been articulated by either Gorbachev or one of his close advisers. In that speech, Gorbachev engaged in a lengthy discussion of the reconceptualization of the nature of capitalism. Ultimately, all of these basic tenets were codified at a three-day conference at the Ministry of Foreign Affairs in July 1988, nominally convened to review the implications of the Nineteenth All-Union Party Conference, which had been held in June, but which was really convened to translate the new ideology into operational policy.62

In addition to reworking Marxist-Leninist theory on international relations, NPT also entailed a redefinition of Soviet military doctrine and strategy. Based on the assumption of "no world war," Gorbachev adopted the concepts of "reasonable sufficiency" and "mutual security," first formalized at the Twenty-seventh Party Congress, but more fully elaborated over the next few years. The Brezhnev approach to national security equated better security with a steady increase of military power. Security would be achieved when the Soviet Union had enough military power to repel all possible combinations of force against it. Gorbachev, on the other hand, adopted the doctrine of "reasonable sufficiency," which would provide enough military power to repel an aggressor, but not so much as to pose an offensive threat.

Moscow's doctrine of "reasonable sufficiency" also reflected the new posture of averting war rather than preparing to win it. It was now accepted that an offensive posture, which had been the bulwark of Soviet military strategy, was destabilizing because it induced tension, fueled the arms race, and made war more likely. Security, now defined more broadly, should be accomplished by relying on a minimum of force to provide for an "adequate defense." According to Defense Minister Dmitrii Yazov, this doctrine would reduce military requirements to "the magnitude of armed forces necessary

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62 Ibid., fn. 110.
to defend oneself against attack from outside." Such thinking would allow massive reductions in nuclear and conventional weapons, and create an environment of "mutual security." This doctrine thus also satisfied the need to redirect scarce resources away from the military.

New Thinking on the Asia-Pacific Region

The principles of new political thinking were further refined as they were applied to specific regions of the world, including Japan. New thinking about Japan is best understood by looking first at the implications of the principles of NPT for the Asia-Pacific region (APR) as a whole.

Gorbachev's new thinking on APR was expressed in what was considered at the time a major policy statement, his speech in Vladivostok on 26 July 1986. In addition, he included statements on the APR in several other official statements, including his Political Report to the Twenty-seventh Party Congress on 25 February 1986; his Government Report of 24 April 1986; and his interview with the Indonesian newspaper Merdeka on 21 July 1987. Also, his book Perestroika, published in 1987, devoted four pages to "The Asia-Pacific Knot." The following is a summary of the major principles of new thinking on the APR, all of which had policy implications for Japan:

63 Pravda, 14 July 1987.


The Asia-Pacific region is an area of growing economic dynamism. The Soviet Union is an Asian country which intends to take part in this dynamism.

Between 1985 and 1987, Gorbachev's speeches placed tremendous emphasis on the development of Siberia and the Soviet Far East as an important element in his strategy of economic perestroika. Development was necessary to end the eastern region's dependence upon the western part of the Soviet Union, as well as to enable the east to take part in the dynamic political and economic processes of the APR. This was to be accomplished both through economic perestroika and through joint enterprises with other countries in the region, especially Japan. Gorbachev acknowledged that development of the region had been neglected, while its strategic role as a bastion of military buildup had been emphasized. Now that process was to be reversed. The role of the region as "the country's outpost on the Pacific Ocean" was no longer sufficient, and the region was "to be turned into a highly developed national economic complex." In choosing as the venue for his speech the city of Vladivostok, the name of which means "ruler of the East" as it was originally envisioned by its founder Tsar Alexander II, Gorbachev meant to emphasize, as he did in Perestroika, that "the Soviet Union is an Asian, as well as European, country," claiming its rightful place in the region.

Since the region today is characterized by interdependence, relations among nations there must be based on new approaches to foreign policy and on cooperation rather than confrontation.

In line with the principles of NPT, new thinking on Asia stressed the nature of international relations in the region as characterized by interdependence, where military confrontations could no longer solve any state's interests. Emphasis should rather be placed on nations working together. Accordingly, Gorbachev stated at Vladivostok:

Time is consistently demanding a new understanding of the current stage in the development of civilization; of international relations; of the world, of a world that is complex but that is objectively united by ties of interdependence.... All this is dictating the need for an urgent, radical break with many conventional approaches to foreign policy, with views on

the problems of war and peace . . . one cannot live any longer according to the law of the fist . . . .70

As if acknowledging the Soviet Union's own previously aggressive behavior, and certainly wishing to preclude any other power's establishing dominance in the region, Gorbachev now asserted the importance of relations based on a realistic "balance of interests":

The Soviet Union . . . wants to see that the huge Asia-Pacific region . . . has everything it needs to improve the situation in it, and that due account is taken of the interests of all the states and of a balance between them. We are against this region being someone's domain. We want everybody to have genuine equality, cooperation, and security.71

(3) The current stage of development in the region requires a reduction in tensions through efforts to reduce the dangers of war.

Based on the logic of the diminishing value of military strength in the nuclear age, and on the domestic imperative of reducing Soviet military spending, new thinking in Asia sought to engage the United States in a commitment to arms control, disarmament, and regional security measures. A significant portion of all of Gorbachev's statements on the region includes proposals for nuclear and conventional arms control, including an initiative for a Helsinki-like regional security arrangement, confidence-building measures, proposals for promoting the concept of nuclear-free zones, the elimination of foreign military bases, and measures to prevent anti-submarine warfare (ASW) measures. Many of these efforts were viewed with skepticism by the West and by other nations in the region, especially the proposal concerning a Helsinki-type arrangement, which was reminiscent of Brezhnev's calls for collective security in Asia. But Gorbachev's surprise announcement in his interview with Merdeka that Moscow was ready to destroy all Soviet SS-20 intermediate-range missiles in Asia, thus eliminating the final obstacle to

70 Ibid., R10-1.
71 Gorbachev, Perestroika, 180.
the Intermediate-range Nuclear Forces Treaty (INF), was a sign that Moscow was evidently serious about arms control.

New Thinking about Japan

Gorbachev addressed the question of Japan in his speech in Vladivostok and on several other occasions during this period. While observers at the time tried to deduce from his comments a coherent policy orientation, one can now see that thinking about Japan was still fairly incoherent and only superficially elaborated.

Three general themes can be identified in Gorbachev's thinking about Japan. The first was that Japan was an important country. At Vladivostok, Gorbachev stated: "Japan has turned into a power of front-ranking significance. The country . . . has covered a huge distance in a short time, and shown striking achievements in industry, trade, education, science, and technology." This statement contained several new implications. In the first place, Japan was no longer to be considered an insignificant country, a puppet of the United States, but as a country of importance in its own right, specifically by virtue of its economic weight. This was a clear rejection of Gromyko's condescending and arrogant posture toward Tokyo.

A second thread was the familiar attempt to separate Japan from its strategic relationship with the United States. This initiative was reflected in warnings of reemerging Japanese militarism coupled with unrealistic arms control proposals. In his 24 April 1986 Government Statement, Gorbachev noted that "certain political circles in the USA and Japan do not picture the future of the Asia-Pacific region in any other way than in the form of confrontation of different countries." At Vladivostok, he again sounded like an "old thinker" in his warning that under pressure from the United States, "the militarized Washington-Tokyo-Seoul triangle is taking shape," and that

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72 "Vladivostok Speech," R12.

73 Pravda (24 April 1986).
"militarization and the growth of the military threat in this part of the world is beginning to gather dangerous speed."74 These references hark back to Soviet concerns about the U.S.-Japanese security relationship, and specifically Japan's role in the maritime strategy of the U.S. and American pressure on Japan to build up the latter's defense spending and to take part in the development of the Strategic Defense Initiative. In contradictory fashion, he both credited Japan's "three non-nuclear principles"75 for the country's economic achievements, and at the same time warned that Japan's growing militarism was leading to a situation where those principles were "being skirted more and more obviously." Moreover, the United States had located "nuclear-weapons delivery vehicles on Japanese territory." Because the Soviets maintained that both port calls by nuclear-armed U.S. vessels and Japan's participation in SDI research programs violated these principles, the proposals amounted to a call for a major redefinition of Japan's security relations with the U.S.

By the end of 1987, however, Gorbachev's rhetoric about the danger of Japan's militarism had greatly toned down. In his speech to the United Nations, for example, he complimented both Japan and Germany as examples of countries which had achieved high levels of economic development without resorting to "militarism," and stopped talking about the danger of American pressure on Japan.

A third theme was the importance of improving Soviet-Japanese relations, specifically economic relations. The Vladivostok speech was devoted equally to domestic and foreign affairs. The link between the two was the concept of the Asia-Pacific region as a region ripe for cooperative initiatives. Gorbachev devoted a good deal of attention to identifying areas which required development in order for the Soviet Far


75 In 1968, the Japanese formulated what they called their "three nuclear principles": (1) Japan will never possess nuclear weapons; (2) Japan will not manufacture nuclear weapons; and (3) Japan will not cause nuclear weapons to be brought into its territory.
East to achieve its potential, including, *inter alia*, trade, tourism, fisheries, energy production, timber, and technological innovation. Gorbachev articulated a new emphasis on relations with Japan, when he stated:

> As concerns relations with Japan, signs for the better are taking shape . . . . Economic cooperation is of mutual interest. This relates first and foremost to our coastal regions, where business contacts with Japanese firms have already been established. The matter of establishing joint enterprises in the adjacent and geographically close regions of the USSR and Japan could also be discussed. Why not also establish long-term cooperation in research into and comprehensive exploitation of the ocean's resources, and join together programs for the peaceful study and use of space?

> The Japanese apparently have a method of making relations dynamic, which is called economic diplomacy. Let this serve the cause of Soviet-Japanese cooperation, this time.76

Expanded economic relations with Japan would serve two purposes. In the first place, they were needed to help modernize the Soviet technology. Secondly, the process of increasing ties would help change Moscow's image as a military threat.

The important question is, What were the policy implications of these goals for the territorial issue? In all of his statements on Japan, Gorbachev never directly mentioned the territorial issue. He made one oblique reference, when, in noting signs of an improvement in Soviet-Japanese relations, he said:

> It would be a good thing if this change were to take place. The objective position of our two countries in the world is such that deeply intensified cooperation on a healthy, and realistic, basis is required, in an atmosphere of calm *unburdened by the problems of the past* [emphasis added].77

In this one reference, however, he simply revived past tactics of advocating improved relations with Japan while simply trivializing Japan's insistence on the solution of the territorial problem as a prerequisite.

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76 "Vladivostok Speech," R15.

77 Ibid.
Foreign Policy-Making in Moscow

The political environment that developed during this first period was marked by both continuity and change. Not surprisingly, it had a mixed effect on Soviet policy towards Japan and particularly on the territorial issue. The domestic political changes that Gorbachev engineered, as well as the international political context that emerged, provided an environment supportive of Gorbachev's evolving world-view. Nevertheless, both the continuity of the established decision-making process and the absence of a policy imperative precluded a generalized shift in policy. Still, those changes in personnel and structure that were put into place in this early period set the stage for more radical changes later.

When Gorbachev took office in 1985, foreign policy-making was a highly centralized, controlled, and secretive process. The locus of power remained centered in the Communist Party of the Soviet Union (CPSU), defined in Article 6 of the Constitution of 1977 as "the leading and guiding force of society and the nucleus of its political system." Power flowed from the top of its hierarchical structure, according to the principle of "democratic centralism."

In theory, the "elected" bodies of the CPSU, namely the Congress and the Central Committee, were at the top of the pyramidal structure. In practice, however, the Politburo and the Defense Council served as the highest sources of authority. As Aspaturian wrote in 1988:

The Politburo remains the nerve center of the foreign policy process; if national security matters are involved, it is either first handled in the Council of Defense, to the exclusion of Politburo members not on the council, or the Politburo refers the issues to the Council for final or penultimate disposition.9

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78 Although the Defense Council was a state body, its authority to make binding official policies, and its subordination to the general secretary, made it an unofficial Party body.

The general secretary of the CPSU, as chairman of both the Politburo and the Defense Council, was *primus inter pares*. He had the authority to frame the policy agenda, and, through his power to make appointments, he could build support for his own policy preferences. His authority, however, was not unchallenged. As one analyst has pointed out, "The general secretary, who did not have the advantage of endorsement by popular vote and who was no longer able to use terror against his rivals, had to maneuver and build coalitions among powerful groups in the apparatus." 80

Since both the Politburo and the Defense Council were composed of a small number of officials, and had agendas spanning a panoply of issues, "gathering information, framing the terms of debate, influencing top officials, and running day-to-day affairs" were crucial activities that preceded decisions. 81 Both Party and state institutions were entrusted with these responsibilities.

The Party bodies charged with a role in foreign policy-making were the Secretariat and International Department of the Central Committee of the CPSU. Among the state institutions so entrusted were the Ministry of Foreign Affairs, the Ministry of Defense, the KGB (the latter two playing a role when territorial and national security issues were concerned), and to a lesser extent, the Ministry of Foreign Trade. An unofficial but influential role was played by foreign policy assistants (*pomoshchniki*) to the general secretary. Such assistants were usually drawn directly from the Central Committee. Also playing an unofficial role were highly placed experts at foreign policy institutes of the Academy of Sciences of the USSR.

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80 Neil Malcolm, "Russian Foreign Policy Decision-Making," in *Russian Foreign Policy Since 1990*, ed. Peter Shearman (Boulder, Colo.: Westview, 1995), 24. Arkady Shevchenko pointed out that, although by the early 1970s Brezhnev had firmly established his political dominance, he was weaker than either Stalin or Krushchev and had to grant a larger role to the Politburo than did either of his predecessors; see Arkady N. Shevchenko, *Breaking with Moscow* (New York: Knopf, 1985), 181. The same can be said for Brezhnev's successors.

Throughout the first period of Gorbachev's tenure as general secretary, the transitional distribution of power and policy-making process remained essentially in tact:

The right to have an overall view about foreign policy issues was in essence restricted to the Politburo—the job of other participants was to provide specialized information and carry out specialized tasks of implementation. Such compartmentalization fostered a powerful version of bureaucratic parochialism. Information, as a rule, was distributed on a "need-to-know" basis, and opinions were sought only as and when those in power thought appropriate. Of course there were informal channels of access and privileged information sources for a slightly wider elite, and policy could be argued by specialists in oblique terms; but in general it would have been misleading to talk about a "foreign policy debate" or about an "informed public."82

The Party was at the heart of the process:

Decisions were taken by the Politburo or by key groups drawn from its members; the Secretariat acted as the main channel, sifter, and organizer of the information the Politburo needed to make its decisions. Party spokesmen and publications articulated the doctrinal framework of policy, and maintained discipline among those responsible.83

Party control, however, did not go unchallenged:

The Politburo itself had become a more representative body by the 1970s: the minister of defense, the minister of foreign affairs, and the head of the KGB, for example, seemed to attend virtually ex officio. The Soviet Union was clearly by no means immune to the effects of bureaucratic politics in the foreign policy field. Roles were distributed in an untidy, ad hoc fashion; there were frequent demarcation between the party International Department, the military, and the Foreign Ministry; and policy frequently appeared to lack coherence and flexibility.84

What is striking about policy making concerning Japan and the Kurile Islands in the decade before Gorbachev, however, is the uniformly rigid attitude toward Japan of those who were involved in the process.85 An unchallenged consensus existed to the effect that the Kuriles were non-negotiable. This was the position firmly taken by the two

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83 Ibid.
84 Ibid., 24-5.
85 One area of Japan policy that had evoked sharp debate in the 1970s concerned Moscow's reaction to the Sino-Japanese Treaty of Peace and Friendship of 1978.
individuals with the greatest influence over Japan policy—Foreign Minister Andrei
Gromyko and Ivan Kovalenko, Deputy Head of the International Department in charge of
the Japan desk.86 This was also the position taken, not surprisingly, by the military and
the KGB, two institutions empowered to preserve the country's territorial integrity.

During his first three years as leader, Gorbachev was responsible for two changes
in the policy-making process that had specific implications for policy regarding Japan.
First, like his predecessors, he used his power of appointment to purge many hard-liners
and to replace them with people he considered likely to be loyal to himself and to his
political agenda. Second, he modified the balance of power among the various political
institutions in an effort to create competing centers of new ideas. While these changes
were motivated by policy priorities other than Japan, they created a political environment
conducive to a less rigid approach to this topic.

Because of the limited liberalization of the policy-making process, however, the
only individuals who strongly believed in putting the territorial issue on the agenda were
not in a position to have significant influence. During this early period, initiatives
concerning Japan usually came from the Japan desk at the MFA, and/or specialists from
the academic institutes. The policy initiator would write a letter (sluzhebnaita) to the
International Department. If the question were sufficiently important, however,
Shevardnadze would go directly to Gorbachev, as Gromyko would have gone directly to
Brezhnev, Andropov, or Chernenko. Gorbachev would then agree to review the problem.
The Central Committee would ask the MFA, the Ministry of Defense, the KGB, and the
academic institutes to make their observations of the problem. All of the parts would
then be returned to the ID, where they would be read and coordinated. The head of the
ID would then write an inquiry (spravka) to the Central Committee secretary in charge of

86 That these were the individuals most responsible for Japan policy in the pre-1985 period was
confirmed in interviews with Evgenii Bazhanov, Nodari Simonia, and Aleksandr Yakovlev.
international affairs. A second round of papers would then be generated to address the potential reaction of the Japanese to the initiative in question.

The Vladivostok initiative revealed such a process. In this case, several individuals (reportedly specialists from IMEMO with the backing of some from the Central Committee) went to Gorbachev through Yakovlev and suggested that it was time for him to make a speech concerning the Asia-Pacific region. Gorbachev had already made policy statements concerning the United States and Europe. If he were serious about economic reform in the Pacific and improving relations with countries there, they argued, he should codify those interests in a speech. Gorbachev accepted the idea and initiated the process by commissioning the drafting of a statement on the Asia-Pacific region. Their input was then sent to the ID and circulated to the relevant agencies for comments, criticisms, and additional input. The revised drafts became the essence of the Vladivostok speech. In the end, Chemyaev, Gorbachev’s chief foreign policy adviser, edited the draft and delivered it to Gorbachev.

This process, which applied both to foreign policy in general and that related specifically to Japan, helps explain why the Vladivostok speech seemed so disjointed, and at times contradictory. The speech represented the inputs from a number of different agencies, including the Ministries of Foreign Affairs, Defense, and Trade, the Central Committee, and economic and Asian policy advisers and specialists. It is likely that because Gorbachev himself had no clear strategy for the region, his inclination was to leave the various segments of the speech largely unedited. The identification of Japan as the emerging center of capitalism bore the stamp of Yakovlev and Yevgeni Primakov, Yakovlev’s successor as director of IMEMO. The warning that Japan was under pressure from the United States and being pushed towards militarism was likely the touch of Kovalenko. The prospects for Japan’s involvement of the development of eastern Siberia

87 Interviews with Sergei Grigoriev, Vladimir Ivanov, and Sergei Chugrov.
and the Soviet Far East came perhaps from the economists at IMEMO and among Gorbachev's economic advisers. The call to Japan to join the USSR in a variety of security measures in the region to offset the danger of military confrontation might have had input from the military as well as civilian analysts. Gorbachev's inclination to include a variety of perspectives, however contradictory they may have been, was reflected in both this speech and in Soviet policy towards Japan. Before examining the intricacies of the territorial issue, it is therefore appropriate to explore in detail the role of each of the major institutions involved in the foreign policy-making process.

The Politburo

Gorbachev, like all new Soviet leaders, used the tool of personnel "reinvigoration," or restaffing, for two purposes. First, it helped him to establish personal power. The patron-client appointment process, or nomenklatura, was the key means of establishing personal loyalty. Restaffing allowed the patron the opportunity to influence the policy orientation of a particular post by virtue of the type of official he appointed.

In an ideal world, the appointee would be loyal to both the leader and to his ideas and vision. In the real world, however, individuals are not easily categorized or predictable. Moreover, the appointment process entailed bargaining and compromises. Restaffing was a difficult, usually time-consuming, and highly subjective process, because, in contrast to a cabinet system where the leader brought his own circle of advisers, the Party leader had to force out entrenched and resistant individuals. In this way, Gorbachev's personnel changes were part of a process, carried out over time, with an eye to accomplishing certain policy/process preferences while balancing various constraints.

During this early period, Gorbachev's restaffing of top positions underlined his commitment to a new set of foreign policy goals focused on disarmament and rapprochement with the West. Although none of these appointments were motivated by
Japan as a foreign policy priority, their effects on this policy area were positive. The
knowledge and expertise of these individuals about the developed world, and their related
ability to adapt more easily to new political thinking, contributed to and supported a new
and more benign attitude toward Japan.

Shevardnadze

One of the first, and most significant, personnel changes in the foreign policy
arena at this time, pertaining to both foreign policy in general and Japan policy
specifically, was the semi-retirement of Foreign Minister Gromyko in July 1985 after a
thirty-year career in that post. Gromyko was "elevated" to the essentially ceremonial post
of chairman of the Presidium of the Supreme Soviet. In that position he continued to
advise Gorbachev on foreign policy, and he did retain a seat on the Politburo, but for all
intents and purposes, the loss of his ministerial position stripped him of his official
policy-making role.

Gromyko's removal was welcomed in Japan. In Tokyo, he was viewed as the
personification of the Brezhnevite bi-polar orientation in international affairs, one
dominated by a preoccupation with the hostility between socialism and capitalism as
embodied by the Soviet Union and the United States. In that dichotomized world-view,
where the two systems were destined to clash, military power was perceived as the main
determinant of winning or losing, and later, with the advent of nuclear weapons, of
survival or annihilation. Every foreign policy decision was dominated by its perceived
implications for the U.S.-Soviet relationship, and Gromyko's inflexibility at the
negotiating table had earned him the epithet of "Mr. Nyet."

Since Japan was an insignificant military power, having generally renounced the
right to develop an independent military force, and nuclear weapons in particular, its only
relevance in Gromyko's viewpoint had been as a junior partner to the United States in
Washington's defense strategy in the Pacific. In general, Gromyko had treated the
Japanese with arrogance and condescension. His lack of interest in Japan was reflected in
the fact that, during his final three years as Foreign Minster, he had visited Japan only
once.88 As for his position on the Kuriles issue, he rigidly insisted that there was "no
territorial problem." Until 1985, Gromyko's authority in foreign policy had been so
dominant that the Japanese assumed that nothing would change in Soviet-Japanese
relations as long as he was foreign minister.

Gorbachev's appointment in July 1985 of Eduard Shevardnadze as Foreign
Minister with full membership in the Politburo set the tone for Gorbachev's new strategy.
Shevardnadze represented a clean break with the style of Gromyko in that the former had
no professional experience in the foreign affairs establishment. Shevardnadze was a
Party man, who, like Gorbachev, had spent his entire professional life working his way
up the Party hierarchy, from Komsomol member to first secretary in Georgia. Moreover,
his style and character were in tune with Gorbachev's.89 He was clever, well-educated,
and a man of energy and initiative.

Shevardnadze's work in the Georgian Ministry of Internal Affairs had won him
the reputation of being intolerant of crime and corruption. Such a background, combined
with his lack of institutional ties with the MFA, was indeed useful for the task of ridding
the Ministry of corruption and inertia. Moreover, as first secretary in Georgia,
Shevardnadze had distinguished himself for his competence and creativity in solving
economic problems, particularly in the area of agriculture. He, like Gorbachev, had
experimented with ways to engender greater initiative among the workers. Also like

88 Evgenii Bazhanov elaborated on this point: "Gromyko did not like Japan, and never liked to go
there. He looked at Japan as a small partner of America . . . . At one time the Japanese proposed to
Gromyko to make regular visits to Japan, and Gromyko replied, 'Me? Go to Japan every two years? What
is Japan?" Interview with Bazhanov.

89 Jerry Hough points out that that Gorbachev and Shevardnadze had known each other for almost
thirty years, and that their ties were strengthened in the late 1970s and early 1980s when Gorbachev, as
secretary for agriculture, introduced into the country a Georgian experiment in agriculture; Jerry F. Hough,
Russia and the West: Gorbachev and the Politics of Reform, 2d ed. (New York: Simon & Schuster, 1990),
221.

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Gorbachev, he understood the potential importance of public opinion in shaping and implementing policies.\textsuperscript{90}

Other characteristics that made Shevardnadze promising as a leader of new thinking was his insistence on knowing the truth and his openness to learning. From the beginning, he instructed his two aides, Teymuraz Stepanov and Sergei Tarasenko: "I expect you to tell me the truth. No one else will."\textsuperscript{91} He was a good listener, and not in a hurry to set agendas. Upon assuming the leadership of the MFA, he embarked upon a steep learning curve concerning both the substance and process of decision-making.

Shevardnadze also surrounded himself with specialists from the institutes of the Academy of Sciences, who educated him about various foreign policy issues. Although it was not unusual for the MFA and the Central Committee to rely upon opinions and reports from these specialists, Shevardnadze was far more open to their ideas than was his predecessor. Later, he would use his relationships with the academic institutes to create a broader constituency for building a consensus for new policies.\textsuperscript{92}

When Shevardnadze was first appointed foreign minister, most Western analysts assumed his lack of foreign policy experience to be an indication that Gorbachev himself would now dominate foreign policy. Although this appointment certainly gave Gorbachev more freedom of movement in foreign policy than would that of a protege of Gromyko's, Gorbachev gave Shevardnadze a great deal of leeway in running foreign policy from the beginning.\textsuperscript{93} Shevardnadze's full membership in the Politburo was an indication of Gorbachev's faith in him as a foreign policy leader, and a signal that Shevardnadze would carry weight in the foreign policy process. Although it took some

\textsuperscript{90} According to his aide, Sergei Tarasenko, Shevardnadze was the first to introduce public opinion polling, done in conjunction with the Institute of Sociological Studies; interview with Sergei Tarasenko.

\textsuperscript{91} Interview with Tarasenko.

\textsuperscript{92} Ibid.

\textsuperscript{93} Ibid.

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time for Shevardnadze to become confident in his new position, by the end of this first period, by virtue of his style, competence, and loyalty to Gorbachev, he had become, with Yakovlev and Gorbachev himself, part of a three-man inner circle of new political thinking.

The appointment of Shevardnadze was a positive sign for a new Japan policy. The fact that he initially lacked experience meant that he came to the position free from institutional prejudices regarding Japan. His reformist orientation in the domestic arena and his openness to new approaches, especially where they might help the Soviet economy, suggested that he would be inclined to favor better relations with Japan. His intelligence and tendency to depend upon intellectuals for information put him in contact with the community of scholars who had long been thinking about the benefits of improved relations with Japan. Indeed, his relationship with the academic community would later play a critical role in policy toward Japan.

Yakovlev

At the outset, Gorbachev identified the Party as the engine of reform, and Aleksandr Yakovlev as his partner in the reform process. Through a series of appointments, Gorbachev managed to empower Yakovlev, who for two years as director of IMEMO had already been one of Gorbachev's closest policy advisers, with top level authority in both the domestic and foreign policy arenas. In July 1985, Yakovlev was appointed to head the Central Committee's Propaganda Department, and in March 1986, when the Foreign Information Department merged into his department, he gained control over both internal and external propaganda and thus assumed an official role in foreign policy. In 1987 he was appointed Central Committee secretary in charge of propaganda. More importantly, Yakovlev attained the ultimate status of Politburo membership in 1987, first as a candidate in January, and then as a full member in June.

94 Of the seven new full members of the Politburo appointed between March 1985 and September 1988, five were Central Committee secretaries.
Yakovlev's appointment had several very important implications for a new orientation toward Japan. In the first place, Yakovlev had developed a sophisticated understanding of the capitalist world. His impressive knowledge of the West, of its political, social, and economic underpinnings, was based on his earlier academic studies, including one year at Columbia University and ten years of professional diplomatic experience as ambassador to Canada. However, this knowledge did not, contrary to what one might expect, translate into a love of the West; indeed, a strong anti-American mentality, combined with a deep resentment of what he perceived as America's ingrained anti-Communism, strongly informed his thinking. His desire to reform the USSR, like that of Gorbachev himself, did not imply a desire to import American capitalism. As former New York Times Moscow bureau chief Bill Keller wrote in 1989, "Like many European leftists, [Yakovlev] argues that intellectual freedom and economic pluralism can be had without America's insularity, urban underclass and mass culture of sex and violence." Keller emphasized this point by quoting noted Sovietologist and Columbia professor Seweryn Bialer, who knew Yakovlev quite well: "[Yakovlev] is a modernizer, but I wouldn't call him a Westernizer. Westernizer implies somehow a desire to transplant the Western system of values into Russian conditions. That is not Yakovlev. He wants to borrow, but in a very selective way." Nevertheless, this knowledge and experience made him a perceptive observer of the West, particularly of Western public opinion and how that opinion reacted to Soviet behavior. Moreover, Yakovlev had a more informed understanding of the relationship between the United States and other "centers of capitalism" than did those in Moscow who were steeped in Marxism and Leninism and who lacked first-hand experience with the West.

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96 Ibid.
This thinking affected policy toward Japan. Yakovlev was highly influential in refocusing Gorbachev specifically, and Soviet foreign policy in general, away from the model of bi-polarity to a doctrine of multipolarity. Yakovlev had argued, and Gorbachev soon reiterated the theme, that the emergence of more than one basic center of capitalism necessitated such an approach. In 1983 he called Japan "the most dynamic center" of world capitalism. He argued that at least three such centers had already emerged, namely the United States, Western Europe, and Japan, and that others were likely to emerge soon. Gorbachev adopted this theme and included it in both his Government Statement in April and in his Vladivostok speech in July 1986. Gorbachev’s conclusion was that Soviet diplomacy should reorient itself to these other centers as well, that it should embrace a "multipolar" approach, that it should move beyond its fixation with its rivalry with the United States, and that it should cultivate better relations with other (if not all) countries. Keller describes Yakovlev’s perception of this multipolar approach:

Yakovlev says he does not see the multipolar approach as an attempt to divide the Western alliance. But he argues that Europe and Asia have interests different from those of the United States, to which Moscow can play. He recognizes a synergy in relations with the West: reasonably cordial relations with the United States are a prerequisite for improved relations with America's closer allies. But at some point, closer ties to Japan and West Germany—bank loans, diplomatic contacts, joint ventures, lessening of military tensions—take on a momentum of their own, and weaken America's ability to unilaterally ostracize the Soviet Union.

Thus Yakovlev saw multipolarity—improving relations with other countries, and with Japan and West Germany in particular—both as a means of improving the Soviet Union’s global position and of reducing U.S. leverage on Soviet behavior. Improved relations with Japan would lead to certain direct benefits, especially in the economic sphere. This recognition of the importance of improving relations with Japan represented

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97 Izvestiia, 7 October 1983, quoted in Hough, Russia and the West, 222.

98 Keller, "Moscow’s Other Mastermind," 43.

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a flat rejection of Gromyko's world-view in general, and specifically his condescending attitude toward Japan.

Having left the Party under dubious circumstances and then having been elevated by Gorbachev to a top position, Yakovlev was viewed with both skepticism and resentment by many in the Party hierarchy. His decade-long absence from Moscow meant that even his previously close ties had probably been severed and that he was very much an "outsider." In addition, Yakovlev had never been well regarded by the Party apparat. Hence he walked a fine line in his efforts to promote his version of new thinking without alienating Gorbachev and thereby losing his patron's protection.

The combination of Yakovlev's intellectual orientation and the ambiguous nature of his personal authority resulted in his unusually (for a Party official) tight relationship with members of the intelligentsia, with whose ideas he felt intellectually compatible. Politically he used them to bolster his own position and policies in the face of resistant bureaucrats. Once he became Party secretary for propaganda, he recruited "a cadre of adventuresome editors, scholars and cultural union leaders from the reformist quasi-underground, promoted them into prominent positions and defended them in their confrontations with the old guard," and in so doing created an alternative but increasingly powerful source of support.

Foreign Policy Assistants

Gorbachev continued the tradition of appointing special assistants, drawn from the Central Committee, for both foreign and domestic policy. The three foreign policy assistants he appointed during this period--Anatolii Chernyaev, Georgii Shakhnazarov, and Ivan Frolov--had shared experiences as members of the reform-oriented "Prague mafia." Responsibility for policy concerning non-socialist countries, including Japan,

99 Interview with Grigoriev.

100 Keller, "Moscow's Other Mastermind," 42.
was assigned to Chernyaev, who was appointed in 1986. Chernyaev had served from 1958 to 1961 as a member of the editorial staff of *Problems of Peace and Socialism* (Prague). In Moscow in 1961, he was appointed to the International Department and served as deputy head in charge of Great Britain from 1977 to 1986. His influence within the foreign policy establishment increased when he was made a candidate member of the CC in 1981, and a full member in 1986 under Gorbachev.

Chernyaev's role was not to generate new ideas, but rather to act as a channel to Gorbachev. His power derived from his authority to allow or block that access. As a committed reformist, thoroughly loyal to Gorbachev, he was a positive force for the new thinking.

**The International Department**

Within the Central Committee apparatus, the International Department (ID) and the Department for Liaison with Workers' and Communist Parties (DLWCP) were the two main departments responsible for foreign policy-formulation. The former was responsible for the formulation of policy toward non-ruling parties and front organizations in the West and the Third World, while the latter was charged with the formulation of policy towards Eastern Europe, China, and other socialist states.

The International Department was by far the "most important foreign affairs department in the apparatus." In the late Brezhnev years, however, its power had waned relative to that of the Ministry of Foreign Affairs. Gromyko's seat on the Politburo and his longevity as Foreign Minister had afforded him a near monopoly over foreign policy-formulation toward non-communist states. Gorbachev's personnel changes

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101 Frolov was appointed special assistant in charge of ideology in January 1987; Shakhnazarov was appointed special assistant in charge of socialist countries in March 1988.

102 Interview with Aleksei Zagorsky.

not only unseated a number of hard-liners, but re-injected, if only temporarily, the ID with authority as a competing source of policy-development towards the West.

Gorbachev lost no time in retiring, in June 1986, the 81-year-old Boris Ponomarev, an inflexible Stalinist who had headed the International Department since 1955. In his place he appointed Anatolii Dobrynin, a career diplomat who had been serving as ambassador to the United States for the previous twenty-four years. Dobrynin was the first diplomat, and thus non-Party man, to fill that post. In appointing him, Gorbachev set out to reorient the International Department away from its revolutionary, anti-capitalist culture, and toward the new mission of improving relations with capitalist countries, especially the United States. Dobrynin brought with him his expertise as a long-time Americanist, who, as a diplomat in Washington, had been charged with representing the Soviet Union in state-to-state relations and who had therefore had an opportunity to observe Washington first-hand. During his tenure at the International Department, he was a supporter of rapprochement with the West and called for the resolution of international security by means of a "multi-faceted" (mnogomernyi) approach, containing military, economic, political, and humanitarian elements.

Gorbachev appointed Dobrynin as much for his bureaucratic skills in the foreign affairs establishment and his ties with the Ministry of Foreign affairs as for his experience in the West. During these first years, Gorbachev used Dobrynin to effect two changes in the foreign policy establishment. First, Dobrynin assisted the foreign affairs neophyte Shevardnadze in cleansing the MFA of its corrupt and incompetent personnel and replacing them with more professional and less ideological staff. Second, he brought to the ID some of the more competent MFA staff with experience in the West, and created within the ID a department for arms control, headed by Georgii Kornienko. He thus

104 Interview with Grigoriev.

105 See, for example, A. Dobrynin, "Za beziardemyi mir, navstrechu XXI veka," Kommunist, no. 9 (1986): 24-5.
broke up the monopoly of the MFA over certain policy areas by positioning the ID as an alternative source of policy formation, particularly concerning the West and arms control.

In his recently published memoirs, Dobrynin writes that having been tapped for the post of chief of the ID, he came under the impression that the ID, "to the best of [his] knowledge, had in reality little to do with foreign policy and diplomacy but mostly occupied itself with promoting cooperation and ties with Communist parties and left-wing organizations in other countries." Dobrynin claims that he "had neither the experience nor the taste for that," a fact that he conveyed to Gorbachev in the hopes that he could remain in his post as Ambassador to the U.S. Gorbachev, however, "dismissed" Dobrynin's argument, articulating his vision of a new identity for the ID:

> By electing an experienced ambassador to run the International Department of the Central Committee, [Gorbachev] said, the party leadership specifically meant to boost its prestige. Right now it was doing practically nothing in foreign policy, although that was what it was supposed to do. As for dealing with foreign Communist parties, Gorbachev said, "You'll have several experienced assistants who have been doing that for a long time, so just let them go on doing it. Your main responsibility will be foreign policy."

Not all hard-liners were eliminated from the ID during this period, however. An indication that creative thinking on Japan would not be immediately forthcoming from the ID was the continued tenure of Ivan Kovalenko throughout this period as Deputy Chief of the International Department and head of its Japan section. Kovalenko was considered to have been Gromyko's closest adviser on Japan, and, due to Gromyko's lack of interest in that country, he had enjoyed a virtual monopoly over policy toward Japan. Kovalenko, even more than Gromyko, had a reputation for arrogance and inflexibility toward Tokyo. Yakovlev remembers him as "the most hard-line person" concerning Japan that he had ever met, and he credited Kovalenko's attitudes to his years spent

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107 Ibid.
during World War II as chief interrogator of Japanese prisoners of war in Siberia.\textsuperscript{108}
Kovalenko's dogmatic and anti-Japanese attitudes were reflected for years in his Pravda writings under the pseudonym "I. I. Ivkov," articles that were filled with warnings about growing Japanese "militarism." Although he attempted to camouflage some of his most hard-line attitudes once perestroika and "new thinking" had been established as the new Party line, his prejudices were never far from the surface. As late as 1985, writing on the anniversary of the end of World War II, he published an article entitled "The Rout of Japanese Militarism and the National Liberation Revolutions in Asia." After reviewing a history of the efforts of Asian nations to rid themselves of "Japanese militarism," Kovalenko concluded that:

\begin{quote}
clearly, the situation in Japan is changing rapidly for the worse. The forces of militarism and revanchism are again trying to restore the former "grandeur" of the Japanese empire. They have launched a broad offensive in the country against the forces of democracy and are intensifying their foreign economic expansion. The ruling quarters .. . coordinate their foreign policy and military designs ever more closely with U.S. imperialism.\textsuperscript{109}
\end{quote}

Though giving the typical Brezhnev/Gromyko sop to those "forces of Japanese democracy" which rebuff "the militant revanchists," Kovalenko warned, "Nevertheless, the situation in Japan and around it demands greater vigilance and a stronger rebuff in all directions to the Japanese expansionists who nurture dangerous plans to create a new hotbed of war and aggression in the Far East."\textsuperscript{110}

The Japanese despised Kovalenko, and more than one Japanese scholar pointed to his survival in the Central Committee as a sign that Gorbachev was not really serious about any new thinking on Japan. Although Kovalenko's was the most influential voice on Japan in the Central Committee in 1985, his authority diminished with each successive

\textsuperscript{108} Interview with Yakovlev.
\textsuperscript{110} Ibid.
year, as his views were increasingly inconsistent with new thinking. He was not removed from the Central Committee, however, until late in 1988, when he was shifted to the Institute of Oriental Studies.

The Ministry of Foreign Affairs

The Ministry of Foreign Affairs (MFA) was traditionally charged with the general administration and implementation of foreign policy and was the central official diplomatic apparatus. The Foreign Minister and his deputies comprised the Ministry's Collegium, which was responsible for "policy formulation and recommendation to the Politburo." Personnel and structural changes at the Ministry reflected Gorbachev's and Shevardnadze's determination to inject "new thinking" and sophistication into Soviet diplomacy. For the first time, a spokesman was appointed for the MFA, namely Gennadii Gerasimov. More in keeping with Western diplomacy than Soviet, where secrecy and obfuscation had been the order of the day, Gerasimov's appointment was a portent of glasnost in foreign affairs.

Relevant to Asia-Pacific policy was the 1986 appointment of Igor Rogachev, a relatively young (at 57 years old), pragmatic China expert, as Deputy Minister of Foreign Affairs for Asia, coinciding with the departure of the crusty hard-liner Mikhail Kapitsa. The son of a sinologist, Rogachev had spent fifteen years in China, first as a child and later in the Soviet embassy in Beijing, and was fluent in Chinese. Although his responsibilities included both China and Japan, his priority was clearly China. From 1983 through 1986, he had been chief of the First Far Eastern Department, where China had been his main preoccupation. In addition to his appointment as Deputy Foreign

111 Interview with Bazhanov.
112 Zwick, Soviet Foreign Relations, 150.
113 Kapitsa was appointed director of the Institute of Oriental Studies.
Minister, he was also named to replace Leonid Il'ichev, another hard-liner, as chief negotiator with China on general relations, including the Sino-Soviet border dispute.\textsuperscript{114}

In the spring of 1986 Shevardnadze reorganized the structure of the MFA to make it more efficient and to eliminate some of its anachronistic geographic divisions. In the process, Japan was upgraded in status from "sector" to "division" and included in a new Department of Pacific Countries (\textit{Otdel Tikhookeanskikh stran}) along with Australia, Island States, New Zealand, and Papua New Guinea.\textsuperscript{115} Chief of the department was Lyudvig Chizhov, minister-counselor in Japan since 1980 and a rather conservative but unobtrusive official.

Shevardnadze made sweeping ambassadorial changes within the MFA, replacing older, conservative, and/or incompetent officials with younger area specialists who actually knew something about the country to which they were posted. The ambassador to Japan appointed in May 1986, Nikolai Solov'ev, fit the new profile. In contrast to his predecessors, who had come from the Central Committee and who had little or no prior knowledge of Japan (his immediate predecessor was Pyotr Abrasimov, who was a European specialist), Solov'ev, a former student of Japanese history, was fluent in Japanese and had spent eight years in the Soviet embassy in Tokyo. He had also directed the Foreign Ministry's Second Far East Department, which, prior to this reorganization, had included jurisdiction over Japan. Solov'ev was welcomed by the Japanese press as "the most pro-Japanese in the whole Soviet Foreign Ministry."\textsuperscript{116} Signaling that he was indeed a new thinker, Solov'ev stated in a speech to the Japanese Press Club in July that "Japan is not simply filling the role of a major economic power or industrialized country,

\begin{footnotes}
\item[115] The two other departments included a Southeast Asia department responsible for ASEAN and a department for Asian socialist states.
\item[116] Menon, "New Thinking," 8, fn. 32.
\end{footnotes}
but also a politically strong one."\textsuperscript{117} More significantly, he added that improvement in relations with Japan was "Politburo policy."\textsuperscript{118}

Shevardnadze, at Gorbachev's urging, introduced two significant structural changes within the MFA. In June 1986, Shevardnadze created the Arms Control and Disarmament Directorate, at the head of which he placed Viktor Karpov, chief Soviet arms control negotiator. Thus for the first time two non-military institutions (the other being at the ID) were established to oversee arms control negotiating efforts and technical issues, as well as to generate policy options. This act constituted an additional effort on Gorbachev's part to break the military's monopoly on security data and analyses, thus allowing the civilian analysts an opportunity to enter the debates on military policy.

In addition, in 1986 Shevardnadze established within the MFA the Scientific Coordination Center (\textit{Nauchno-konsul'tativnyi otdel}) to facilitate greater collaboration with the academic institutes of the Academy of Sciences. While the practice of soliciting advice and commissioning written reports from specialists in the academic community had been followed by the ID as well as the MFA for a long time, this innovation institutionalized the process of bringing together individuals from all decision-making bodies who were knowledgeable about a particular topic in order to find non-military solutions to problems. In part, this was an effort to challenge institutional biases and forge more creative solutions.

Heading the SCC were two officials with prior experience with the West. Viktor Shustov, the head, was a career diplomat with experience in arms control.\textsuperscript{119} He had worked in the UN mission in New York for many years and then had taken part in the Mutual Balanced Force Reduction (MBFR) talks as an important member of the

\textsuperscript{117} Ibid., 8.
\textsuperscript{118} Ibid.
\textsuperscript{119} Interview with Aleksei Arbatov.
delegation. His deputy head was Vladimir Kalugin, a seasoned bureaucrat also with experience in the West.\textsuperscript{120} An expert on American foreign policy, he worked for many years as a lecturer in MGIMO, and then as a dean, until he switched to the MFA and spent time in New York, San Francisco, and Washington.

The purpose of the SCC was to involve academics in generating opinions on foreign policy in an institutionalized setting. Convinced that he could not rely on jealous MFA bureaucrats to provide expert advice, Shevardnadze set up this mechanism to ensure the involvement of academic specialists. He made it known to heads of MFA departments that it would be perceived as an asset if they established permanent contacts within the academic community.\textsuperscript{121} Like that of the Arms Control Department, the establishment of the SCC was originally motivated by Shevardnadze's and Gorbachev's preoccupation with arms control and East-West relations. Only in the next period was it to play a role in policy making concerning Japan.

The MFA remained in the shadow of the ID during most of this first period. Only as Shevardnadze himself gained confidence and experience and became increasingly involved in the articulation of Gorbachev's foreign policy orientation did the MFA regain its former prominence in foreign policy. Nevertheless, personnel and structural changes that took place during the early years of Gorbachev helped position the MFA to be a major player in the implementation of new thinking.

The Ministry of Defense

The Ministry of Defense was responsible for implementing national defense and strategic policy. Traditionally, national security played a dominant role in Soviet and Russian policy because of the vulnerability of the state's borders, the state's instinctive

\textsuperscript{120} Ibid.

\textsuperscript{121} Ibid.
urge to expand, and the dictates of Soviet communist ideology. Under Brezhnev, who placed a premium on military power, the defense establishment enjoyed a particularly high level of prestige.

The Ministry of Defense, comprising the five branches of the Armed Forces, exerted influence through its minister, whose status was especially enhanced if he had a seat on the Politburo. The head of the Ministry of Defense when Gorbachev became general secretary was Marshal Sergei Sokolov, a man in his seventies who had been nominated to the Politburo by Chernenko after Ustinov's death. Gorbachev used the breach of Soviet national security by Matthias Rust, a young West German pilot who managed to elude Soviet defenses and land his plane in Red Square in May 1987, as the pretext for the replacement of central figures in the military. Sokolov was replaced by General Dmitrii Yazov, who since 1984 had been in charge of the Far East Military District. As a reflection of his attitude toward the military, however, Gorbachev conferred on Yazov only non-voting status on the Politburo.

The military, with a mission to protect the motherland, was traditionally conservative. Its position concerning the Kuriles was unbending for two reasons. First, relinquishing any territory was perceived as a blatant violation of Soviet security interests. Second, the military maintained that control over the Sea of Okhotsk was vital to the protection of Soviet ballistic missile-carrying and attack nuclear submarines.

Representing the military's perspective, Vitaly Tsigichko, director of the Center for National Security Studies in Moscow and a consultant to the Supreme Soviet explained in an interview in 1992:

> It is the strategic issue that concerned the military completely. The strategic issue being the Sea of Okhotsk. The islands provide the only bay which is not frozen over in winter [thus providing an egress for nuclear submarines stationed in the Sea of Okhotsk]. And it is the front line where the military has a lot of early warning systems. So if anything happens in

the entire Pacific Ocean, that is the front basing for the navy. If Moscow gives away the islands, the nuclear submarines will become hostages to Japan.\textsuperscript{123}

Asked if the islands still held strategic significance even after the Cold War, with the threat from the United States receded, Tsigichko responded in the affirmative:

> From a military perspective, those islands have for a long time been viewed as having an independent importance regardless of the specific nature of the threat. In any sort of conflict they will have great strategic importance. As soon as Japan gets those islands, the Pacific Fleet would be locked in for the winter. We would have to ask Japanese for permission to have access [to the egress route].\textsuperscript{124}

Frustrated since the 1960s by Tokyo's strategic alliance with the United States, and seeking to justify its own military build-up in the region, the Soviet military had issued repeated warnings about Japan's "militarism." This "militarism" was portrayed as deeply rooted in Japan's culture, and further exacerbated by the need of capitalist forces to exploit other peoples. The capitalist forces included Japan's leadership, as well as, and especially, Washington's, which was portrayed as pressuring Japan to participate in its ostensibly anti-socialist military intrigues. This line of thinking dominated the military press throughout the period. Articles in \textit{Krasnaia zvezda}, for instance, connected Japan's security measures to a larger imperialistic doctrine emanating from Washington. Representative of this line of thinking was an article published in 1985 by A. Gol'ts entitled, "Militarist 'Geometry': The Pentagon's Bludgeoning of Asia; Why Washington is Knocking Together an Aggressive 'Triangle'; the Real Path to Stability and Security."\textsuperscript{125}

The author of the article, a frequent contributor to the journal, argued that Japan was actively participating in Washington's plans to establish "total military control" over Asia. The strategy of the Pentagon's "Pacific Doctrine," the argument continued, was to

\textsuperscript{123} Interview with Vitalii Tsigichko.

\textsuperscript{124} Ibid.

establish "total hegemony" in the Asia-Pacific region, to create a "nuclear springboard" for striking against major economic and political centers of the USSR. This would be accomplished by creating a military alliance in the Pacific comparable to that of NATO in Europe, an alliance based on the U.S.-Japan-South Korea triangle. Despite its commitment to its three non-nuclear principles, Japan was central to Washington's ability to deploy its own nuclear weapons in the Pacific. As an example, Gol'ts cited the 1986 U.S.-Japanese decision to station F-16 fighter bombers on Misawa air base in northern Honshu as an example of Japanese support for U.S. nuclear cruise missiles in the region. Moreover, the military press in general devoted much attention to the implications of SDI and Japan's potential involvement in its development. As late as 1988, after Gorbachev himself had de-linked SDI from arms control negotiations, the military press was still conjuring up dangerous scenarios.\textsuperscript{126}

One of the distinguishing elements of Gorbachev's reforms was the weakening of the role of the military in decision-making. This was accomplished through both the policies and politics of reform. Doctrinally, new thinking accorded less salience to the military dimension of security. This translated operationally into the pursuit of arms control and disarmament with the West. In turn, arms control was motivated by the goal of reallocating resources from the military to the civilian sector, thereby diminishing one of the major sources of the military's power.

The military was weakened as a political force when Gorbachev and Shevardnadze encouraged civilian analysts to enter debates about superpower relations. As noted earlier, the institutionalization of civilian participation had also opened up to these civilians classified data to which the military alone had traditionally been privy. In this way, the military was being further weakened as a political force. This process began

\textsuperscript{126} For example, D. Bel'skii, "Asiatskii poligon dla SOI," \textit{Krasnaia zvezda}, 16 February 1988.
during the first period, especially in regards to the INF negotiations, but it was only after 1988 that it achieved substantial momentum.

The KGB

The activities of the Committee of State Security (KGB) in the sphere of foreign affairs included guarding Soviet borders, gathering foreign political intelligence, industrial espionage in the West, active measures including subversion and disinformation, monitoring the loyalty of the military, and keeping track of Soviet citizens abroad.\(^{127}\) Entrusted with order and discipline, the KGB looked at any policy initiative from the perspective of its effect on internal security.

Although new political thinking was aimed at achieving less hostile relations with the West, Gorbachev continued to rely on the KGB during this period. Indeed, it has been argued that it was the KGB, by virtue of its unique access to information about both the West and the Soviet domestic situation, that provided Gorbachev with the data that made his policies so compelling. A correspondent to Izvestiia, who had access to KGB files after the break-up of the Soviet Union, has even argued that Gorbachev was the KGB's choice to lead the country out of its domestic chaos, and that Gorbachev continued to rely heavily on the KGB throughout perestroika.\(^{128}\) Whether or not the KGB had a role in choosing Gorbachev as general secretary, a KGB defector has argued that the KGB not only supported Gorbachev's appointment, but also played a significant role in influencing Gorbachev's thinking:

As well as providing large amounts of political, scientific, and technological intelligence, the KGB also made a broader contribution of the "new thinking" of the Gorbachev era . . . .

[In Mikhail Gorbachev the Soviet Union at last found a leader who, though imbued with many traditional dogmas and misconceptions of the

\(^{127}\) Zwick, Soviet Foreign Relations, 115.

outside world, was well aware that the Communist system was losing its way, and was ready to listen to fresh ideas. Gorbachev’s most influential advisor when he took power was... Aleksandr Yakovlev... But Gorbachev’s new thinking was also powerfully influenced by his many briefings by the KGB, which grew dramatically less alarmist...129

During the early 1980s and into the first years of Gorbachev’s leadership, the evolution of the missions of the KGB mandated a stronger focus on Japan as a target for KGB intelligence. When Gorbachev came to power, the KGB was a "huge security and intelligence empire with about 400,000 officers inside the Soviet Union, 200,000 border troops, and a vast network of informers."130 The First Chief Directorate (FCD), its highly prestigious foreign intelligence arm, had expanded four-fold over the previous twenty years to a level of 12,000 employees in the mid-1980s. Japan and the Pacific were rising rapidly on the KGB’s list of priorities:

The KGB agent network in Japan, which during the 1970s had included some prominent politicians, journalists, businessmen, and civil servants, had been partially disrupted by the defection in 1979 of an officer from the Tokyo residency, Stanislav Levchenko. Under [Aleksandr] Shaposhnikov [who became resident in Tokyo in 1983] it seemed to be on the rise again. In the FCD "Plan for Work" for the period 1982-85, the Pacific Ocean for the first time made a major priority, though Japan still ranked behind the United States, China, India, the Federal Republic of Germany, Britain, and France as a target.131

For Gorbachev, the importance of Japan was directly related to one of his two priorities for KGB foreign intelligence:

Gorbachev saw two main priorities for KGB foreign operations. First, he was convinced that a dynamic foreign policy required a dynamic intelligence service. The unprecedented range of initiatives on which he embarked abroad made it vital to have the fullest possible political intelligence on Western responses to them...

Gorbachev’s second main interest in Soviet foreign intelligence operations [lay] in the field of scientific and technological espionage (S&T). When


130 Ibid., 610.

131 Ibid., 611.
he addressed the staff of the London embassy at a private meeting attended by Gordievsky on December 15, 1984... [i]t was already clear that Gorbachev regarded covert acquisition of Western technology as an important part of economic perestroika. 132

While the major expansion of S&T was in Japan would not appear until the beginning of the 1990s, intelligence about Japan’s S&T was already identified in the mid-1980s as important to Gorbachev’s reforms.

For the KGB, policy concerning Japan involved two spheres. The first was industrial espionage, as discussed above. In this sphere, the KGB used its intelligence on the Japanese domestic economy to push for related economic reforms. The second sphere was that of territory. Insofar as the KGB was entrusted with the internal security of the Soviet Union, it tended to align itself with the military on issues of national security, including issues pertaining to territorial boundaries. The KGB, like the military, affirmed the right and obligation of the Soviet Union to retain the Kurile Islands.

The Ministry of Foreign Economic Relations

The Ministry of Foreign Trade was responsible for Soviet trade with the West, the Third World, and the socialist bloc countries. 133 Beginning in 1986, however, "its responsibility was sharply reduced by reforms that permitted enterprises and production associations to deal directly with foreign corporations."134 The Ministry of Trade thus lost its monopoly on foreign trade relations when coordination of such "independent" trade became the responsibility of the Council of Ministers’ Commission for Foreign Economic Relations. The mandate for this Commission flowed in part from the leadership’s desire to promote Japan’s economic interests in the Far East. One of the motivations behind the new legislation on joint economic ventures in 1987 was the hope

132 Ibid., 620-1.

133 Zwick, Soviet Foreign Relations, 152.

134 Ibid.
that Japan would invest in Siberia. Traditionally, the Ministry of Foreign Trade supported the needs of the military and gave priority to goods necessary to the military. The mandate of the new agency, however, called for looking through an economic lens, one that urged increasingly close relations with Japan.

The various measures undertaken during this first period testify to the Soviet interest in expanding economic ties with the countries of the Pacific, and especially Japan. These measures included: the proposal to open Vladivostok and to establish Chinese-style special economic zones (SEZs) in Siberia (indications that the existing legislation on joint economic ventures would be modified to make investment in the USSR more attractive); the Soviet application in 1986 for membership in the Pacific Economic Cooperation Council (PECC); and the establishment of the Committee for Asia-Pacific Economic Cooperation, headed by Primakov, in 1987. Finally, in January 1988, the Ministry of Foreign Trade was renamed the Ministry of Foreign Economic Relations.

Academic Institutes

The community of foreign policy specialists at the research institutes of the USSR Academy of Sciences constituted an institution unofficially involved in foreign policymaking. Such research institutes were first established in the 1920s and 1930s, but were closed down by Stalin. Under Krushchev, they were reopened. The first institute, established in 1956, was the Institute for World Economy and International Relations. Thanks to the progressive leadership of its founding director, Anushavan Arzumanyan,

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136 In the early Soviet period, foreign policy research was conducted at the institutes of the Comintern as well as the Institute of Oriental Studies. Serious research on economic projections as well as the history and theory of economic cycles and crises in the West was the agenda of the Institute of World Economics and Politics, which operated between 1924 and 1947. All such institutes were eventually shut down under Stalin, but were brought back to life in the 1950s when the leadership under Krushchev called for more "scientific" information to inform foreign policy-making.

137 Successor to the Institute of World Economics and World Politics.
IMEMO served as an "oasis of creative thought in the late 1950s and early 1960s" and "played a very important role as an incubator for the [subsequent] new generation of international economists and foreign policy-specialists."138 Indeed, "IMEMO became a kind of root from which sprouted a whole new crop of institutes of the Academy of Sciences," covering Africa, Latin America, the Far East, and USA and Canada.139

By the time Gorbachev came to power, centers of Japanese studies were operating within six academic institutes. In addition to IMEMO and IVAN, these included the Institute of the Far East (Institut Dal'nogo vostoka, IDV), the Institute of the International Workers' Movement (Institut mezhdunarodnoi rabochei dvizhenii, IMRD), the Institute for Social Sciences (Institut nauchnoi informatsii po obshchestvennym naukam, INION), and the Institute of USA and Canada (Institut SShA i Kanady, ISKAN).

In 1988, Gilbert Rozman, a keen observer of Soviet Japan-watchers, analyzed Soviet attitudes about Japan by looking at publications by these institutes published between the 1960s and mid-1980s. Rozman identified the emergence of five distinct schools of Japan-watchers. The first two, which he called the "Revolutionary Orthodox" and "Power Politics" groups, took an orthodox view of Japan. The first of the two, according to this view, was led by hard-liners Ivan Kovalenko, deputy head of the CC ID, and Ivan Latyshev, head of the Japan Department of IVAN until 1987, when he became a Pravda correspondent in Tokyo. This group "champion[ed] an orthodox and jargon-ridden view of Japan as a country riddled with the contradictions and crises of capitalism and whipped by American imperialism and its own militarist ambitions." Among the second, the Power Politics group, Rozman identified Foreign Minister Gromyko and others "who refused to take militarily weak Japan seriously as a major power." It also

138 Arbatov, The System, 211.

139 Ibid.
included Mikhail Kapitsa, who was transferred in 1987 from his post as Deputy Foreign Minister to that of director of IVAN.

Rozman also identified three reform-oriented schools: the "Technical Economics," the "Cultural Heritage," and the "International Relations" schools. The first, appearing in the 1970s, included such economists as Ia. Pevzner, B. Ramzes, V. Zaitsev of IMEMO, and A. Kravtsevich of IVAN, whose writings reflected an admiration for Japan's economic development, although this was couched among obligatory statements about the exploitative nature of Japan's capitalist system. Scholars in the Cultural Heritage school, who were historians, ethnographers, and literary specialists, highlighted Japan's distinctiveness and its rich culture. This group included such scholars from IVAN as T. Grigor'eva, V. Goregliad, and L. Delushin. The third reformist group, the International Relations school, was characterized by "an awareness of Japan's importance as independent actor in world affairs and by a willingness to develop a largely non-ideological scholarship on contemporary developments" in Japan. Rozman identified the two most prominent members of this latter group as Yevgeni Primakov, director of IMEMO, and Georgii Arbatov, director of ISKAN. Neither had been trained as Japan specialists, but both wrote on Japan and both headed institutes whose priorities included Japan-watching. Rozman included in this group two Japan specialists, Konstantin Sarkisov, who replaced Latyshev as head of IVAN's Japan Department, and Georgii Kunadze, who had worked at the embassy in Tokyo while on leave from IVAN, and whom Primakov had brought to IMEMO in 1987.

Rozman concluded that the balance between the schools had shifted over the decades from

(1) the overwhelming predominance of the first orthodox group; to (2) a more-or-less equal status for both orthodox groups from the mid-1960s; to (3) the rise of the Technical Economics group by the early 1970s as a

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third, but still not equal, partner; . . . (4) the rise around 1980 of the other reform schools their limited inroads evident as early as late 1960s to become strong forces; [to, beginning in the 1970s] but especially (5) since 1985 the International Relations school . . . battling to supersede the orthodox schools, and all of the reform groups . . . coming more into the open.  

According to Rozman, by 1985 the Japan specialists at all of the institutes except IDV and IMRD were predominantly "reform-oriented." Nevertheless, when it came to published coverage of Japanese foreign policy, the orthodox groups still enjoyed "a virtual monopoly."  

What Rozman did not discuss, and perhaps did not know at the time, was that in the first years of Gorbachev, discussions free from ideological dogma were being held behind closed doors at IMEMO on the future of Soviet policy toward Japan and the Kurile Islands.  

Knowledge of the precise nature of the relationship between the academic institutes and the policy-making process in the pre-Gorbachev era is still incomplete. We do know that the institutes were established to serve the political needs of this system:  

One of the legacies of Stalinism was that the social sciences could not be perceived outside the framework of propaganda. They were reduced to functioning solely as servants of policy, intended in Marxist terms to justify each new political escapade of the leadership.  

The leadership, moreover, heavily influenced the research agenda of the institutes. This was accomplished through a combination of incentives and sanctions. Research plans were drawn up annually on the basis of government assignments (most often from the CC and MFA, less frequently from the Ministry of Foreign Trade and Gosplan), the institutes' own departments, and individual researchers. The government's needs were always placed first on the institute's agenda.  

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141 Ibid., 260.  
142 Ibid., 264.  
143 Interview with Zagorsky.  
144 Arbatov, The System, 74.  
145 Yury Polsky, Soviet Research Institutes and the Formulation of Foreign Policy: The Institute of World Economy and International Relations, IMEMO (Falls Church, Va.: Delphic Associates, 1987), 65.
from two traditions. First, the commissioning of an institute to draft policy papers strengthened the personal prestige of the institute's leadership. This served to increase the financial support for the institute and often led to high-level political appointments (for example, ISKAN director Arbatov and Nikolai Inozemstev, director of IMEMO, were both made members of the Central Committee under Brezhnev). Such political appointments not only conferred perquisites but further increased the likelihood for future commissions. Second, the Party and state bureaucracies provided a major source of employment for members of the institutes, either through temporary assignments or permanent transfers.

In addition, the Party and government used sanctions to control the parameters of discussion. The commission of research and the availability of employment were directly related to the personal relationship between the institute's director and the political leadership, which in turn was heavily influenced by the reception of the analysis provided. This tradition served the purpose of keeping the analyses within prescribed boundaries. The inclination of the institutes to impose internal censorship, moreover, was reflected in the conservatism of their published books and journals.

Another reason that institutes exercised caution in developing policy debates was that institutes and their personnel could easily become involved in political in-fighting. For example, in 1976 in the wake of Sino-Japanese normalization talks, IMEMO and the Institute of Oriental Studies became involved in a heated debate about the appropriate policy toward Japan's military relationship with the United States. Dmitri Petrov, a Japan specialist at IMEMO, argued that in the 1970s Japan would "rely on economic and diplomatic means to achieve [its] international policy objectives, and would continue to

According to Polsky, former junior researcher at IMEMO, the assignments from the CC's International Department were always expected to be given "highest priority, even at the expense of other current research work."

146 Ibid.
147 Ibid., 17.

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reject military solutions to political problems."  He concluded by advocating a conciliatory approach toward Japan and assuring Tokyo that Moscow would be willing to improve relations despite Japan's close ties with the United States "provided the Sino-Japanese talks were abandoned, or at least would not result in an alliance directed against the Soviet Union."  

An assault was mounted by B. Shapozhnikov at the Institute of Oriental Studies, who charged that Petrov "failed to appreciate the full impact of Japanese militarism and nationalism on the country's foreign policy objectives." Shapozhnikov's policy prescription was to warn Japan that until the Japanese significantly limited their military cooperation with the United States, "the Soviets should proceed in their relations with Japan with utmost caution." According to a former member of IMEMO, the debate was rumored to be a reflection of deeper divisions over policy at the top level of leadership, with Petrov reflecting Brezhnev's position and Shapozhnikov taking the side of Mikhail Suslov, the Party's chief ideologist. In the wake of Japan's signing of the bilateral treaty with China in August 1978, which included an "anti-hegemony" clause clearly directed specifically at the Soviet Union, Petrov, "a one-time favorite" of IMEMO's director Inozemstev, was summarily "dismissed."  

How did the institutes actually influence policy-making? In his doctoral dissertation, Jeffrey Checkel contributed to our understanding of the nature of academic influence upon foreign and national security policy making by examining the influence of ISKAN and IMEMO during the Brezhnev and early Gorbachev years. Checkel addressed the following questions: (1) On what kinds of issues did these institutes have influence? 

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148 Ibid.  
149 Ibid., 8.  
150 Ibid., 19. Another example, cited by Jeffrey Checkel, occurred in 1982 when IMEMO was the target of a pressure campaign that had backing at high levels within the CPSU. The campaign included the arrest of the deputy director and the formation of a CPSU/KGB investigatory commission, which for some time "had a tremendous influence on the institute's behavior;" Jeffrey T. Checkel, "Ideas, Institutions, and the Gorbachev Foreign Policy Revolution," World Politics 45, no. 2 (1993): 282-3.
(2) Through what types of access channels was this influence felt? (3) At what point(s) in the process was their influence effective?\textsuperscript{151}

Regarding the first question, Checkel concluded that institutes tended to influence leadership perceptions on issues "that best fit with [their] core sense of organizational mission and areas of expertise."\textsuperscript{152} Thus, he argued that in the early 1970s, ISKAN drew upon its established expertise on security and arms control to influence the debate on SALT I (Strategic Arms Limitation Talks).\textsuperscript{153}

Checkel identified three possible channels through which social scientists could influence policy: articles published in the journals of the institutes; policy-relevant, and subsequently classified, reports sent directly to the Central Committee; and personal ties to top policy-makers and their staffs. Of the three, Checkel, as well as former Soviet officials, asserted that the third was by far the most important.\textsuperscript{154} Thus it was IMEMO Director Yakovlev's special relationship with Gorbachev that provided that institute with significant influence over the leadership between 1983 and 1985. Checkel further explained that the influence was both personal and institutional. For example, he argued that Yakovlev's successor Yevgeni Primakov exerted considerable personal influence on Gorbachev in altering the general secretary's thinking on the nature of capitalism, not only because of his personal relationship with Gorbachev, but because "he could (and did) mobilize Institute scholars to substantiate the arguments he was in all probability making to Gorbachev or his staff in private."\textsuperscript{155}


\textsuperscript{152} Ibid., 404.

\textsuperscript{153} Ibid., 163-72.

\textsuperscript{154} Ibid., 402.

\textsuperscript{155} Ibid.
In answer to his last question, at what point(s) in the process was the influence of academic institutes effective, Checkel demonstrated that in the 1960s, IMEMO’s influence was distinguishable in the option-formulation stage, whereas in the early and mid-1980s, IMEMO appeared to have been "an influential and active player in the process earlier, at the agenda setting, as well as at the option formulation stage." Checkel attributed this difference to the different points at which the institute head established ties to elite policy-makers:

In the late 1960s, this occurred in 1969-70—the height of option formulation over SALT—as Inozemstev was first drawn into Brezhnev’s circle of advisors. In the 1980s, IMEMO’s director (first Yakovlev and then Primakov) had been one of Gorbachev’s closest advisors since late 1983, that is well before the public agenda setting on the "new thinking" began in late 1985 and early 1986.

Checkel further examined the conditions under which institutes played a role in policy-making. He argued that "the ability of social scientists to influence policy was a function of both the political elite's willingness to grant them entree into the process and individual and organizational dynamics internal to the research institute to which they belonged." He concluded that an institute influenced policy when its head had the personal characteristics and ambition to act as a "policy entrepreneur," someone with the "right combination of drive, expertise, connections and institutional support" to take advantage of a "policy window"—a signal from the leadership that an issue was open for discussion—by "mobilizing" institutional resources at his disposal and exploiting personal ties to the leadership.

Although the above discussion focuses upon instances when institutes did influence policy, more often than not academic specialists during the pre-Gorbachev period did not exert significant influence. It was under Gorbachev that the role of area

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156 Ibid., 403 and 409, fn.8.
157 Ibid., 403.
158 Ibid., 405.

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specialists and "think tanks" in the policy-making process was significantly expanded.\textsuperscript{159} As discussed above, Gorbachev, more than his predecessors, was inclined to surround himself with members of the intelligentsia. A number of Western analysts have traced such concepts as "new thinking," "values common to all mankind," "interdependence," and "mutual security," to the earlier writings of such specialists.\textsuperscript{160} Under Gorbachev, the role of the institutes in the policy-making process began to change from one of "ad hoc" to one of institutionalized participant.\textsuperscript{161} Whereas before, the role of the institutes was usually dependent upon individual policy-maker's commissioning an \textit{ad hoc} report or analysis, the creation in 1986 of the Scientific Coordination Center at the MFA transformed the role of academics. By early 1987, scholars from various academic institutes were working at the SCC on a number of policy-related issues.\textsuperscript{162} Aleksei Arbatov, son of Georgii Arbatov and a rising star at IMEMO at the time, later emphasized the new sense of empowerment conveyed to academic specialists by the creation of the SCC.\textsuperscript{163} Not only were they formally brought into policy discussions, but for the first time they were given access to classified data, which allowed them to argue their viewpoints more persuasively.\textsuperscript{164}

By 1988, IMEMO emerged as the academic institute with the most influence over policy toward Japan. Although experts at other institutes, notably ISKAN and IVAN, were often drawn into important fora of discussion concerning Japan, such discussions


\textsuperscript{160} Checkel, "Ideas, Institutions," 281.

\textsuperscript{161} Checkel, "Organizational Behavior," 57.

\textsuperscript{162} Ibid., 303.

\textsuperscript{163} Interview with Aleksei Arbatov.

\textsuperscript{164} Ibid.
usually took place at IMEMO, and it was IMEMO that quickly carved out for itself a reputation as the coordinating center of Japan studies.

That IMEMO emerged as the foremost institute in this area had much to do with the personality, ambition, status, and bureaucratic expertise of its director, Yevgeni Primakov. A former colleague of Primakov's at the Russian intelligence service, which Primakov had headed for several years before becoming Boris Yeltsin's foreign minister in early 1996, described Primakov as the ultimate survivor: "He has no ideology. He's not for or against anything. He's a genuine pragmatist."165

Primakov, a name that he had adopted "in a bow to the state-sponsored anti-semitism of the time, "was born in Kiev in 1929 to a Jewish family.166 He graduated from the prestigious Institute of Oriental Studies in 1953 as an expert Arabist. For nearly a decade, until 1962, he worked for the State Committee on Broadcasting and Television, and then transferred to Pravda as a columnist and deputy editor at its Asian and African desk. In 1970 Primakov was appointed deputy director of IMEMO, where he remained for seven years until he was appointed director of IVAN. Eight years later he returned to IMEMO to succeed Yakovlev as its director.

Primakov's personal ties to the top leadership were remarkably strong. Not only had he held important positions at government agencies, but he also had long-standing ties to the KGB.167 His real access to power, however, was assured when he was made a candidate member of the Central Committee in March 1986 at the Twenty-seventh Party Congress.168 Primakov's personal access lent prestige to his institute, as well. In addition


166 That Primakov was Jewish was told to this author by Evgenia Albats, and confirmed by Stanley, ibid.

167 His close links to the KGB probably explain his ability as a Jew to have enjoyed such a meteoric career path. See Oleg Kalugin, The First Directorate: My Thirty-Two Years in Intelligence and Espionage against the West (New York: St. Martin's Press, 1994), 267; also interview with Albats, in which Albats raised the question, "How else would a Jew have survived?"

168 Primakov had joined the Communist Party in 1959 at the age of thirty.

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to a director's membership in the CC, another sign of the political importance of an institute was the inclusion of its director in foreign state visits and international negotiations.\textsuperscript{169} Accordingly both Primakov's and IMEMO's political importance were underscored when Primakov accompanied Gorbachev as an adviser to Reykjavik in October 1986, and accompanied Dobrynin to the Federal Republic of Germany in 1987.\textsuperscript{170}

Primakov and IMEMO also benefited from the elevation of Yakovlev to Gorbachev's inner circle, since Yakovlev now served as a natural channel to Gorbachev. Not only did Yakovlev himself continue to rely on resources at IMEMO to support many of his own ideas for change, but he had established a close personal relationship with Primakov dating to their overlapping tenures as the heads of institutes that often collaborated.\textsuperscript{171} Indeed, senior academics have claimed that Primakov was Yakovlev's "personal choice" as his successor at IMEMO.\textsuperscript{172}

Highly ambitious, Primakov consciously staked out the role of adviser on the Asia Pacific region in general, and Japan in particular, as a springboard to greater political power. Aleksei Zagorsky, a promising junior researcher on Japanese politics whom Ivanov had brought from IVAN to IMEMO in 1987, stated that Primakov had become interested in the Asia Pacific region while still a director at IVAN:

> When Primakov was director of the Institute of Oriental Studies, he got personally interested in [the Asia Pacific] region, and to some extent the future of his political career was closely related to his advice on the Asia Pacific. He may have had a knowledge of the United States, but Gorbachev had too many advisors in this. The same was true with Western Europe. So he found his niche.\textsuperscript{173}


\textsuperscript{170} Ibid.

\textsuperscript{171} In addition, Primakov already had established strong ties with IMEMO dating from his tenure as its deputy director from 1973 to 1983.

\textsuperscript{172} Checkel, "Organizational Behavior," 240.

\textsuperscript{173} Interview with Zagorsky.
Moreover, Primakov sought out information on Japan and the territorial issue long before
there was any public debate on the matter:

The first time I wrote a paper for Primakov was sometime around 1985. It
was specifically on the Northern Territories. I understand it went
nowhere. It was just for his personal use. He did not ask at that time for
any kind of solution. But he wanted to know the situation, the legal
regulations, the background, etc.\(^{174}\)

Primakov's awareness of Japan as an economic power with a potentially important role to
play in Soviet economic development, coupled with the fact that no one close to
Gorbachev was a Japan expert, led him to identify Japan and Soviet-Japanese relations as
"his" area.

Beginning in 1986, Primakov used his connections and administrative skills to
expand research on Japan at IMEMO by including some of the best and most open-
minded experts and young scholars. He brought the able administrator Vladimir Ivanov
from IVAN, where the latter had been coordinator of academic studies, to head a new
Department of Pacific Basin Studies. IMEMO had been traditionally strong in economic
research on Japan and prospects for Japanese investment in the Soviet Far East. Ivanov
strengthened the department by expanding the number of economists and by building a
team of experts on Japanese politics and Soviet-Japanese political relations. Ivanov had
this team in place by the time another of Primakov's IVAN colleagues, Georgii Kunadze,
returned in 1987 from a stay at the Soviet embassy in Tokyo to become head of a new
section on political relations in the Pacific at IMEMO. Primakov knew Kunadze to be a
brilliant and ambitious scholar of Japan, who distinguished himself for his sympathetic
attitudes toward Japan and for his strong advocacy of improved Soviet-Japanese relations.
Heading the section on economic relations in the Pacific was Valerii Zaitsev, who would
become Minister of Foreign Economic Relations in 1988.

\(^{174}\) Ibid.
By the end of 1988, IMEMO had within its Department of Pacific Studies a significant cadre of outstanding Japan experts. In addition, it maintained close links with those capable Japan scholars who remained at other institutes, including Konstantin Sarkisov and Dmitri Petrov, mentioned above.

Primakov was a clever and skillful director, who fit Checkel's description of the "policy entrepreneur." In 1986, when political leaders started calling for academic analyses on security topics, Primakov assured IMEMO a place in the debates by creating within the institute a Department of Disarmament and International Security, headed by Aleksei Arbatov. In addition, Primakov played a key role in influencing Gorbachev's sudden shift in his thinking about capitalism. In his speech commemorating the Seventieth Anniversary of the Bolshevik Revolution in November 1987, Gorbachev reversed a basic tenet of Marxism-Leninism by concluding that capitalism "had an inherent vitality that [would] allow it to maintain more than adequate levels of economic growth for the foreseeable future," and that "its external behavior pose[d] no threat to the USSR; that is, it [was] not inherently militaristic." Checkel has persuasively shown how this shift was a direct result of the work of Primakov, acting as a "policy entrepreneur" by pushing through the open "policy window" of Gorbachev's tactical need to revise the "image of the adversary."

Soviet-Japanese Diplomatic Relations

Soviet policy toward Japan during the first phase examined here was the concrete manifestation of a lack of clear-cut thinking and policy coordination. Gorbachev and Shevardnadze did achieve some success in improving political relations through their efforts to project a more benign image of Soviet diplomacy. Their attempts to broaden

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175 This shift in conceptualization of capitalism not only enhanced IMEMO's prestige, but also laid the foundation for Gorbachev's new thinking on Japan.

relations significantly, however, failed. Gorbachev had specific goals in the spheres of economic and security relations, and the failure to achieve them was due in no small part to Gorbachev's and Shevardnadze's consistent attempts to bypass the territorial issue.

The initiative for renewing Soviet-Japanese relations came from the Japanese, when Prime Minister Nakasone went to Moscow to attend the funeral of Konstantin Chernenko and had a meeting with Gorbachev. That meeting marked the resumption of high-level communications between the two countries after an eight-year hiatus.

Of the four prime ministers who would lead Japan during Gorbachev's tenure, Nakasone had the strongest interest in improving Soviet-Japanese relations. Hiroshi Kimura, the most prominent and prolific Japanese Sovietologists who enjoyed close ties to the Japanese government, wrote, in anticipation of Shevardnadze's visit to Japan, that

> [the Japanese government has two broad policy options. One is to consider the return of the Soviet-held northern territories a precondition to more friendly relations. The other is to expect that improved relations will produce the return of the territories. Nakasone and [Foreign Minister Shintaro] Abe have taken a middle course between the two policies. While insisting that no improvement in Soviet-Japanese relations is possible unless the northern territories are returned, they maintain that the two countries can have friendly relations in other areas... as] seen in Nakasone's call for "comprehensive" negotiations with the Soviet Union.177

The reciprocal visits of the two foreign ministers were the two pivotal diplomatic events in this period. Shevardnadze's visit to Tokyo, from January 15 through 19, was welcomed by the Japanese as a sign that Gorbachev was now indeed taking Japan seriously. This was only the second foreign visit by Shevardnadze since he had become foreign minister, and his first to the Asia-Pacific region (he also visited North Korea and Mongolia on this trip). The visit had the additional distinction of being the first trip to Japan by a Soviet foreign minister since Gromyko had last visited in 1976.

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177 Hiroshi Kimura, "'New Realism' or 'Sleight of Hand'?” Look Japan, 10 February 1986.
Articles published in the Soviet press, however, set the tone for what Japan could substantively expect from the visit. An article by Yu. Vdovin in Pravda was typical. On the one hand, it stressed the importance of improving Soviet-Japanese relations and developing "political, trade, economic, technical, cultural and other relations." On the other, it couched a traditional hard-line position on the territorial question in its description of three Japanese schools of thought on the issue: (1) "advocates of a confrontational approach [who] propose that Japan continue to make its well-known, unsubstantiated and illegal territorial claims against the USSR and begin to develop relations with the USSR only after their 'satisfaction [italics added];" (2) those who "propose to improve relations first and then, on this basis, to achieve a settlement of their claims;" and (3) those "in Japanese political and business circles [who desire] the development of multifaceted ties between the two countries without any preliminary or ensuing conditions and . . . [who desire] the removal of artificially created obstacles to this." Iu. Bandura, writing in Izvestiia, warned that good relations between the two depended "to a great extent" upon Japan's willingness "to give up the attempts, still current in some circles, to link prospects for the improvement of Soviet-Japanese relations to hopes of gaining some kind of unilateral advantage [italics added]." But Bandura offered no hope for a "miracle," since "[t]he effect of factors, artificially created not by the Soviet side, that slow progress toward stable, responsible good-neighbor relations has an effect today, and apparently it will continue to be reflected in Soviet-Japanese relations in the foreseeable future [italics added]." Bandura outlined elements of Japan's security strategy that were also impeding relations: "the high rate of buildup of the Japanese Armed Forces' military potential, which is not justified by the objective


179 Yu. Bandura, "The USSR and Japan: The Times Demand Changes," Izvestiia, 10 January 1986; trans. in CDSP 38, no. 3 (10 January 1986): 11-12.
situation, the qualitative changes in Japan's long-term military programs, and an attempt to rehabilitate a past condemned by the peoples." The trend toward "Japan's ever deeper involvement in US thermonuclear strategy" and "actions within the framework of the Washington-Tokyo-Seoul 'triangle'" were not going "unnoticed."

On the eve of Shevardnadze's visit, here was a return to themes from Brezhnev's days: (1) Japan's attempt to get the Kuriles was tantamount to its seeking "unilateral advantage;" (2) the territorial issue is an "artificially created" one; (3) Japan is heading toward militarism; and (4) Japan is part of a U.S.-Japanese-South Korean conspiracy aimed at the Soviet Union.

Shevardnadze and Foreign Minister Abe met for more than twelve hours in formal negotiating sessions. An examination of what was discussed, but not included in the final communiqué, reveals the two sides' concerns. Shevardnadze focused on security issues, such as asking the Japanese to reconsider participating in the U.S. Strategic Defense Initiative, trying to interest the Japanese in confidence-building measures, a collective security plan, and Gorbachev's proposal to eliminate all nuclear weapons by the year 2000. Abe voiced concern over the deployment of SS-20 intermediate-range nuclear missiles in the Far East, and requested that Shevardnadze look into the causes of the September 1983 shooting down of the South Korean airliner KAL 007 by a Soviet fighter plane, a request that Shevardnadze refused.

The final communiqué was a result of intense bargaining. Soviet-Japanese working-level consultations were upgraded to the level of deputy foreign minister; another round of foreign minister visits was scheduled; and both sides issued an invitation for a summit meeting (Shevardnadze brought an invitation for Nakasone from Gorbachev, and Nakasone reiterated his previous invitation to Gorbachev). A number of

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agreements were concluded in fairly noncontroversial areas: coastal trade, tax, fishing, cultural exchange, scientific and cultural cooperation, and air safety.

But what of the issue of the disputed territory and the conclusion of a peace treaty? Abe reportedly argued so vehemently for Japan's territorial claims that at one point Deputy Foreign Minister Mikhail Kapitsa threatened to leave the negotiating table.\textsuperscript{181} \textsuperscript{181} The final communique noted that "in keeping with the accord registered in the joint Soviet-Japanese statement of 10 October 1973, the Ministers conducted talks relating to the conclusion of a Soviet-Japanese peace treaty, including questions that could make up its content."\textsuperscript{182} \textsuperscript{182}

Subsequently, both Abe and Shevardnadze arrived at their own conclusions. Abe picked up on the reference to 1973, when Tanaka was reportedly given oral assurance by Brezhnev that the islands were considered one of the "unresolved problems" to be settled before the conclusion of a peace treaty. Optimistic, therefore, that this meant that the territorial issue was once again open for negotiation, Abe reported that "it was a great success that Japan won the Soviet Union's consent to sit at a negotiating table on the territorial problem" and that "the joint communique will be a new starting point for the settlement of the territorial issue."\textsuperscript{183} \textsuperscript{183} Shevardnadze, on the other hand, stated at a press conference that "the territorial issue was one of the problems we failed to agree on" and that "nothing has changed in the Soviet side's understanding of the historic, legal, and treaty aspects underlying solution of the territorial question."\textsuperscript{184} \textsuperscript{184}

Abe's visit to Moscow on 29-31 May was essentially a replay, both in style and in substance, of Shevardnadze's January visit.\textsuperscript{185} \textsuperscript{185} The visit consisted of a conversation with

\textsuperscript{181} Ibid., 1276.
\textsuperscript{182} Ibid., 1277.
\textsuperscript{183} Ibid., 1278.
\textsuperscript{184} Ibid.
\textsuperscript{185} Ibid., 1279-80.
Gorbachev, talks with Shevardnadze, the signing of an intergovernmental cultural agreement, and a joint communiqué, followed by a press conference.

Once again, the two sides' real concerns were highlighted in personal conversation. On the Soviet side, security concerns were again dominant. Both Gorbachev and Shevardnadze brought up the issue of Japan's participation in SDI, warning that it "could not but affect" Soviet-Japanese relations. Shevardnadze also complained about the lack of response from the U.S. to various Soviet arms control proposals. Abe's dominant concern continued to be the territorial issue. When he reasserted the link between its resolution and the further development of Soviet-Japanese relations, Gorbachev responded, "You have brought up an issue that you must not bring up. As a result of World War II, the present borders have already been given legitimacy."

He further embellished the old line by asserting Soviet-Japanese relations must be based on "the understanding that no one will be encroaching on the results of the Second World War and the inviolability of the frontiers."186

Nevertheless, several agreements were concluded. The joint communiqué noted agreements on fishing, the reactivation of the Japan-Soviet Scientific and Technological Cooperation Committee, whose work had been suspended in the wake of martial law in Poland, and on coastal trade and other areas. Moreover, there were some indications of mutual concessions. That the communiqué included a statement concerning the two sides' "advocat[ing] a need to continue efforts to ease tension in the Asia-Pacific Ocean region" was undoubtedly a small victory for the Soviet side. On the other hand, Gorbachev agreed in principle to Abe's request that former Japanese residents of the Kuriles be allowed to visit ancestral graves (a privilege suspended since 1976) without having to obtain Soviet visas. Both sides expressed the intention to expand trade and economic relations further, but the substance of that expansion was left vague.

The handling of the territorial issue in the final communique was almost identical to that in the January communique. The territorial problem was not directly mentioned but alluded to in a reference to the 1973 Soviet-Japanese joint statement, which promised future discussion about the conclusion of a peace treaty and the "questions which could form the content of such a treaty."

For the remainder of this period, Soviet-Japanese relations suffered under a cloud of mutual recriminations stemming from a series of events extraneous to the diplomatic negotiations. The first setback was the result of the Toshiba scandal in May 1987. Two of the company's executives were arrested for having sold to the Soviet Union high-technology machinery. Because this technology was known for its ability to allow submarines to operate more quietly and thus avoid detection, the United States considered these sales a major breach of security and of the regulations of the Coordinating Committee for Multilateral Export Controls (COCOM). The affair was an embarrassment to Japan, and in its aftermath, the Ministry of International Trade and Industry (MITI) tightened up its export controls. Moreover, the incident renewed U.S. pressures on Japan to assume a greater share of the defense burden, and in January 1988 Premier Noboru Takeshita announced that Japan would contribute a greater share of the costs of U.S. military bases on Japanese territory. Moscow, in turn, criticized Tokyo for being so easily pressured and influenced by Washington.

Soviet-Japanese relations were further complicated in 1987 by mutual accusations of spying. In May Japanese officials arrested and expelled four Soviet diplomats, followed in August by Moscow's accusation and expulsion of two Japanese. Shortly afterwards, another Soviet official in Tokyo was accused of purchasing confidential information about Japanese aircraft and expelled from Japan. In the light of these heightening tensions from 1987 through the first half of 1988, Gorbachev and Shevardnadze predictably turned to other pressing items on the domestic and foreign policy agenda.
In summary, progress in Soviet-Japanese relations during the period under review was more atmospheric than substantive. Gorbachev and Shevardnadze did succeed in conveying a new tone by virtue of their involvement and their style. The content of the joint communiqués issued at the two high-level meetings reestablished a structure for Soviet-Japanese relations in the diplomatic, political, and economic spheres. In terms of achieving the real goals of both sides, however, the results were far from satisfactory.

Abe's persistent attempts to bring the territorial question squarely back onto the negotiating table were consistently rebuffed. The wording of both final communiqués was so vague that it in no way represented a Soviet commitment to negotiation. In September 1987, when the Japanese Foreign Minister raised the territorial issue with Shevardnadze while in New York for a meeting of the U.N. General Assembly, Shevardnadze responded that the territories belonged to the Soviet Union and that therefore there was nothing to discuss.

Nor could Gorbachev claim success in either of his goals vis-à-vis Japan. Concerning the first, Moscow failed to draw Japan concretely into a regional security system or to weaken Japan's security relationship with the United States. Rhetorically Gorbachev had placed great emphasis on the importance of "peaceful coexistence," the inadmissibility of military means for solving practical problems in the nuclear age, and the importance of a multidimensional approach to relations with other social systems. This thinking was reflected in his speeches concerning the Asia-Pacific region, and in his often repeated proposals for a comprehensive regional security system. He failed, however, to understand that his policies were inadequate to meet Japan's needs. Although Gorbachev had a general appreciation of the counterproductivity of past Soviet policy toward Japan, he had not begun to learn that Japan too was operating under a series of domestic and international constraints. For example, he failed to understand that Japan's security relationship with the United States was not only a pillar of Japanese policy, but also a major source of Japan's domestic stability. Indeed, it had been Japan's ability to
rely since 1952 upon the U.S. security umbrella that allowed it to concentrate its resources in the civilian sector and thus to achieve its phenomenal economic successes. It would take more time for Gorbachev to understand the benefits provided by that relationship, not only for Japan, but also for the Soviet Union, in that it precluded Japan's development of an independent defense posture and policy in the Asia-Pacific region.

The agreements reached in the economic sphere, while providing a structure for expanded relations, far from ensured the kind of expansion in economic relations that Moscow sought with Japan. Soviet-Japanese economic ties, after an initial boost in the 1970s, decreased in the 1980s due to a number of economic and political factors.\textsuperscript{187} Japan's demands for Soviet natural resources diminished as Japan adopted energy conservation measures in the wake of the oil shocks, and as it shifted from resource-intensive development to a greater emphasis on high value-added production. Thus Japan's initial enthusiasm for cooperative Siberian development projects had waned.\textsuperscript{188} Moreover, poor political relations between the two countries prompted Japanese firms to seek alternate sources of energy. The Japanese were also heavily influenced by Washington's negative attitude toward trade and technology transfer with the Soviet Union, as the Toshiba scandal had showed. Japan quickly fell into step behind the United States in imposing trade sanctions on Moscow in wake of the Soviet invasion of Afghanistan in 1979 and the imposition of martial law in Poland in 1980. Japan's decreasing interest in Soviet natural resources, in combination with lower energy prices, resulted in a growing trade imbalance in Japan's favor between the two countries, which in turn inhibited Japanese sales of steel, machinery, and equipment to the Soviet Union.


\textsuperscript{188} Since 1976 only four new Siberian cooperation agreements were concluded; two large-scale projects for development of Tiumen oil and South Yakutsk natural gas were no longer under consideration; a Sakhalin oil and gas project was delayed; however an agreement for joint exploitation of Sakhalin crude oil and natural gas was signed; ibid, 1238-9.
Accordingly, Gorbachev had much to overcome in the effort to expand trade with Japan. As an indication of his seriousness, however, he did adopt more flexible policies during this period to improve the environment for foreign trade and investment. To foster the export of manufactured goods, Moscow ended the Foreign Trade Ministry’s monopoly over foreign trade and, beginning in 1987, extended the right to deal directly with foreign enterprises to a number of ministries and enterprises. The Japanese response to these policies was cautious, proposing relatively small-scale joint ventures. By the middle of 1988, the two sides had agreed on only five small-scale joint ventures.

The Missing Policy Imperative

Reflecting upon Soviet policy towards Japan during the early Gorbachev years, Aleksandr Yakovlev recalled:

There were two different problems regarding Japan: (1) the problem about relations with Japan, and (2) the problem with the islands. Concerning improving relations with Japan, everybody was in favor. Concerning the islands, such a decision could only come from the top. There was no signal. I never heard from Gorbachev, "Let's give up the islands." Indeed, during this first period, the singular goal of Moscow's policy toward Japan was simply to improve relations. Calculations concerning Japan were, as argued earlier, driven by the leadership's new perceptions about the country's domestic problems, especially in the economic arena, and its vague notion of the role Japan could and would play in alleviating some of those problems if only Moscow-Tokyo relations were more positive. That Gorbachev, who had "learned" much in a short period of time, failed to understand the importance of tackling the territorial issue to effect a qualitative change in Soviet-Japanese relations was due to the absence of a required "policy imperative."

What did Gorbachev know about Japan, and where did Japan fit on his list of priorities? Interviews with people who had the opportunity to observe and work closely

189 Interview with Aleksandr Yakovlev.
with Gorbachev confirm that he was and remained ill-informed about Japan. Most of his attention was consumed with the domestic economy. This was the realm in which he was most comfortable, having spent his professional life absorbed in it. That is not to say that he was a sophisticated analyst of economic policy. In fact, Gorbachev's associates claim that he had a very rudimentary knowledge of this subject. Becoming educated about economic issues and possible solutions was a consuming endeavor. In international affairs, he was also "learning" as he was doing. The agenda in this sphere was dominated by the United States, followed by Western Europe and China. It turned out that putting these relationships on track involved a host of complicated and politically perilous decisions and negotiations, on such issues as strategic and conventional arms control withdrawing from Afghanistan.

When Gorbachev assumed the leadership, his interest in Japan was superficial at best. He was a product of a system that despised Japan, accorded it marginal value, and thus paid little attention to it. Only in the 1980s did he come to realize what the rest of the world had known for some time, that Japan was an economic giant, and that it had achieved this status without building a military machine. His naiveté and general lack of knowledge about Japan led him, when he did think about it, to the unrealistic conclusion that normalizing relations with Japan was a relatively simple matter. By changing Moscow's style of diplomacy and offering economic and security initiatives which could only benefit Japan as well as the Soviet Union, Japan would become a willing partner.

Turning to the question of the Kuriles, all evidence suggests that although Gorbachev paid lip service to the "difficulties ahead" in resolving past differences between Moscow and Tokyo, during this period he had little comprehension of the impact of the "territorial question" on the Japanese leadership's willingness and ability to improve relations. There were only two possible options for any Japanese government: one was to insist on the return of the Kuriles as a precondition to more friendly relations (the "iriguchi ron" or "entrance approach"); the other was to expect that improved
relations would produce the return of the islands (the "deguchi ron" or "exit approach"). Throughout this period, Japanese domestic political conditions were such that Tokyo remained wedded to the more hard-line "entrance approach." Even Nakasone, who for personal reasons sought to be the one to solve the "last pending problem of postwar Japanese diplomacy," was constrained. The most he could do was to "maintain that the two countries [could] have friendly relations in other areas" while "insisting that no improvement in Soviet-Japanese relations [was] possible unless the northern territories [were] returned." Still, Gorbachev persisted in trying to convince the Japanese to "let bygones be bygones."

This lack of comprehension explains Gorbachev's unrealistic approach to the territorial question. He had not taken it seriously, had not developed any ideas on the issue and thus was not prepared to negotiate over it, and thought that he and Shevardnadze would convince Nakasone and Abe that it was of secondary importance to the matter at hand. If it was not critically important, it surely was not worth taking on the military and other interest groups who would fight to stop the cession of any territory deemed necessary for the defense of the homeland. It was quite enough that he was fighting them over arms control and other issues, including the withdrawal of Soviet forces from Afghanistan. Instead of realizing that a resolution of the territorial issue was the only viable path toward achieving the economic imperative, Gorbachev assumed that Tokyo shared, or could be convinced to share, Moscow's objective of closer economic and security relations as the most important goal.

As we now know, decision-making in the Soviet Union was not a matter of one individual's identifying a problem, arriving at possible solutions, and then making a decision. The essential question is whether anyone attempted to put the territorial question on Gorbachev's agenda. Were there individuals with access to power who

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understood the significance of the islands to the Japanese and who concluded that improved relations were more important than holding on to these volcanic islands? If so, why were they not pushing the discussion on Gorbachev's agenda?

The answer to this question is complex. First, despite new thinking and an acceptance of the role that Japan could play in Soviet development, old biases ran deep. It was one thing to acknowledge that Japan, the small Asian country that had been humiliated during World War II, had achieved the status of an economic superpower. It was quite another to "like" Japan actively. There was, moreover, no one individual in a position of power who was pushing Gorbachev to address the territorial issue, and the pendulum of debate about Japan among specialists had only recently begun to shift to a more positive point of view. Also, there was not as yet a strong pro-solution consensus, and few people were critically examining the subtleties of the Soviet-Japanese relationship. Even Yakovlev was not advocating the return of the Kuriles. Primakov, the ultimate "pragmatist," would later advocate such a policy only when a change in policy on this issue appeared inevitable.

Policy specifically regarding the Kurile Islands would be even more circumscribed, since issues involving security were still largely within the purview of the military, which was loath to give up any territory.\footnote{Interview with Yakovlev.} Although civilian analysts were being brought into policy debates about arms control, they were not yet being included in discussions about the Kuriles. The military continued to play a pivotal role in maintaining a hard-line position on the islands, and especially with regard to their vital importance for protecting Soviet nuclear missile-carrying submarines stationed in the Sea of Okhotsk.

Another reason for the lack of urgency in getting the territorial issue on Gorbachev's agenda had to do with the enduring culture of Soviet decision-making.
Although Gorbachev had begun to open the decision-making process to a wider group of participants, the culture of responding to signals from the top before generating proposals from below still dominated. The tendency, even under Gorbachev, was "to tell the boss what you thought he want[ed] to hear." One may no longer have been in danger of being arrested or executed for a proposal, but it was still possible to lose one's perquisites and status, if not one's job. Players in the decision-making hierarchy, and even those in academic institutes, thus tended to wait for signals about the correct line before engaging in the process. In the context of Japan, the signal would be that the territorial issue was open for reconsideration.

In recent years, several close to the process have described Shevardnadze as the one person in the policy-making arena who did learn quickly the importance of addressing the territorial issue for improving relations with Japan, and who attempted to preempt the established pattern. Aleksandr Panov, who was working at the embassy in Tokyo at the time of Shevardnadze's first visit and who later became head of the Department of Pacific and Southeast Asian Countries, described Shevardnadze's reaction to the Japanese during his visit to Japan in 1986:

As I worked at the Embassy of the USSR in Tokyo at that time [of Shevardnadze's first visit to Japan], I participated in making preparations for talks between Shevardnadze and the leaders of Japan, and felt a new atmosphere in the talks with his Japanese partners that he started creating. He talked with the Japanese leaders frankly and favorably, and made a maximum effort to understand their positions. He responded to and agreed with them as far as their attitudes were constructive. Although he did not seem to have realized adequately the significance of the problem of the territorial dispute, his first contact with the Japanese leaders made him sufficiently recognize how seriously he had to deal with this problem.

192 Interview with Sergei Grigoriev.

193 Interview with Aleksandr Yakovlev; as Yakovlev said, "Gorbachev never gave the signal."

194 Alexander N. Panov, Beyond Distrust to Trust: Inside the Northern Territories Talks with Japan, translation from the Japanese provided to the author by Futoshi Ogo (Tokyo: Simul, 1992), 27.
Panov writes that Shevardnadze had even stated in a lecture in Japan that the Japanese had a right to bring up the issue:

Shevardnadze brought the first alteration in the rigid and official position of the USSR about the problem of the territorial dispute. As opposed to the statement by the former leaders of the USSR on the nonexistence of the problem of the territorial dispute in Russo-Japanese relations, Shevardnadze stated in his lecture in Tokyo that Japan had the right to pose in talks with the USSR any problem, including the problem of the territorial dispute.\footnote{Ibid.}

Panov ascribes Shevardnadze's simultaneous reference to the "legitimacy of the USSR to the Southern Kurile Islands" as his bow to the fact that the attitude of the rest of the leadership was still rooted in old ideas.\footnote{Ibid., 28.}

Shevardnadze even went so far as to try to raise the issue back home. Panov relates the following:

After going back to Moscow, Shevardnadze tried to call the attention of the members of the Politburo to the necessity of improving the diplomatic policy of the USST toward Japan, including the problem of the territorial dispute, but his attempt was not supported. This was understandable when taking into account that the personnel organization of the Politburo was still filled with "senior figures."\footnote{Ibid.}

Mikhail Kapitsa, who accompanied Shevardnadze to Tokyo in 1986 as deputy minister of foreign affairs, also confirmed Shevardnadze's failed attempt in a later conversation with Konstantin Sarkisov. Kapitsa told Sarkisov that when Shevardnadze sought to tackle the territorial issue in 1986, Kapitsa warned Shevardnadze of the danger of pushing too hard on this issue. Despite this warning, Shevardnadze sent a cable back to Moscow urging greater flexibility and noting the necessity to work hard to find a solution. Upon his return home, Shevardnadze was sharply criticized for having given such advice.\footnote{Interview with Konstantin Sarkisov.}
Thus, we conclude that the conditions necessary for putting the territorial question on the agenda were not yet in place. Any solution which involved ceding Soviet territory was by definition a controversial one, and the Kuriles were no exception. Learning concerning Japan had made great leaps but stopped short of understanding the real significance of the islands for Japan. It also overestimated Japan's excitement about the economic and security initiatives proposed by Moscow. If the islands had not become a shibboleth for Japan, or if Japan had wanted desperately to become a partner of the USSR in those initiatives, relations could have improved without a settlement, it was reasoned in Moscow. But neither condition existed. What Gorbachev was missing was a sufficient reason to open that Pandora's box. Only a policy imperative perceived by Gorbachev as sufficiently important could induce him to open a "policy window" and give the signal that the territorial issue needed to be resolved.
CHAPTER IV

Convergence of Learning, Politics, and Policy Imperative: Summer 1988 - December 1990

The second period of Gorbachev's Japan policy began with the renewal of diplomatic activity in mid-1988 with former Japanese Prime Minister Nakasone's visit to Moscow in July and Soviet Foreign Minister Shevardnadze's visit to Tokyo in December. It culminated in late December 1990 with the commissioning of a background paper by Gorbachev's foreign policy adviser, Anatolii Chernyaev, for the Soviet leader's forthcoming summit in Japan. That document summarized for Gorbachev a range of possible compromise positions on the territorial issue in preparation for his trip to Tokyo in April of the following year.

As argued in the preceding chapter, the first period of Gorbachev's Japan policy was characterized by the leadership's acceptance of new thinking. The logic of "learning" about the domestic political requirements and international developments had led to a new way of thinking about Japan, both as an international actor and as a potential partner of the USSR. Decision makers in Moscow had come to recognize Japan as a major power based on its economic achievements and had included Japan on its list of countries with which it sought to develop better relations. This "learning," however, had not resulted in a substantively new policy toward Japan. Superficially, Moscow had assumed a new diplomatic posture in international relations in general, and with Japan specifically. Gorbachev's "diplomacy of smiles" was a welcome relief in Tokyo after decades of Gromyko's surly condescension. But substantively, Gorbachev's policy had been remarkably similar to that of his predecessors in its attempt to broaden Soviet-Japanese relations, especially in the economic and security spheres, while avoiding dealing with the territorial issue altogether. But by not addressing the territorial issue directly,
Gorbachev failed to create an environment conducive to any real improvement in relations.

Whereas "learning" had resulted in a new paradigm concerning Japan during the first period, it was only during the second phase that the other two variables necessary for a policy change on the Kurile Islands (a propitious political environment and a policy imperative) coalesced. The personnel changes and structural reforms put in place in the wake of the Nineteenth Party Conference created the opportunity for the emergence of a coalition of official and semi-official leaders who, for a variety of reasons, strongly believed that the territorial issue should be settled. What provided this pro-solution lobby with an opportunity was the emergence in 1990 of a "policy imperative," the Soviet economic crisis, which threatened the legitimacy of perestroika and the very survival of Gorbachev as a political leader. Desperately groping for a solution to the economic crisis, Gorbachev was persuaded by several advisers that reaching a compromise with Tokyo on the Kurile Islands, through some kind of islands-for-cash arrangement, would provide a remedy.

The process whereby the territorial question was given a prominent place on the agenda was sporadic and non-linear. A constellation of changes in both the Soviet and the Japanese policy-making environments created the opportunity for negotiations on a possible resolution. Reforms of the structure of the Soviet decision-making process temporarily marginalized those institutions which balked at the idea of a territorial compromise and instead gave prominence to voices who, for a long time, had believed in the necessity of coming to some kind of arrangement with Japan. Conversely, changing attitudes toward the Soviet Union in Japan, as well as a series of top-level political crises, made room in Tokyo for several ambitious and more flexible politicians, eager to help shape a post Cold War era and to play a critical role in negotiations, some of which were extremely sensitive. It was in the sphere of secret, semi-official negotiations that the parameters of a workable solution were first explored. Before analyzing the dynamics of
these variables—the political environment and the policy imperative—Soviet activity regarding Japan and the territorial issue during this period will be reviewed.

Soviet-Japanese discussions of the territorial issue took place in three distinct but intersecting spheres of Soviet policy-making. The first level was the official diplomatic arena, in which the territorial issue was discussed in open negotiations among top leaders and analyzed in the press. Gorbachev and Shevardnadze directly acknowledged that the conclusion of a peace treaty would require at the very least a specific acknowledgment of the territorial dispute. Concerning Moscow's willingness and intention to reach some compromise on the issue, however, official statements alternated between the vague and the negative. The territorial issue, therefore, was being discussed, especially after 1989, at a second level—in an ever-broadening circle of non-official or semi-official political observers, academic specialists, and journalists. Here a debate emerged concerning not if, but how, to settle the dispute. Finally, discussions about the islands were taking place on a third level—through an officially sanctioned back channel, initiated by certain faction leaders within Japan's powerful Liberal Democratic Party (LDP). It was on this third level that real momentum toward an agreement occurred.

**Soviet-Japanese Diplomatic Relations**

**Official Diplomacy**

On the first level, hints and signals of a policy change alternated with warnings and denials, apparently designed to discourage the escalation of Tokyo's expectations. In July 1988 former Prime Minister Nakasone went to Moscow for what would be his final effort to play a role in a breakthrough with Moscow. In three hours of meetings with Gorbachev, Nakasone was able to explain Japan's position on the Kuriles in more detail than any Japanese representative had previously been able to do. In turn, Nakasone was
delighted that Gorbachev referred for the first time to the 1956 offer to return two of the islands.

In December 1988, foreign minister Shevardnadze and Sosuke Uno resumed the talks in Tokyo. The final joint communiqué reaffirmed the desire of both sides "for an improvement in Soviet-Japanese relations," stated that they agreed to strive for "a new chapter in their development," and asserted that they would continue on the path of expanding cooperation in such areas as trade and economic relations, fishing, cultural relations, and science and technology. On the subject of the territorial dispute, the communiqué included two very significant sentences:

In keeping with the agreement recorded in the joint Soviet-Japanese statement of October 10, 1973, the Ministers held talks on the conclusion of a Soviet-Japanese peace treaty, including the issues that might be included in it. At the talks, each side stated its understanding of the historical and political aspects connected with the elimination of the problems existing in bilateral relations.

In this connection, the two Ministers agreed to create a permanent working group at the level of Deputy Foreign Ministers and to instruct the group to continue the discussion with the aim of promoting further progress in the two Foreign Ministers' talks on the conclusion of a peace treaty . . . .

In a step described by Hiroshi Kimura as "unprecedented in the recent history of Soviet-Japanese relations," both sides agreed to establish a working group to prepare a peace treaty between Tokyo and Moscow. Because the most important obstacle to the signing of a such a treaty was the lack of a resolution to the territorial issue, the establishment of a working group for the specific purpose of "promoting further progress" on a peace treaty would presumably have to address this contentious area. The linkage was confirmed in the final communiqué's reference to the 1973 agreement which, in

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calling for discussions on a peace treaty, had noted the need to settle "outstanding issues" from World War II.

The Japanese correctly identified the signs of a shift in Soviet attitudes, embodied specifically in two new developments. By acknowledging the need to sign a peace treaty, Moscow was seen as signaling an end to its attempt to substitute a security agreement or some other arrangement for a peace treaty. By acknowledging the need to discuss impediments to a peace treaty, Moscow had "virtually" acknowledged the existence of the territorial issue.3

Shevardnadze himself described the visit as having been "perhaps one of the most productive . . . in recent years." Later, in a speech at the Japanese Institute of International Affairs, he summed up his hours of negotiation with Uno by saying, "[T]here is as yet no danger of euphoria. But there is a feeling of satisfaction, produced by the obvious fact that momentum has now developed," and that

[t]ogether we can and must open a new chapter in Soviet-Japanese relations. We can and must do it by cooperating in the interests of all mankind. If there are unresolved issues between us, we should discuss them, conduct dialogue and look for solutions. But we must never make the rest of the issues hostage to their solution.4

The following day, speaking at the Japan National Press Club, Shevardnadze elaborated on Moscow's position on the territorial issue by stating that the October 1973 joint statement was "the most appropriate formulation [from which] to begin serious discussions on a peace treaty."5 When informed that Japanese newspapers were hailing the talks as a "diplomatic victory for Japan," he remarked, "So be it. This is a victory for realistic policies."6

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3 Ibid.


6 Ibid., 12.
After this positive signal, however, the Kremlin denied in subsequent official statements that its policy had changed. In January 1989, Uno and Shevardnadze met in Paris on the occasion of the International Conference for Banning Chemical Weapons. Uno reaffirmed Tokyo's policy of the inseparability of politics and economics in its relations with the Soviet Union and said that Japan was prepared to extend economic cooperation only if the Soviet Union showed a new stance on the territorial issue. He tried to convince Shevardnadze that Gorbachev's future visit to Japan should be the occasion for a settlement on the territorial issue. Shevardnadze responded that it was unrealistic to think that all bilateral problems could be settled with only one visit by Gorbachev, and that it would not be useful to set pre-conditions for the coming meeting. According to Aleksandr Panov, Uno made a direct link between the territorial issue and the signing of other agreements:

Uno stated, "If the USSR has no intention of making progress on the problem of the territorial dispute, Japan will have no intention of enriching the visit of the President of the USSR to Japan with concrete contents, namely, the conclusion of various pacts." Since this statement was regarded as a precondition of Japan for fulfilling Gorbachev's visit to Japan, the USSR was not enthusiastic about fixing a date for the visit.\(^7\)

Back in Moscow, Deputy Foreign Minister Igor Rogachev denounced as an "ultimatum" Uno's proposal of linking Gorbachev's visit with a territorial settlement.

Subsequent official statements reflected this retreat. In March, Deputy Foreign Ministers Rogachev and Kuriyama Takakazu met in Tokyo for the first round of the peace treaty working group. Rogachev stated that Japan "could make a breakthrough in bilateral negotiations for a peace treaty if there were the political willingness to put aside the territorial issue and improve relations with the Soviet Union."\(^8\) He summarized the substance of the meeting with language reminiscent of the traditional, hard-line attack. He bitterly criticized the Japanese for their reliance during the meeting on the "well-

\(^7\) Panov, *Beyond Distrust to Trust*, 30.

\(^8\) Ibid.
known approach" of positing "territorial claims on a number of islands . . . that belong to
the Soviet Union," lands which were "native Russian . . . by right of first discovery, first
annexation, and first exploration."9 He complained that the Soviet side had "heard
nothing new . . . from [its] Japanese partners, and . . . that this narrow approach to the
matter of the content of a peace treaty cannot . . . promote significant progress."
Moreover, he referred to Japan's territorial disputes with China and South Korea as not
hindering improved Soviet relations with those nations, suggesting that the same should
hold true for Japan's dispute with the USSR:

Failing to find mutually acceptable solutions to these territorial disputes
today, the partners [Japan and China, Japan and South Korea] did not erect
barriers of mutual ultimatums, but postponed the problem to the future,
preferring instead of confrontation the broad development of dialogue and
consolidation of the good neighborly base . . . .

I mention this example only to emphasize that given the mutual desire and
goodwill, there are no hopeless impasses in politics.10

Moscow's "new" approach seemed once again a mere replica of the traditional
method of trying to avoid dealing with the territorial issue altogether. Some in Japan
wondered if the working group itself was merely a Soviet device to delay a peace treaty
or to shelve the dispute completely.

Uno visited Moscow from 30 April to 5 May 1989, and met with both
Shevardnadze and Gorbachev. He came with a softened attitude toward Moscow, and
although Gorbachev and Shevardnadze resisted discussing the islands, Uno announced a
new policy toward Moscow--"expanded equilibrium" (kakudai kinko)--suggesting a break
with previous official stances. In contrast to Tokyo's prior insistence on the inseparability
of economics and politics, Uno now suggested that although Tokyo still held paramount a
peace treaty and the solution of the territorial issue, both nations also focus on making

9 "Rogachev Rejects Japan’s N. Territories Claim," Izvestiia, 28 March 1989; trans. in FBIS-SOV
(29 March 1989), 9.

10 Ibid.
progress on other issues. Uno was prepared to talk about a number of issues that were known to be important to Moscow: the environment, maritime transport to move to and from Siberia, and a declaration of friendship as part of a peace treaty. Panov later interpreted Japan's new policy of "expanded equilibrium" as a statement "of Japan's readiness to develop Soviet-Japanese relations in practical areas without removing from the agenda the necessity for a solution to the problem of the territorial dispute." Panov concluded, however, that because the policy had been but recently formulated, "it could not eradicate a negative impression on the [Soviet] leaders" to whom Japan had earlier explicitly and firmly stated Japan's territorial precondition.

High on Uno's agenda was the attempt to receive confirmation of Gorbachev's intention to visit Japan, a visit which would constitute, in Uno's words, "a milestone development in Soviet-Japanese relations." Shevardnadze, with an emphasis reminiscent of Gromyko, focused on the "continuing militarization of the Asia-Pacific region" and the need for the Soviet Union and Japan to negotiate "a balanced reduction in the military confrontation" in the region. In response to Uno's raising of the territorial issue, Shevardnadze resurrected the orthodox Soviet line that the position of the USSR "is an honest and just one, firmly grounded in international law and substantiated by history. The Soviet Union proceeds from the lawfulness of all the results of the Second World War and their being binding on all."

Two days later, Gorbachev received Uno in the Kremlin. Reinforcing Shevardnadze's approach, the Soviet leader wondered why Japan and the United States were cool towards Moscow's invitation to all countries of the Asia-Pacific region to

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12 Panov, Beyond Distrust to Trust, 35.

13 Ibid.
address common problems, as well as why Japan and the United States continued to build up their military presence in the area as the Soviet Union was lowering its own. He further queried, as had Rogachev, if it was not a case of a double standard that Japan's territorial disputes with China and South Korea did not seem to interfere with the development of Japan's relations with Beijing and Seoul, while that with the Soviet Union was said to interfere with the conclusion of a peace treaty with Moscow. Moreover, he ruled out visiting Japan in 1989, citing his tight schedule.  

In late September, Shevardnadze and Japan's new Foreign Minister, Taro Nakayama, conferred while in New York for a meeting at the United Nations. Unexpectedly, Shevardnadze proposed to Nakayama a specific timetable for Gorbachev to visit Japan, namely in 1991. Thereafter Japanese expectations for a territorial solution soared, while official statements from Moscow oscillated between hints at an imminent compromise and denials that Moscow's policy had changed.

In January 1990, Shintaro Abe, former foreign minister of Japan and subsequently LDP secretary general, led a delegation of eight party officials to Moscow to meet with Soviet officials. Gorbachev confirmed that he would be willing to visit Japan in 1991, and Abe suggested that Gorbachev should visit "during the cherry blossom season."

According to Panov, Abe's talks with Gorbachev was the first concrete manifestation of "expanded equilibrium, and thus "had an extremely momentous significance:"

Abe proposed to examine eight items in such fields as the economy, science and technology, exchange of citizens, training for specialists, exhibitions, and humanitarian relations, intended to deepen Soviet-Japanese relations. The "Abe Program" was virtually the first revision of Japan's policy which had been concerned with the development of Soviet-Japanese relations based on "the theory of expanding equilibrium."

This program stipulated the application of Japan's experience to the USSR regarding business activities, production control for progress regarding labor productivity, and an improvement in quality control. It also

stipulated implementation of seminars and symposia to reform the economy of the USSR. Gorbachev evaluated the "Abe Program" positively and expressed his expectation of being able to solve the abnormal situation between the two countries.15

Throughout 1990, nevertheless, as Japanese expectations for a territorial settlement continued to rise in anticipation of Gorbachev's visit, officials in Moscow denied that any territorial settlement could be reached or even contemplated before relations, especially economic relations, improved dramatically. In September 1990, Shevardnadze made his third and final trip to Japan to prepare for Gorbachev's visit, the date for which Shevardnadze confirmed as the following April. After four days of talks, the two sides seemed to have drawn closer on other issues, specifically the crisis in the Persian Gulf and the need for confidence-building measures in the Asia-Pacific region. While no specific proposal was made regarding the territorial issue, Shevardnadze did keep the matter on the agenda. A press release following the talks reported that the two foreign ministers had continued negotiations on the conclusion of the peace treaty based on agreements contained in the joint communiqué of 10 October 1973, and that each side stated its position on how to remove obstacles to the conclusion of a peace treaty. But the two sides went on record as acknowledging remaining difficulties concerning the role that Gorbachev's visit would play regarding the issue.

Debate on the Kuriles in a Semi-Official Arena

While the parameters of discussion about the Kuriles remained narrowly circumscribed in public diplomacy, a much broader and more dynamic debate took shape among officials, semi-officials, and specialists during this period. Taking a cue from some of the incremental policy shifts on the diplomatic level, this community gave new direction to the discussion.

15 Ibid.
The first signs of a significant broadening of the discussion about Japan in general, and the territorial issue in particular, occurred in July 1988. On the second anniversary of Gorbachev's Vladivostok address, a group of diplomats and scholars from the Ministry of Foreign Affairs and several academic institutes gathered at the Guest Club of the MFA's journal, *Mezhdunarodnaia zhizn'* (International Affairs), to assess Moscow's Asia-Pacific policy. Representing the MFA were Deputy Foreign Minister Rogachev; Ludvig Chizhov, chief of the Department of Pacific and Southeast Asian Countries; and his deputy Vladimir Lukin (formerly a scholar at ISKAN). Also present were scholars from seven academic institutes with a research focus on the region, including the Institute of USA and Canada; the Institute of World Economics and International Relations; the Institute of Oriental Studies; the Institute of the Far East; the Far Eastern Section of the Institute of Economic Studies; the Far Eastern Section of the Institute of Economic and International Problems of Exploring the Ocean; and the Institute of Foreign Economic Relations.

The general theme of the meeting was that although Gorbachev's Vladivostok speech had heralded a change in Moscow's decades-long "Eurocentrist" and "Americanist" policy and had "formulated a new, constructive approach to the Asia and Pacific region on the part of the Soviet Union," in concrete terms little had happened since the speech, and "the nature of the changes that have come about, let alone their extent, can hardly be called satisfactory." As Vladimir Ivanov of IMEMO stated, "We must honestly admit that our presence in the region is insignificant and that in recent years it has shrunk—both relatively and absolutely—as against the rapid growth of the

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17 Ibid., 144.

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foreign economic relations in Japan, China, South Korea and other countries of the region."18

A significant amount of attention was paid to the state of relations with Japan, and the necessity to expand Soviet-Japanese ties. Valerii Zaitsev, a highly placed economist at IMEMO, described developments in Soviet-Japanese relations as disappointing:

The stagnation of Soviet-Japanese relations is particularly obvious [against] the background of the latest improvement in our relations with the United States and Western Europe and the progressive trend of our relations with China. What we have is, in fact, a serious abnormality [in] our bilateral relations . . .19

Zaitsev noted that Japan "creates a Pacific market [commensurate with] US and West European markets"20 and warned that Japan's status as the only world economic power "to be playing both a regional and a world role" would soon translate into tremendous political power. He concluded by echoing Gorbachev's earlier theme that "creating in our Far East an economic complex that would fit into the world and regional division of labor is important to the Soviet Union and has also a geopolitical aspect."

While Zaitsev concentrated on the shortcomings in Moscow's politico-economic policies that had contributed to the stagnation in Soviet-Japanese relations (the special status of the territory; the overly centralized economic decision-making; departmental barriers; and a shortage of competent personnel), Konstantin Sarkisov of the Institute of Oriental Studies believed it unrealistic to think that much could be achieved in the near term "as far as economic participation in the economic life of the APR is concerned."21 Sarkisov argued, rather, that it was the political sphere that offered "the greatest opportunities for progress" in Soviet-Japanese relations. By urging Moscow to develop a

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18 Ibid., 150.
19 Ibid., 152.
20 Ibid.
21 Ibid., 149.
concept of what it expected from Soviet-Japanese relations, Sarkisov implied that Moscow still had no detailed plan of how it wanted the Soviet-Japanese relationship to develop. Sarkisov recommended:

We should set short-term, medium-term and long-term targets. But we shouldn't restrict ourselves to this pattern. We should proceed from the likelihood of its changing and be prepared for change. The very concept should be worked out primarily on the basis of a revision of our stereotypes regarding Japan. We should take an inventory to see what works and what doesn't. I think there are many things that don't work. One of them is our opinion of Japan as such, of its trend of development, of what that country will be like in five to ten years' time. We have missed the moment when the Japanese moved into second place in the world, having outpaced us in economic potential.22

Sarkisov also recommended the development of a new Soviet attitude toward the US-Japan security alliance: "Our attitude toward the Japanese-US military-political alliance is essentially obsolete... [and] our attitude to it... is morally outdated. It is out of keeping with today's political realities."23

Dmitri Petrov, head of the Japan Department of the IDV, was the only one to refer directly to the territorial issue, which he called one of the three "main difficulties" in Soviet-Japanese relations. He did not offer any specific remedy for the problem. However, his suggestions for addressing the other two "difficulties"--the "alleged 'Soviet threat' at the regional level" and "the problem arising from the Japanese-U.S. alliance at the global level"--put the responsibility on the USSR to change its policy. Thus Petrov proposed that the USSR itself "proceed more vigorously in effacing the 'enemy image,'" and that the USSR should "explore the possibility of announcing unilaterally [its] military moves in the region," that is, to be more open about its military strategy as a confidence-building measure and thus be able to reduce any tendencies towards militarization in Japan. Although Petrov did not offer any specific solution to the territorial dispute, the

22 Ibid.
23 Ibid.
implication was that since it was a major "difficulty" in Soviet-Japanese relations, Moscow should give the issue greater attention.

The published discussion was significant for its criticism of the lack of progress in Gorbachev's overall APR strategy and for its acknowledgment in particular of the stagnation of Soviet-Japanese relations. Only Chizhov from the MFA offered a defense of Moscow's policies toward Japan and blamed the Japanese for the lack of progress:

"I'm sure our country is well aware of the great importance of its relations with Japan and the need for us to do our best to have normal, preferably good-neighbor relations. But you cannot clap with one hand, as the Oriental saying goes. The state of Soviet-Japanese relations depends on the Japanese as much as on us." 24

But even Igor Rogachev, the most senior MFA official present, acknowledged the need for the USSR to take responsibility for broadening its presence in the region:

"Our country has taken steps to extend our participation in economic, scientific and technological cooperation in the APR. Our economic contacts and trade with the region are still at a low level. This situation must be radically changed.

A further conclusion we can draw is that we cannot tolerate any longer the pace at which our Far Eastern areas are developing. This is most disturbing and, indeed, alarming. Unless we strengthen them we cannot expect any increase in our real possibilities for influencing the situation in the region." 25

Rogachev concluded by applauding the variety of opinions offered at the meeting, and specifically the "useful assessments and proposals" made by "our scholars." As if signaling that debate was welcomed, in order to stimulate the generation of useful solutions, he further stated: "There is every reason to consider that this discussion will constitute a stage in the search for an optimum position which we must work out, taking account of the greatest possible number of opinions of interested parties." 26

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24 Ibid., 150.
25 Ibid., 156.
26 Ibid.
Soon thereafter, statements and articles by quasi-governmental officials, as well as by scholars, focused publicly on the territorial issue itself, and offered numerous concrete suggestions for its resolution. In October, during the Soviet-Japanese Round-Table Conference, Aleksandr Bovin, an influential political analyst for Izvestiia, stressed the need to hold talks on the Kuriles. Also arguing for the need to acknowledge the existence of the territorial issue was Iurii Bandura, a former Tokyo correspondent for Izvestiia and at that time deputy director of Moscow News: "Neither side can ignore the priorities of the other side... By clinging to the principle that 'silence is golden' [on the territorial issue], we can only help those who oppose good-neighborly Soviet-Japanese relations."28

Writing in 1989, Hiroshi Kimura identified a number of Soviet scholars who had recently offered, through informal channels (mainly at conferences), proposals for a territorial compromise:

The same Soviet scholars who are realistic enough to consider the territorial issue as an obstacle for improving Soviet-Japanese relations have been lately sounding out Japanese reactions, unofficially proposing some compromise formulas. These include such proposals as Soviet-Japanese "joint possession" (sovместно владение), the "leasing" of the islands to Japan, the "Senkaku (Diaoyudai) islands" solution.29

Two of the most outspoken scholars on Japan during this period were Georgii Kunadze, head of the Department of Japanese Political Problems at IMEMO, and Konstantin Sarkisov, head of the Japan Department at the Institute of the Far East. Both argued strongly for a territorial settlement to enable Soviet-Japanese relations to realize their potential. In early 1989, Kunadze published an article in IMEMO's journal MEiMO...
entitled "Militarism in Japan: The Question of Analysis Methodology." The article was essentially a criticism of the Soviet Japanology of the 1960s and 1970s for its unidimensional focus on ostensible Japanese militarism. Kunadze argued that Soviet perceptions of this militarism were misguidedly derived from the methodology imposed by Marxism-Leninism, which equated capitalism with militarism. He concluded that Japan's current status in the world was a result of its enormous economic and scientific-technological potential, which was in turn made possible not by Japanese militarization, but by Japan's rejection of such policies. This argument, it will be recalled, was very much consistent with Gorbachev's new thinking and its emphasis on a more benign view of Japan.

Later in the year, Kunadze and Sarkisov, after the announcement in the December 1988 communiqué that Gorbachev would go to Japan, co-authored an article published in MEiMO entitled "Thoughts on Soviet-Japanese Relations." Noting that the state of Soviet-Japanese relations against the backdrop of a general improvement in the international environment "could not help but look anachronistic," they advocated a new "philosophical approach," in order to allow the relationship to flourish. In terms of the territorial issue, they supported "interesting, bold ideas that [could] take the edge off the dispute." One of their suggestions was the formation of "mutual enterprise zones with special forms of cooperation and exchanges of people."

In May, the liberal newspaper Ogonek organized a round-table discussion among four experts on the Kuriles. The participants included Sarkisov and Kunadze, along with Lukin, who was newly elected People's Deputy of the RSFSR, and Igor Tyshetskii, a.

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a senior research fellow at the Diplomatic Academy. The discussion was noteworthy for its sensitivity to the Japanese point of view. The thrust of the conversation was the acknowledgment that the territorial problem did exist simply because, as Sarkisov stated, it was raised by the Japanese. Kunadze went so far as to acknowledge that "[n]o politician in Japan, no matter what party he represents, can give back [the islands] without risking being quickly and irreversibly discredited. That is reality." Sarkisov and Kunadze rejected as highly dubious the traditional Soviet arguments of historical priority and the right of first conquest. Tyshetskii queried whether the USSR, in striving to build a nation of laws, could abnegate its 1956 obligations, which had been ratified by the Supreme Soviet and then unilaterally rejected in 1960. Sarkisov argued the value of a peace treaty on moral grounds: "What could be more important than having a peace treaty with a neighbor, especially one like Japan, with secure borders?" He warned, however, against the thinking that a treaty would be the unique answer to stronger economic relations, arguing that Japan's interest in the USSR would increase significant only after the USSR had radically redesigned its economic strategy.

During 1990, as the date for Gorbachev's visit to Tokyo drew closer, Moscow informally began to float a number of compromise plans through academic experts and Party advisers. Such ideas included the demilitarization of the islands, the creation of an ecological cooperative zone, handing the islands over to the U.N. as a trusteeship, and returning to the 1956 two-island formula.

Japan responded to the signals coming from Moscow. Less than two weeks after Shevardnadze's trip to Tokyo, Kaifu instructed the director-general of the Defense Agency to remove reference to Soviet military power as a "latent threat" in the agency's annual white paper. This step reversed Tokyo's longstanding, and heretofore unadjusted, policy that Soviet forces in the Far East constituted a threat to Japan. The fact that this

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33 Ibid., 16.
change was made despite the fact that the report showed that little had changed with regard to Soviet forces in the area showed that the prime minister "placed a higher priority on good will overtures to Moscow in advance of Gorbachev's 1991 visit.\textsuperscript{34}

In 1990, Boris Yeltsin, recently named chairman of the RSFSR Supreme Soviet, entered the debate. The emergence of the RSFSR as an independent player in Soviet-Japanese relations complicated policy-making for the central government in Moscow and created confusion for Japanese officials, as to both the seriousness of Soviet proposals and who was in charge. In January, Yeltsin made a ten-day visit to Japan as a guest of the Tokyo Business Society and other Japanese organizations. While emphasizing that he did not favor a radical solution to the territorial problem, arguing that neither Soviet nor Japanese public opinion were as yet ready for it, he did offer his own five-phase solution:

1. Official Soviet recognition of the territorial dispute and the reshaping of public opinion to open the way for a settlement. This would take two or three years.

2. Demilitarization of the islands. This could take five to seven years.

3. Declare the islands a free enterprise zone open to Japan. Japan is granted the most-favored partner status. This could take three to five years.

4. Signing a peace treaty with Japan. This involves a concession on Japan's part, since it will have to sign a peace treaty without getting the islands back. These four stages would take fifteen to twenty years.

5. Leaving a final solution of the dispute to future generations.\textsuperscript{35}

In a meeting with Prime Minister Toshiki Kaifu, Yeltsin spoke with the confidence of one who would soon have the authority to make separate arrangements with Japan. He suggested that the RSFSR and Japan conclude their own agreements in the spheres of economics, science, technology, and culture, once the upcoming session of the Supreme Soviet adopted new laws giving the republics more autonomy.

\textsuperscript{34} William F. Nimmo, \textit{Japan and Russia: A Reevaluation in the Post-Soviet Era}, Contributions in Asian Studies, no. 3 (Westport, Conn.: Greenwood, 1994), 81.

\textsuperscript{35} \textit{Komsomolskaya pravda} (7 February 1990); trans. in \textit{FBIS-SOV} (7 February 1990): 16-18.
Later in 1990, the RFSFR declared its sovereignty over the disputed islands, and in October RFSFR Foreign Minister Andrei Kozyrev stated that the RFSFR should be involved in any negotiations with Japan concerning the disputed territories. In November, Yeltsin obtained a reluctant pledge from Gorbachev that the RFSFR would be consulted before Gorbachev's visit to Japan and that the seventh round of working-level peace treaty negotiations with Japan would involve RFSFR representation in some form. An indication of the further devolution of authority to the local level was the fact that Sakhalin Governor Valentin Fedorov identified Sakhalin and Primorskii Krai as "special economic zones" in an effort to attract Japanese and other foreign investment.

Back-Channel Diplomacy

In addition to the formal top-level talks and statements, and the unofficial and semi-official debates and proposals, negotiations on an "islands-for-cash" agreement began to take shape in late 1990 among highly placed representatives from both sides. While details of the negotiations, which evoke heated controversy in Russia even today, remain a closely guarded secret, a general picture can be drawn with some confidence.

On the Soviet side, the principal player involved was Arkady Volsky, veteran Party official and former aide to Andropov and Chernenko. His Japanese counterpart was Ichiro Ozawa, general secretary of the powerful Liberal Democratic Party (LDP).

Based on his political credentials and personal relationship to both Gorbachev and high-level Japanese, Volsky was uniquely positioned to play this delicate role. Volsky was one of a handful of people (along with Yakovlev, Primakov, and Chernyaev) who enjoyed direct access to Gorbachev.36 His access was all the more remarkable since he did not even hold an official government position at the time.

36 Interviews with Sergei Grigoriev and Konstantin Sarkisov.

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Volsky's background and personal characteristics combined to make him uniquely positioned to play this delicate role. One of his most important assets was the broad network of contacts he had developed over the years:

First, [Volsky's] background in the industrial sector as deputy chief of the Department of machine Building of the Central Committee of the CPSU from 1978 to 1984 [and as chief from 1985 to 1988] gave him a central position in the economic and distribution network, which helped him form a wide network of contacts among directors and economic bureaucrats throughout the country. Second, his long tenure, beginning in 1966, as secretary of the Party committee of the giant Likhachev automobile plant in Moscow allowed him to develop working relations with many industrial elders. Third, he established a wide circle of contacts in high politics and became accustomed to influencing economic policy by "lobbying within the system," through his tenure as an aide on economic and industrial matters to Andropov, Chernenko and Gorbachev. In addition, he served on a number of formal and informal committees and commissions dealing with industry.37

In March 1988, Volsky made a visit to Nagorno-Karabakh in to address the problem of malfunctioning factories. As an indication of Gorbachev's confidence in his ability to manage complicated and potentially explosive situations, Gorbachev asked Volsky to return there several months later to help ease tension between the Azeris and Armenians. Volsky ended up spending almost a year and a half in Nagorno-Karabakh, from July 1988 to November 1989, acting throughout 1989 as head of the Committee of Special Administration which governed the territory on behalf of Moscow.38

Back in Moscow, Volsky was elected in June 1990 president of the Union of Science and Industry of the USSR (Nauchno-promyshlennyi soiuz, NPS), one of the new voluntary associations established under perestroika. A look at the stated goals of the NPS suggest that within that organization Volsky must have been able to build on and further expand his significant network of contacts both at home and abroad:


As the founding documents make clear, NPS was created more as an information and service bureau than a political organization or representative body for political activity. Its listed goals and activities included: projects to assist businesses in modernization; assistance to privatizing firms and new small businesses; the creation of an economic infrastructure through monetary and informational assistance to projects in communications, transport and information centers; the fostering of ties between cooperatives and other forms of business; the encouragement of inter-territorial ties in the context of a common single unified economic space; and mediation between foreign investors and domestic enterprises.39

Volsky developed a keen interest in the Soviet Union expanding relations with Japan. His knowledge of Japanese business successes stemmed from his wide contacts with Japanese business leaders of the Keidanran. A believer in market reform, he looked to Japan as both an example of a successful capitalist economy and a potentially crucial partner in the long-overdue economic reform of the Soviet economy and the development of the Soviet Far East. Indeed, it has even been suggested that he was positioning himself for lucrative business relations with the Japanese.

In September, Volsky told Sergei Grigoriev that someone on the Japanese side had approached him, on behalf of Ichiro Ozawa, about a possible deal.40 Volsky had reported this to Gorbachev and Yakovlev, both of whom were in favor of his pursuing such negotiations. From the Japanese point of view, Volsky could open a back channel, since he had many ties with Japanese business and government leaders as well as direct access to Gorbachev and Yakovlev. From Gorbachev's perspective, as well, Volsky was an ideal choice as mediator. He was knowledgeable about Japan and the Japanese economy, and he was someone whom he trusted. Moreover, Volsky was a safe envoy because he was transitioning between official positions. As Grigoriev later said, Gorbachev would want to protect himself "because the whole thing could be so

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40 Interview with Grigoriev.
unpopular. Since Gorbachev certainly did not know how this affair would end, it was important to have the option of distancing himself from Volsky should it be necessary.

Volsky made two trips to Tokyo to talk with Ozawa, one in October and the second in December. On the first trip, he brought with him two people. The first was Gennadii Yanaev, Politburo member in charge of international affairs (he had replaced Yakovlev in the summer of 1990). As former vice president of the Friendship Association, he had frequently visited Japan, where he was quite well connected. Although Yanaev was in principle in favor of a settlement on the islands, he was not willing or capable of taking the initiative on his own.

The second person accompanying Volsky was Vasilii Saplin of the International Department. Grigoriev had recommended Saplin to Volsky when the latter was looking for someone both trustworthy and knowledgeable about Japan. Saplin had worked in the ID, originally under Kovalenko, where he had been responsible for relations with the Communist Party of Japan. Saplin had also spent time at the Friendship Association and was very much in favor of a compromise on the territorial issue. Moreover, he had been a member of Yakovlev's parliamentary delegation to Tokyo in 1989 and was known to have good relations with Chernyaev. In December 1990, Volsky made his second trip, this time with only Saplin. Officially the trip was sponsored by the Japanese

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41 Ibid.
42 The Friendship Association was established under the Central Committee in the 1930s to expand Soviet-Japanese cultural relations.
43 Interview with Grigoriev.
44 According to Konstantin Sarkisov, a good friend of Saplin's, Saplin "loved Japan, and was very knowledgeable [about Japan]. He was positively frank and honest on the subject of the Kuriles . . . He believed in the need for a compromise." Interview with Sarkisov.
45 Grigoriev reports that Saplin was in the precarious position of balancing his activities on behalf of a territorial settlement with his position vis-à-vis his superior, Falin, head of the ID, who was categorically against any compromise on the islands. Because Saplin was so scared, he would come and talk to Grigoriev. Interview with Grigoriev.
46 According to Grigoriev, there was a "good chemistry" between the two. Saplin did a lot to change Chernyaev's thinking about Japan." Interview with Grigoriev.
television station NHK, but its main purpose was to negotiate with Ozawa. The two sides did indeed come to an agreement, involving the exchange of territory for $26 billion in aid and investment.

"Draft Plan and Schedule for the Visit of the President of the USSR to Japan"

This author was able to obtain a copy of an original document which identifies the various territorial positions that important decision-makers were recommending to Gorbachev for the summit. The document, entitled "Draft Plan and Schedule for the Visit of the President of the USSR to Japan" ("Skhema podgotovki i provedeniia visita prezidenta SSSR v Iaponiiu") was pulled together and drafted by Saplin, with help from Deputy Foreign Minister Aleksandr Panov, Georgii Kunadze, and Sergei Grigoriev. Saplin was then working as otvetstvenyi sekretar' (responsible secretary), with responsibility for working with the Preparatory Commission for the Japan Summit. It was given to Chernyaev for his editing and approval at the end of December 1990. Above the title, in Chernyaev's handwriting, it is noted that the document had been discussed with Yanaev on January 19, 1991, and sent to "M[ikhail] S[ergeevich Gorbachev]," "[Karen] Brutents" [First Deputy Head of the International Department], and [Gennadii] "Yanaev" on January 21, 1991.

47 Grigoriev interview; Sarkisov interview; exact amount varies.

48 Interviews with Grigoriev and Sarkisov.

49 Interview with Grigoriev.

50 Interview with Sarkisov. Another probable reason Saplin was given this responsibility was the fact that after Shevardnadze's resignation as foreign minister in December 1990, the Ministry of Foreign Affairs, as Igor Tyshetskii wrote, "lost its initiative as well as most of its administrative responsibility for the visit." It never fully recovered from the conservatives' attack on it in the last two months of 1990, and by 1991, "it played a subsidiary role of consultative body in the policy-making process." It was the "small group within the Presidential Council which was closely connected with the CPSU International Department" which became "solely responsible for the summit's preparation and gradually replaced the Foreign Ministry in the last month preceding the visit." Igor Tyshetskii, "The Summit: View from Moscow," in Russia and Japan, ed. Hasegawa, et al., 91-2.
Saplin had been asked by Chernyaev to draft the document since he was the person at the International Department responsible for Japan. Asked why Chernyaev would turn to someone from the ID when the MFA was assuming its predominance over the Party structure, Grigoriev responded that the choice of agency depended on the subject area. Chernyaev was very good friends with Saplin, whom he trusted and respected. Saplin for his part was able to work fairly independently within the ID. Officially he had to report to Falin, but Falin was still preoccupied with the Germany-NATO question. That meant that Saplin was really reporting to Brutents, the first deputy head of the ID who was responsible for nonsocialist countries.

The document is noteworthy on several accounts. First, it provides an authoritative account of a consensus on the territorial issue among the salient policy making individuals and institutions on the eve of Gorbachev's visit to Japan. Second, it specifically confirms the existence of long-rumored back-channel negotiations involving an "islands-for-cash" deal among representatives of the two sides. Finally, the document suggests that Gorbachev himself was probably amenable to the idea of bringing to Japan some form of compromise on the issue. Given decision makers' desire to please the leader and pick up signals indicating the parameters of decisions, one can conclude that at the time this document was written, its author and contributors believed there was at least a reasonable chance that Gorbachev would adopt a formula involving some transfer of territory. Chernyaev believed not only in the efficacy of a compromise with Japan but also in the likelihood that Gorbachev would agree with this approach. Grigoriev confirms that since the previous summer and early fall, when Gorbachev condoned the Volsky-Ozawa discussions, his advisers were operating under the assumption that Gorbachev wanted to find a way to give back the islands in exchange for economic benefits without the arrangement looking like an "islands-for-cash" deal.51

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51 Interview with Grigoriev.
The document begins with the statement that "the main aim of the visit [to Tokyo] is to lay the foundations for radical changes in Soviet-Japanese relations." The importance of improvement in those relations for Moscow's Asia-Pacific initiatives is compared to that of the settlement of the German problem in Europe. Since "Japan holds the key position in the integration processes evolving in the APR," Moscow will be "unable to join and participate in the processes without cooperation on behalf of Japan." To develop relations, primarily economic ones, with Japan is "of great importance given the future social and economic development of Eastern Siberia and the Far East."

The document recognizes that the "territorial issue" as the "key" issue remaining between Moscow and Tokyo, and that "success or failure of the Presidential visit will depend mainly on finding a formula that would meet the following conditions:

- it will not contain a promise to turn over to Japan any one of the islands prior to the peace treaty;

- at the same time it will open up perspectives for future initiatives;

- it will be viewed in Japan as a real step forward leading to talks on the subject. [To demonstrate to Tokyo Moscow's seriousness,] the parameters of the formula will demonstrate readiness to work towards a peace treaty, will admit the existence of the territorial issue as an obstacle to it, will point out previous reassuring steps in this field.52

The document goes on to outline a variety of initiatives and solutions. First, it summarizes the two versions promoted by the Ministry of Foreign Affairs:

First. Return to the conditions of the Joint Soviet-Japanese Declaration of 1956 ratified by the Supreme Soviet of the USSR, i.e. reiterate the pledge to return the islands of Habomai and Shikotan to Japan on signing the peace treaty (not discuss the problem of the two other islands).

Second. Just recognize the territorial issue, but not go beyond. Express eagerness to develop economic, scientific and cultural activities in that region, and give visa-free treatment to Japanese citizens. But say that to settle territorial issue, a new environment of trust is required.53

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52 [Preparatory Committee for the Presidential Visit to Japan], "Skhema podgotovki i provedeniia vizita prezidenta SSSR v Iaponiiu," 1.

53 Ibid., 2.
The document points out that this second version was very "close to the proposal submitted by the International Department of the Central Committee, [namely to] take a flexible stand that will not preclude future initiatives. Demonstrate readiness to discuss the territorial issue but try to tie its solution to the evolution of relations."\textsuperscript{54}

In his book, Panov explains that these two plans had been drawn up between the end of November and the beginning of December. It was Panov's idea "to propose the two plans to the President and leave the choice to him."\textsuperscript{55}

The document then describes a third proposal, which it says is explained in a note by Gorbachev's economic adviser, Nikolai Petrakov. This option, the most radical of all, suggests that Moscow "recognize 'unconditionally and immediately' the sovereignty of Japan over all four islands." The document articulates the argument behind this position:

Japanese demands are 'fully legal and just,' since they proceed from the Russian-Japanese Agreements of 1855 and 1875 [original italics]. Stalin annexed the islands. The fact of the annexation should be recognized and condemned which will ensure a breakthrough in relations. Japan and its grateful responsive public will open up towards the Soviet Union. Its economic assistance will help the Soviet state solve its numerous problems. Japan alone is able to provide 'real money' on such a scale to insure serious help to the economy ($40-70-120 million in the near future).\textsuperscript{56}

The actual compromise contained in this third approach could be either of two options:

Sign the peace treaty recognizing the sovereignty of Japan over the "northern territories" during the visit, while a special protocol should stipulate that actual submission will take place 10 years later, in the year 2000.

Or [Grigoriev identified the following variation as that supported by Volsky]: agree on the intentions of the parties to begin negotiations on the ways and timing of the actual transfer to take place at the end of the period\textsuperscript{56}

\textsuperscript{54} Ibid.

\textsuperscript{55} Panov, \textit{From Distrust to Trust}, 82. Panov noted in his book published in 1992 that it was the second plan which was ultimately the one Gorbachev adopted at the summit. This plan was much less radical than the first. The only progressive part of the plan was that for the first time, "the USSR officially [would approve] the existence of the problem of the territorial dispute between USSR and Japan," and would for the first time specify the extent of the problem by identifying Shikotan, Habomai, Iturup, and Kunashir.

\textsuperscript{56} [Preparatory Committee for the Presidential Visit to Japan], 2-3.
of mutual utilization of the four islands, and on ensuring property and human right guarantees to the inhabitants of the islands even if they decide to relocate to Russia.\(^{57}\)

Closely related to the third proposal was the fourth, identified in the document as coming from IMEMO. It proposes returning all two eventually, but this "two plus two" version suggests immediate recognition of Japanese sovereignty over only two:

After recognition of the Soviet pledge on the Joint Declaration of 1956 concerning the return of the islands of Habomai and Shikotan to Japan, also agree to discuss the islands of Kunashir and Iturup in the course of the talks on the peace treaty or after signing it.

Depending on the course of the talks, a variety of versions of the islands' status become a possibility, even submission of the latter two to Japan under specific conditions and with an obligatory time-span between transfers and, naturally, material compensation on the part of Japan.\(^{58}\)

Proposal five is identified as that submitted by "the participants in a situation analysis held at the Institute of Oriental Studies on 13 December 1990." Grigoriev assumes that proposal was recommended by Konstantin Sarkisov, who was the head of the Japan Department of IVAN. This proposal suggested:

Reiterate the pledge in the Joint Declaration of 1956 and at the same time declare that Soviet rights to Kunashir and Iturup logically derive from the provisions of the \textit{Yalta Conference and the San Francisco Treaty} [original emphasis].

In case Japan begins to insist on the transfer of the islands, it is important to develop a framework for a joint Soviet-Japanese forum that will accommodate discussions of the issue and lead to its solution within the framework of the peace treaty.\(^{59}\)

This section of the document ends with the statement that all of these proposals "contain elements of the formula that is most effective for Soviet interests, and which might satisfy, according to preliminary discussions, the Japanese side as well." It suggests that the formula might develop in the following way:

\(^{57}\) Ibid., 3.

\(^{58}\) Ibid.

\(^{59}\) Ibid.
1. our [Soviet] recognition of the territorial question and readiness to discuss it;

2. recognition in principle of Japan's legitimate right to sovereignty over the four islands with the understanding that it does not mean the revision of the terms of World War II (the Japanese side will have to confirm the renunciation of its rights to the [rest of the] Kurile Islands which Japan had received according to the terms of the treaty of 1875);

3. the transfer of the islands will require the consent of the inhabitants of the islands as well as that of the people of the Russian Federation; special conditions will have to be created to this end which will take some time, while the Japanese side should be prepared to provide significant material compensation and take responsibility for the development of wide-scale Soviet-Japanese economic cooperation;

4. the return of the islands should take place in stages, extending to the year 2000;

5. the concrete terms and status for the islands to be returned to be the subject of negotiations and special agreements.\(^6^0\)

In short, this document is remarkable in the overall endorsement of the 1956 formula at the very least, as well as significant support for eventual return of all four islands.

Two other issues pertaining to the "Concept of the Visit" to Japan are addressed. Concerning the question of former Japanese war prisoners, a particularly sensitive topic to the Japanese, a number of possible initiatives are outlined. These include:

- in speeches to be delivered in Japan, stress the idea that the history of the relationship between the two countries witnessed a number of regretful moments. It is essential to forestall repetitions.

- on the way to Japan, stop in Khabarovsk with the idea of visiting a cemetery for the Japanese war prisoners and the Soviet soldiers, and laying wreaths (variation: provide for the laying of a wreath on the grave of the Unknown Soldier in Tokyo and visit one of the cemeteries in Japan for Russian war prisoners from 1905);

- the subject of the Japanese war prisoners should be mentioned in one of the speeches in Japan as well as in the course of the meeting with the Japanese Emperor, expressing respect to the memory of all warriors who had perished in all wars and express condolences to the families of the Japanese war prisoners who had died in the Soviet Union; gratitude should be expressed to the Japanese people for the loving care with which they had treated the graves of the Russian warriors on the Japanese soil;

\(^{60}\) Ibid., 4.
- during the preparatory stage of the visit:

  a) make a full list of the Japanese prisoners of war who died in the Soviet Union, enumerate locations of their graves in order to hand the information over to the Japanese side prior to the beginning of the visit;

  b) prepare and give to the Japanese side lists (even though partial) of all Japanese POWs who had been in the USSR;

  c) agree to the specific requests of the Japanese side to open up a larger area for the Japanese to visit the graves of those who died in captivity and give positive response to the issue of transfer to Japan of the remains, to take care of unattended graves, etc.  

It is noteworthy how far this document's suggestions are from the position on Japanese POWs from the pre-Gorbachev Kovalenko days.

A concern with Yeltsin and the Russian Federation is already evident in this document. Not only does it state that "the results of the visit will to a large extent depend on developing a joint policy with the leaders of the Russian Federation," it outlines three necessary steps toward developing such a policy:

  a) include representatives of the Russian Federation in the Commission on the preparation of the visit;

  b) discuss a joint policy during personal meetings with Yeltsin;

  c) include top-ranking officials from the Russian Federation in the delegation that will accompany the President on his trip to Japan.

The author of the document recognizes that the "development of a common approach to the territorial issue will be difficult," and that it is "quite possible that opponents of an early solution will try to use as an argument the Declaration of State Sovereignty of the RSFSR, since it does not allow for any territorial changes in the Russian Federation 'without the people's will expressed through a referendum.'"  

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61 Ibid., 5.
62 Ibid., 6.
63 Ibid.
Interestingly, the document also notes that this provision in the Declaration can also be used "as an important bargaining chip at future talks."  

On the subject of "Economic Cooperation," the document makes the clearest statement yet that recognizes Japan as an economic superpower, and makes a direct link between the solution of "political issues" and the expansion of much needed economic cooperation with Japan:

Modern Japan is an economic superpower commensurate in its potential with the United States or with all West European countries taken together. Japan ranks first in the majority of industries on scientific, technological, industrial and production level.

At the same time, Japan is a major center of the modern world. It has no equal in assets, banks, insurance companies, and other financial institutions. The volume of net foreign assets (credits minus debts) has reached almost $300 billion, making Japan the number one lender in the world. Acquisition by Japanese financial companies of the state bonds of the United States ensure financing of up to half of the deficit of the whole state budget of America.

The reality is that the current situation in the world economy and in the world financial market is such that Japan alone with its economic and financial potential will be able to assist the Soviet Union in finding solutions to its national economy problem on a decisively important scale. It is especially relevant to the areas of Siberia and the Far East (but is far from being limited to these areas). No other country in the Asia-Pacific Region (neither South Korea, nor Taiwan, nor Singapore, nor Hong Kong) are able to substitute even to some degree the vitally important cooperation with Japan.

The Soviet side, without doubt, should aim to utilize economic cooperation with Japan to achieve a true qualitative rebirth of the industrial potential of the Soviet economy and the creation of a modern industrial complex. . . . [P]rimarily Japan . . . can become our leading partner and assistant in this area.

Finding solutions to political issues will open up tremendous possibilities for cooperation with Japan on such potentially effective avenues as conversion of military enterprises, development of infrastructure (transportation, means of communication), development of energy and industrial complexes in the Far East, concessions in the European part of the USSR as well, modernization of wholesale and retail operations, of the system of storage, etc.  

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64 Ibid.

65 Ibid., 6-7.
The document goes on to outline a series of proposals for Soviet-Japanese cooperation. To "demonstrate peaceful intentions of the Soviet Union toward Japan," the document recommends four specific actions:

- On the eve of, or during, the visit, make a statement that the Soviet Union does not see an opponent in Japan and intends to demonstrate to the Japanese side that they have no cause to worry about military activities of the USSR (proposal of the MFA).

- Declare readiness of the USSR to reduce over the next 5-to-7 years the numbers of the Soviet military contingent stationed on the Kurile Islands, taking into consideration, naturally, the development of the general situation in the region (proposal of the MFA).

- Begin in advance of the visit the promised reduction of the military in the Far East by 200,000 men; declare intention to, and continue further with, the reduction of arms as a follow-up to the Vladivostok and Krasnoyarsk initiatives (proposal of the International Department of the CC).

- Propose the establishment of direct contacts between the military institutions of both countries (even with the participation of the United States); promote a package of proposals on confidence-building measures.

In a section under the title "Measures to be taken to create a favorable environment for the summit," the document offers the clearest possible statement confirming that a "back channel" has been activated between Moscow and Tokyo through Ozawa. It is through this channel that Moscow is exploring the quid pro quo, and the document mentions the culmination of this channel with the upcoming meeting in March between Ozawa and Gorbachev. Indeed it confirms that an invitation to Ozawa has already been sent:

Maintain confidential contacts with the LDP General-Secretary I. Ozawa, which will define in advance the extent of potential reciprocity. Following talks in Moscow with Ozawa's representative, H. Kumagai (January 7-10, 1991), a representative of the President of the USSR will be sent to Japan to continue the dialogue (end of January-beginning of February). These contacts will culminate in I. Ozawa's visit to Moscow at the highest level (March, written invitation delivered). Contacts 'through' Ozawa are geared to clarify to the Japanese side the degree of our flexibility on the territorial issue and understanding of specific Japanese intentions especially in the economic domain [emphasis added].

66 Ibid., 13.
This clear confirmation that negotiations with Ozawa had already begun, that Ozawa would be coming to Moscow in March to finalize these negotiations with Gorbachev, and that this information was specifically stated in a document given to Gorbachev on January 21, serves to illuminate the degree to which Gorbachev would later distance himself from this initiative when the political environment was not longer "propitious."

Chemyaev was not known for generating new ideas, but rather for his competence in coordinating and refining policy in conformity with Gorbachev's "new thinking." That he took this report from Saplin and, after discussing it with Yanaev, sent it on to Gorbachev, suggests that he was operating under the assumption that this document would be of interest to Gorbachev. At the very least, it stands as the statement of policy options suggested by the various institutions of the decision making bureaucracy. As such, it was remarkably liberal.

Thus by the last months of 1990, the significant agencies of the Soviet policy-making bureaucracy were in agreement that it was desirable for Gorbachev to take to Japan some compromise on Moscow's heretofore rigid position on the territorial issue. This study will now turn to an analysis of the factors which precipitated such a changed policy orientation. An understanding of those factors will also help explain the unraveling of this orientation in the early months of 1991.

Learning, Political Environment, and Policy Imperative

As stated above, for a fundamental policy shift concerning the Kurile Islands to occur, three conditions had to be met. First, the Soviet leadership's concept of Japan had to change from one of a puppet of the United States to one of a country with enormous weight in the international economy and a potential as a stimulus to Soviet economic growth. Second, the political environment in Moscow had to permit such a change, and institutional structures needed to become more open to new ideas. Key personnel had to have both the authority and inclination to pursue new policy options as well as be willing
to entertain proposals from foreign policy specialists who better understood the opportunities for change. An international environment, as perceived from Moscow, had to be amenable to policy innovation. Third, there had to exist a "policy imperative," a compelling motivation for Gorbachev to tackle an issue that called for sacrificing Soviet territory, a sacrilege that no Soviet leader had ever committed.

Slowly but steadily, through incremental change and *ad hoc* developments, the first two conditions had begun to obtain. Beginning in 1989 and especially 1990, a policy imperative emerged that served as a catalyst to thrust the territorial issue directly onto Gorbachev's agenda.

**Learning**

Gorbachev had, at least rhetorically, come to appreciate Japan as an important player in the world economy, and was familiar with theories of Japan's potential role in jump-starting Far Eastern economic development. This "learning" on Gorbachev's part combined with new thinking's goal for the Soviet Union to become a qualified and active member of the Asia-Pacific region. Until the summer of 1988, however, Gorbachev was still under the mistaken impression that this twin goal could be accomplished without tackling the territorial issue. Consequently Japan continued to withhold from the Soviet Union its own economic and financial aid and to veto efforts by the major industrialized powers, particularly at the G-7 summits in Toronto and Houston, to develop any collaborative economic aid plan for the Soviet Union.

According to Gorbachev, it was only after his second meeting with then former Prime Minister Nakasone in July 1988 that he finally began to appreciate the necessity of acknowledging the territorial issue. During three hours of talks, Nakasone was able to give a full presentation of the Japanese position on the islands, and he was later allowed to speak, uncensored, to the Soviet people. The meeting certainly did not change

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Gorbachev's mind on the dispute, but the general secretary did come away with an appreciation of the importance of this issue in any future negotiations. Two months later, in his speech in Krasnoyarsk, he referred to the talks with Nakasone as "open" and as having provided him with confirmation that "both sides aspired to more dynamic relations based on a balance of bilateral regional interests."68

Subsequently, when Shevardnaze made a second trip to Tokyo in 1988, he went fully briefed on the history of the territorial issue. For the first time, both sides discussed the issue fully within its historical context. Shevardnadze took Gorbachev's previous concession one step further by making specific mention of it during one of the meetings. Although Shevardnadze disappointed Tokyo by not making mention of the issue in the final communiqué, he did agree to establish a joint peace treaty working group which, it was agreed, would discuss these and other outstanding issues. As Vladimir Rakhmanin, then special assistant to Deputy Foreign Minister Igor Rogachev, later said, "The important change in our relations with Japan was the public acceptance of the territorial dispute. It was really Shevardnadze's acknowledgment of the territorial issue that opened up the relationship."69

Although Gorbachev had come to realize that any improvement in relations with Japan required, at the very least, the acknowledgment of the existence of the territorial dispute, it was only when a policy imperative intersected with a propitious political environment that Gorbachev began to consider seriously a possible solution to the problem.

Political Environment

A propitious political environment emerged during this second period as a result of a combination of several factors: (1) Gorbachev's personnel and institutional changes

68 Ibid.

69 Interview with Rakhmanin.
that increasingly shifted decision-making power and authority away from the Party towards new or reconstituted government institutions, a reform that resulted in an initial political vacuum that Gorbachev filled with a small network of close advisers; (2) the temporary reduction of influence on policy making by the institution traditionally most adamant in its opposition to giving up any territory, including the Kuriles—the military; (3) the strengthening of formerly marginal players in policy making, in particular, academics and parliamentarians, many of whom spoke publicly of the need to settle the issue and vigorously and publicly entered into the debate; (4) certain developments in the international arena, as a result of Gorbachev’s foreign policy initiatives; and (5) a political environment in Japan that encouraged the emergence of politicians eager to pursue a breakthrough with the Soviet Union.

Personnel Change and Institutional Restructuring

Frustrated by resistance to economic reform and having targeted the Party apparat as the major source of that resistance, Gorbachev undertook in the second half of 1988 to introduce personnel and systemic changes that would serve to weaken the authority of the Party. By broadening the arena of decision-making, Gorbachev sought to include constituencies he assumed would be more sympathetic to his agenda of reform. While a number of primary and secondary sources are available to chronicle in detail the substance of these changes, a brief summary is perhaps most useful at this juncture.

Taken together, the changes represented an effort to establish for the first time a political system based upon the rule of law. In the process, Gorbachev weakened the Communist Party, established alternate structures of power and decision-making, and created a source of personal authority separate from the Party.

The process of radical political change, which had begun at the January 1987 CC Plenum, entered a new phase with the Nineteenth Party Conference, which was held from 28 June until 1 July 1988. In his memoirs, Chernyaev describes the Conference as "a
watershed in that it signalled the end of the administrative command system with all its Stalinist inheritance."70 It was in the wake of this Conference that "the structure of authority and power throughout the country began to weaken considerably."71

The most important change in the political system came as a result of a resolution, for which Gorbachev won grudging approval at the Party Conference, "On the Democratization of Soviet Society and Reform of the Political System." The resolution approved the creation of a parliamentary system that, for the first time in Soviet history, would be more than titular. A working legislative system would be established with the creation of a Congress of People's Deputies to replace the existing Supreme Soviet, which in turn would elect a smaller Supreme Soviet acting as the standing legislature in session eight months of the year. Public accountability would be introduced for the first time, through competitive elections for aspiring legislators, and through term limits for office holders (a maximum of two successive terms was proposed).

In December, constitutional amendments were passed to determine how the 2,250 deputies were to be elected. Two thirds were to be drawn from territorial constituencies, and one third were to be chosen by public organizations. The fact that the Communist Party, which alone was allocated 100 seats, was among these public institutions was clearly an effort on Gorbachev's part to soften the blow to that previously unchallenged entity. As Archie Brown points out, "What is crucial is that Gorbachev had succeeded in combining genuine institutional breakthrough with enough reassurance for vested interests within the Soviet elite to enable him to get these far-reaching changes accepted and implemented."72 To facilitate the separation of Party and state, in the wake of the Party Conference, Gorbachev engineered dramatic changes in the top leadership of the

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71 Ibid.
Central Committee in an emergency plenum of the Committee on 30 September 1988. At the plenum, Gorbachev announced his intention to eliminate Party jobs and units that duplicated the work of government agencies. The old Secretariat was essentially abolished and replaced by a new one consisting of the heads of six new commissions (for Party development and personnel policy, ideology, social and economic policy, agrarian policy, international policy, and legal policy). These commissions would now supervise the work of the twenty CC departments, which were soon drastically streamlined and reduced to nine. Each commission included non-apparat Party members and was supported by an apparatus that was greatly reduced. Moreover, political control over state ministries, which had always been in the hands of the Secretariat, was now turned over to the new legislature.

Gorbachev's goal was to reduce the CC staff by fifty per cent, and by the end of 1988, a forty per cent reduction had been achieved. At a CC plenum in April 1989, he accomplished an even more drastic coup by forcing 74 full members and 24 candidate members of the Central Committee to resign. In addition, 24 candidate members were promoted to full membership.

Gorbachev also managed to accomplish personnel changes in the Politburo to decrease the overall influence of the conservatives. Gromyko and several like-minded colleagues were finally retired. Gorbachev's main conservative rival, Yegor Ligachev, was stripped of his portfolio for ideology and essentially demoted to supervisor of agriculture. Newly placed on the Politburo and assuming Ligachev's and Yakovlev's responsibility for ideology was a leading Gorbachev supporter, Vadim Medvedev. The conservative Viktor Chebrikov yielded his position as KGB chief, although not his place on the Politburo, to Vladimir Kryuchkov, whose true political colors were not yet obvious.

The waning of the Party's power and authority first became evident during the parliamentary campaign of March 1989, during which many Party officials, subjected for
the first time to real elections, failed to retain their seats. The televising of the first and second CPD sessions in the spring and winter of 1989 broadcast to a nation of shocked viewers the vehement and unpredictably vitriolic attacks by new deputies on all aspects of Party policy and leadership. Such applications of glasnost exposed the Party's new inability to dictate the official line, to monopolize the media, or to control public opinion.

Gorbachev effected a further weakening of the Party by strengthening his own non-Party sources of legitimacy. First, he assumed in October 1988 Gromyko's title of chairman of the Supreme Soviet. Carrying both titles was not new for general secretaries, but the position of head of state, which had previously been merely ceremonial, now assumed real authority.

The most dramatic and significant blow to the Party, however, came during the third (emergency) session of the CPD in March 1990. There, with Gorbachev's blessing, the CPD voted to amend Article 6 of the 1977 Constitution, thus stripping the Party of its "leading role" in politics and society and essentially legitimizing a multiparty system. Moreover, Gorbachev won approval for an executive presidency, conferring much expanded powers to the president. When a vote of the Supreme Soviet elected Gorbachev to that role in March 1990, Gorbachev was finally provided with a real source of power and legitimacy outside the Party.73 Finally, two new advisory bodies, a Presidential Council and a Federation Council, officially supplanted the Politburo as the top decision-making organs.

In the wake of the Nineteenth Party Conference, the foreign policy establishment, too, underwent a similar shift from the Party to the state of policy-making authority. As part of the general plan, announced at the September 1988 CC plenum, to eliminate Party jobs and units that duplicated the work of government agencies, the departments involved in international affairs were merged and streamlined. In the process, the International

73 Nevertheless, it must be stated that he gave up the chance to full legitimacy by not holding popular elections for the presidency.

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Department absorbed the Department for Relations with Socialist Countries as well as the Department of Cadres Abroad.

One of the earliest indications of the weakening of the International Department occurred when Valentin Falin, an expert on Western Europe (and Germany in particular), replaced Dobrynin as its head but was not given Dobrynin's title or responsibility as CC secretary for international affairs. That job instead went to Yakovlev, who was made head of the new Commission on International Policy. Moreover, as the ID's purview was expanded, its staff was cut radically.

As power shifted away from the International Department, Shevardnadze, who by 1988 was becoming aware of his full authority, infused the Ministry of Foreign Affairs with new powers and responsibilities. In July 1988, he convened an "All-Union Scientific-Practical Conference" on problems of foreign policy and diplomacy. At that time, Shevardnadze delivered a major critique of Soviet foreign policy, in which he reiterated the themes of new thinking. He rejected the class approach to foreign affairs in favor of universal human values and praised recent moves to abolish much of the secrecy that had characterized foreign policy decision-making. In addition to previously established units for disarmament, information, humanitarian and cultural ties, and international economic relations, Shevardnadze called for the creation of new regional units. Accordingly, the Japan Department was now placed under the newly configured Administration for Pacific and Southeast Asian Countries.

Shevardnadze, moreover, announced changes to ensure that the policy process would become more democratic. Henceforth, the new Congress of People's Deputies would supervise foreign policy. On 23 October 1989, Shevardnadze, in an act unprecedented in the history of the Soviet Union, presented to the reconstituted Supreme Soviet a report on foreign policy entitled "The Foreign Policy and Diplomatic Activity of the USSR, April 1985-October 1989." He also attempted to establish new ground-rules for cooperation between the MFA and the Supreme Soviet in decision-making. In his
report, he discussed the creation of a Department for Liaison with the Supreme Soviet and for Interparliamentary Cooperation, designed to work with both parliamentary deputies and the recently created International Affairs Committee of the Supreme Soviet.

Absence of Effective Decision-Making Structures

While these political reforms in principle presaged a smooth shift of power from Party to government agencies, in practice they resulted in a confused arrangement whereby neither Party nor state institutions operated efficiently or with complete authority. In a recent dissertation, Sergei Grigoriev argues that this unsatisfactory situation was due to Gorbachev’s failure to replace the demoralized Party institutions with effective state ones. Although increasingly stripped of its leading role in society and bitterly criticized for its bloated and anti-progressive apparat, the Party system had at least carried out a decision-making role that worked within the context of the old system. According to Grigoriev, Gorbachev made two errors: (1) in his effort to achieve a consensus in support of his policies, he filled the new institutions with members representing such a wide political spectrum that they could agree on very little; and (2) he failed to provide the new institutions with sufficient staff support, and thus the new institutions had to continue to rely on the work of the demoralized Party staffs.74 For example, the commissions of the Central Committee were established to bring leading experts and different non-associational opinion groups into the decision-making process in order to legitimate the Party’s adoption of ideas coming from outside the Party.75 The Commission on International Policy did include among its twenty-four members leading experts in foreign policy and foreign economic policy. However, like many of the other commissions, it “did not meet the expectations, and their activities were turned into a


75 Ibid., 85.
simple formality similar to so many other activities of that time: endless meetings, long speeches, adoption of non-binding resolutions and decisions, very often after events [had] already taken place." Indicative of its growing marginalization in decision-making, its decisions "as a rule were not turned into concrete decisions like [they] used to be with the decisions adopted by the Secretariat, but mostly took the forms of different non-binding analytical memorandums."

An additional reason that this commission did not play a more effective role was its lack of sufficient staff. "The whole process of organization work of the [commission] was handled in fact by two people: Yakovlev's aide Nikolai Kosolpaov and Falin's aide Valentin Alexandrov." Therefore, Grigoriev concludes, "despite all the expectations, the activities of the [commission] did not play any significant role in the reorganization of the ID, in the activation of its work, and did not contribute towards any significant departure from the old styles of decision-making . . . . [Indeed,] all the decision-making was taking place only at the top level, among a group of very few people." The same was true of the Presidential Council, established in March 1990. While in theory it was meant to replace the Politburo, no staff structure was established to replace the inefficient but functional apparat of the Central Committee.

Gorbachev's Reliance on a Small Circle of Advisers

Gorbachev's leadership from the beginning of his tenure relied heavily on his close advisers. Even during his first years, when the old structure of decision making was still firmly in place, he sought the advice of such advisers and often made his decisions based upon their counsel. He then attempted to convince the traditional decision-making bodies to adopt those decisions.

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76 Ibid., 86.
77 Ibid., 90.
The process of dismantling the traditional structure of decision-making, especially after mid-1988, strengthened Gorbachev's reliance upon his advisers. The dismantling created an atmosphere of confusion, inefficiency, resentment, and frustration by stripping the traditional organs of their authority while continuing to rely upon their overworked and underinformed staffs for policy implementation. Second, it opened the decision-making process to a much larger number of participants. The combination of a parliament vested for the first time with real authority, a population newly empowered with the right to a meaningful vote, and glasnost's provision to all constituencies of freer access to information gave many more voices roles in the decision-making process. At the same time, it left no one structure or process in place to effectively develop, coordinate and implement policy.

As a result, Gorbachev increasingly made all important decisions by relying upon that small group of advisers, and his ability to move forward in the foreign policy arena was in many ways based on his reliance upon this collection of reform-minded individuals. According to Georgii Shakhnazarov, the general secretary's propensity to rely upon this small group allowed him to find more creative solutions and make more creative decisions.78 These aides "viewed issues in a similar manner to Gorbachev himself, and... realized the importance of having a long-term, rather than short-term, perspective."79

It has been pointed out in Chapter Three that Shevardnadze had made an early attempt in 1986 to raise the territorial issue with Gorbachev and the Politburo and had been rebuffed. During this period too, Shevardnadze's role was positive, but constrained, in terms of working for a territorial solution. Because he was Georgian, and because the

78 Interview with Shakhnazarov.  
79 Ibid.
Kuriles were regarded as Russian, he was always restricted in his ability to maneuver politically.\textsuperscript{80} It is at least plausible to argue that had Shevardnadze been a Russian national, the prospects for a breakthrough would have improved considerably. It is true that he played a positive role at the Soviet-Japanese ministerial meetings, making reference to the territorial issue and establishing a joint vice-ministerial working group on the peace treaty in 1988. But, as his aide Tarasenko has pointed out, Shevardnadze knew he could not be at the forefront of a process leading to a territorial transfer. At most, he could be a behind-the-scenes supporter. Secondly, as Sarkisov has pointed out, Shevardnadze's mandate was over macro policy, whereas the territorial issue was considered "micro policy."\textsuperscript{81} As Sarkisov surmised: "I think Shevardnadze remained very cautious, and therefore was not so important [in terms of this issue]. He was cautious because of his background, and also because at that time [1989-90] the biggest problem for Moscow was German unification. German unification absolutely overshadowed the Japan problem for Shevardnadze."\textsuperscript{82} On the other hand, he was a strong advocate for better relations with Japan. He was viewed positively in Tokyo for his appreciation for Japan's distinctiveness and his respectful view of Japan "as a country with a rich culture and tenacious traditions."\textsuperscript{83}

Concerning decision making on Japan and the Kurile Islands during this second period, the most important adviser, according to all who were close to the process, was unquestionably Yevgeni Primakov. Primakov's authority in general foreign policy-making, and specifically policy concerning Japan, was bolstered during this period by

\begin{itemize}
\item \textsuperscript{80} Interview with Tarasenko.
\item \textsuperscript{81} Interview with Sarkisov.
\item \textsuperscript{82} Ibid.
\item \textsuperscript{83} Rozman, \textit{Japan's Response}, 254, fn. 9.
\end{itemize}
successive official Party and government appointments. In addition to his post as director of IMEMO, he was appointed head of a new Committee for Asia-Pacific Economic Cooperation in 1988. His first important Party position was membership under Yakovlev on the new CC Commission on International Policy. In April 1989 he became a full member of the Central Committee, and the following September he was made a candidate member of the Politburo. His first posts in the new government structures included membership in the 1989 Congress of People's Deputies, followed by chairmanship of the Supreme Soviet's Council of the Union. In that latter capacity, he headed a Soviet parliamentary delegation to the United States, hosted by the U.S. Congress in October 1989. When, the following March, the CPD passed the law creating an executive presidency and a Presidential Council to advise Gorbachev on major issues (in effect supplanting the Politburo), Primakov resigned from the Supreme Soviet and became a member of that body with responsibility for economic matters. Eight months later, when Gorbachev created a new Security Council to replace the Presidential Council, Primakov was appointed to that new body and given responsibilities for foreign and economic policies. Primakov ended his role in the Party when he resigned from the Politburo in July 1990, at the Twenty-eighth Congress of the CPSU, by which time the Politburo had ceased to be at the center of Soviet political life. Primakov's role in the government, however, continued to grow. During the summer of 1990, he became Soviet point-man in the Middle East, during the Iraqi invasion of Kuwait. From the following October through February 1991, he was increasingly preoccupied with his ambition to play the role of peace broker in the Middle East, to achieve a peace agreement with Saddam Hussein, and thus, to preclude a Washington-led invasion of Moscow's former client state. He failed completely in that effort, but ever the political survivor, he has managed, since Gorbachev's demise, to win high-level positions in the Yeltsin administration. Indeed, at the time of this writing, he is minister of foreign affairs of Russia.
Primakov, the ambitious pragmatist, was known for his ability to "ride with the tide." As long as he sensed the political opening for a breakthrough with Japan, he wanted to be the one to play the pivotal role. Indeed, he did continue to play the role of "policy entrepreneur" throughout most of this period. He used his position as head of IMEMO to make that institute the center for meetings and seminars among Soviet and Japanese officials and academics. A visit to IMEMO was on the itinerary of virtually every Japanese official and expert on Soviet-Japanese relations who visited Moscow. Through his considerable contacts and increasing stature, he was able to maintain lively intellectual communication and to broaden the parameters of discussion between the two sides. It will be argued below that he also played a critical role in activating the back-channel negotiations in 1990.

Just as Shevardnadze was the architect of macro policy, Chernyaev continued to be the implementor and architect of micro policy. He made things happen by managing the paper flow, staying in close contact with the key ministries, and choosing from among the ideas proposed by those familiar with the issues. Chernyaev's responsibilities, especially with respect to Soviet foreign policy vis-à-vis the capitalist world, as well as his strong contacts with prominent Soviet Asian specialists at both the Central Committee and in academic institutes, made him a focal point for Japan policy. Chernyaev, moreover, had had close connections with specialists from the academic institutes dating from his days in the Central Committee. He had particularly close ties to Primakov, as well as to Vladlen Martynov, who succeeded Primakov in 1990 as IMEMO director.

Chernyaev, as pointed out in the previous chapter, was no expert on Japan. He thus relied particularly heavily on Soviet Japanologists for drafting and coordinating such major speeches as those at Vladivostok and Krasnoyarsk. By the time he wrote the above-cited memo, he was clearly in favor of a transfer of the islands. He was prepared to move the process along to prepare Gorbachev for such a compromise in Tokyo.

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Yakovlev's official role in foreign policy was enhanced when he was named Politburo kurator of the International Department and head of the Commission on International Policy. Yakovlev's role in Japan policy making was, however, somewhat sporadic. He continued to desire better relations with Japan, but the nation was never at the top of his foreign policy agenda. He did, like Primakov, have strong connections with Japanese officials and academics, and Gorbachev used him to "float" certain ideas to the Japanese as trial balloons. It seems, however, that he really did not have a clear idea of how to settle the problem. When, during his November 1989 trip to Tokyo, he made reference to a "third option" for settling the dispute, the Japanese welcomed the statement as an indication of his willingness to find a way to satisfy both sides. In a recent interview, however, he explained that he was referring to the development of some kind of "free economic zone." Aleksei Zagorsky believes, however, that Yakovlev "would certainly have gone along with a solution based on the 1956 agreement."

Yakovlev's role was to maintain a larger perspective in the formulation of Japan policy. After his visit to Japan in November 1984, the Japanese had identified him "as a strong advocate within the Kremlin for improved relations with Tokyo." At the time of Yakovlev's second trip to Japan in November 1989 as head of a parliamentary delegation, a Japanese wrote that Yakovlev "had learned that the Japanese political, economic, and cultural system was completely different from the American and Canadian system with which he was very familiar and he decided that Japan was a country of the twenty-first century." Of all Gorbachev's advisers, Yakovlev remained the most influential proponent of the twin principles of global interdependence and the capitalism-does-not-

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84 Interview with Yakovlev.
85 Interview with Zagorsky.
87 Ibid.
lead-to-militarism idea, both of which undermined the traditional Marxist paradigm of a bi-polar world dominated by the East-West competition. At a meeting of the Politburo in December 1988, Yakovlev expressed his vision of the importance of strengthening relations with both Europe and Asia in order to be in a stronger position to negotiate with the United States:

We have to use as a lever in our relations with the Americans the fact that they are worried about our policy in Europe and in the Pacific. They would not like to catch the train by jumping into it when it is already moving, in fact, moving fast away. They are used to the role of navigators. They are really concerned about our foreign activities in other regions. The fact that we have begun effective work in these areas has raised for the Americans a serious problem which forces them to look at things in a new way.88

Hence all four of Gorbachev's foreign policy advisers were strong advocates of improved relations with Japan. Various people interviewed have speculated that each one of these would have been satisfied with a solution along the lines of 1956. Ironically, Primakov was probably least happy with the thought of transferring the territory. But because of his ambition to be at the forefront of a diplomatic breakthrough, and his assessment that a momentum was underway for improved relations, he willingly assumed the role of "policy entrepreneur" and worked hard to push the policy initiative--a territorial settlement--through the window of opportunity that Gorbachev had opened.

_Waning of the Military and Rise of Academics_

The loss of the preeminent policy-making role for the Soviet military and military-industrial complex, and the corresponding rise of the academic community, was one of the most distinctive features of Gorbachev's new thinking. These two processes were present early in Gorbachev's tenure but gained significance and momentum as time passed. The effect of this evolution on Japan policy was the temporary marginalization

of the most authoritative voices asserting the strategic inviolability of the Kuriles, and the empowerment of those voices who sought a breakthrough in relations with Japan for moral, political, or economic reasons.

As stated above, the Soviet military traditionally took the most conservative position on any territorial issue. Much of the military's authority derived from the fact that it held a monopoly over Soviet military information and intelligence. During the early years of perestroika, Gorbachev began to whittle away at that monopoly, when, driven by the need to cut defense costs, he made arms reduction a cornerstone of his foreign policy. As described earlier, the introduction of civilian arms control departments within both the International Department and the Ministry of Foreign Affairs signaled the need for civilian defense analyses.

According to Aleksei Arbatov, the turning point for civilian access to data about the Soviet military, and thus the opportunity to challenge the military on the basis of its own data, came in the course of the negotiations for the Intermediate-range Nuclear Forces (INF) Treaty of 1987. Thanks to Gorbachev's and Shevardnadze's insistence, as well as the rules of on-site verification, the military now had to make available accurate information about its forces. Arbatov noted:

The INF Treaty was the turning point, because for the first time enormous data was produced on the forces of the Soviet Union and the Warsaw pact, as opposed to the forces of the West. The data showed that all previous data and arguments of our military were completely false and ungrounded . . . . The data were so comprehensive because the verification regime was intrusive, not national, so they [the military] had to produce it. They couldn't, as before, keep it unpublished because we [civilian analysts] argued that if we provide data to NATO, why shouldn't we publish it in our country.89

The demoralization of the military was exacerbated when Shevardnadze, at the July 1988 MFA Conference, sharply criticized such foreign policy decisions as the invasion of Afghanistan and the deployment of SS-20 missiles in Europe. He argued

89 Interview with Aleksei Arbatov.
that, had the MFA been involved in those decisions and had the military been overseen by civilians, these actions would never have been undertaken. Shevardnadze further argued that the military should never again have such unsupervised authority over foreign policy decisions. At the same time, he urged that all future foreign policy decisions involve analyses, insights, and opinions given by specialists.

Aleksei Arbatov described the growing hostility between the military and academic communities once the academic experts started to challenge the military's assessments. Having relied on Western data for decades, civilian experts were already quite sophisticated and experienced in analyzing such data. Accordingly, when military analysts started to produce their own data under pressure from Gorbachev and Shevardnadze, they immediately became vulnerable to the civilians' attacks. As Arbatov said, "Their data were extremely distorted, and could be used to counter their own arguments. Thus the military was being openly challenged for the first time."

Arbatov colorfully described the embarrassment and anger of a general from the Main Intelligence Department of the Ministry of Defense in response to Arbatov's challenge at a session of the Scientific Coordination Center convened in the late 1980s to discuss the strategic importance of the Kurile Islands. The general was given the floor to make a presentation on the strategic picture in the Western Pacific. He assessed the level of American troops there at approximately 500,000 and described the various military ships, aircraft, and aircraft carriers in the theatre. The traditional military argument against returning the Kuriles was that doing so would open a large bridge in the Western Pacific to the Sea of Japan, thus making Soviet submarines there vulnerable to Western anti-submarine warfare. Moreover, Soviet nuclear submarines' access to the open seas would be closed through the most convenient straits. According to Arbatov, the military had never previously had to defend this set of ideas because it had never encountered any opposition. On this occasion, however, Arbatov challenged, rather sarcastically, the general to defend his arguments:
I remember I said, "I have three questions for you, General:

"First is a question on how you count American troops. You say there are about 500,000 American troops in the region. We know that in Japan there are about 40,000; in South Korea, about 50,000; in the Philippines, about 15,000. The Seventh Fleet has about 15,000.

"Second, we were expecting you to give us a strategic picture in the Western Pacific. But in the picture you have portrayed, there is an enormous gap, and that gap is in Soviet forces and Soviet deployments. In the Far East, Mongolia, Chukhotka, we need data on our naval forces. What you have given us is not a [full] picture, it is data on Western forces alone. But we cannot analyze this picture. Even if we believe your data on the number of Western troops, aircraft ships, etc., how do we know if this is a large or small number? We have to compare it to get a picture.

"Third, when you are presenting all this information in this particular way, are you trying to deceive us and our political leaders, or do you deceive yourself?" 90

The general, according to Arbatov, was furious at being caught at his own "contradictions and fraud," and stormed out. According to Arbatov, after a number of sessions like this, "the military became more careful, avoided its most ridiculous figures and arguments, and started to cover its rear." 91

The interaction of the military and the academic community was summed up by Arbatov, in regards to a question as to who had placed the territorial question on Gorbachev's agenda:

The process [of decision-making] concerning Japan was consistent with that of most foreign policy initiatives of Gorbachev. The military could always put up a strong opposition to any practical changes of policy. On the other hand, foreign policy experts tried to achieve results by writing more and more speeches, declarations, which finally gained momentum, until Gorbachev committed himself to some particular decision. 92

According to Sergei Grigoriev, who was working on the Japan problem first as a staff member of the CC, and from 1990 as an assistant to Gorbachev's press secretary Ignatenko, the military did not want to make any change concerning the islands, both

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90 Ibid.
91 Ibid.
92 Interview with Arbatov.
because moving all of their personnel would be expensive and because they did not want
to lose this strategic position.\textsuperscript{93} As Grigoriev explained, members of the military

showed us all these maps about strategic access to area, how in case of war
this could be used as a great naval base. They were told that in case of
war, missiles would fly right over them. They were strongly against
[returning the islands], but until the coup, they were under political
constraint.\textsuperscript{94}

Roald Sagdeev, the former director of the prestigious Institute of Space Research
of the Academy of Sciences who served as an adviser to Gorbachev in 1988 and 1989,

stated that both the military as an institution, and the strategic argument maintaining the
necessity to hold onto the Kuriles, were not important factors for the territorial issue
during this period:

I don't think the military was pressing very much on Gorbachev. I cannot
find even a single instance when Gorbachev would be stopped from doing
something radical because of military opposition. Marshal Yazov, until
almost the very last moment, was quite a disciplined guy [and would have
gone along with whatever Gorbachev decided]. With reference to the
importance of the islands for national security, [specifically to] the
argument about the Sea of Okhotsk, everyone understood it was not
important. Gorbachev was using these statements in order to show the
Japanese [transferring the islands] would be complicated and would
require more money.\textsuperscript{95}

Sagdeev said that the fraction of the military involved in the whole issue was very small,
and probably included those only at the level of regional commander. As far as Sergei
Akhromeev, Gorbachev's military adviser and former chief of staff of the armed forces,
was concerned, no matter what he felt deep down, he was a soldier and "a supporter of
Gorbachev, always."\textsuperscript{96}

Academics, on the other hand, were given a much broader mandate to participate
in policy-making committees and commissions. Shevardnadze had made it clear at the

\textsuperscript{93} Interview with Grigoriev.
\textsuperscript{94} Ibid.
\textsuperscript{95} Interview with Roald Sagdeev.
\textsuperscript{96} Ibid.
foreign policy conference in 1988 that from then on, every ministry should make a concerted effort to include experts in their policy discussions. Accordingly, academics sat on the commissions of the Central Committee and on the various ad hoc committees set up by the Foreign Ministry's Scientific Coordination Center.

The academics with the most influence on Soviet policy on Japan during this period were those selected by Primakov. Georgii Kunadze was Primakov's closest academic colleague on Japan, until Kunadze, frustrated by the slow pace of change, went to work for Yeltsin in 1990. Until that time, however, Primakov relied upon Kunadze, known for his "pro-Japan" sympathies, to help him develop a policy that would lead to a breakthrough. As Yakovlev later said, "Kunadze was involved from the beginning. He knew everything about Japan."\(^{97}\) Georgii Mirsky of IMEMO described Kunadze as the first person at IMEMO to state openly that "it would be a very foolish thing to insist on keeping the Kurile Islands because it will forever spoil our relations with the Japanese, and the Japanese, for reasons of their own, will never be moved from their position."\(^{98}\) Another expert who took part in many IMEMO seminars was Konstantin Sarkisov, who truly believed, and continues to believe, that the stalemate on this issue was ill-advised. Not only does the Soviet Union not own or have right to the islands, he asserts, but an improvement of relations with Japan is of paramount importance regardless of historical title. Sarkisov was, nevertheless, sensitive to the issue of public opinion, and felt that the issue would have to be settled in stages.\(^{99}\)

Between 1988 and the end of 1990, Primakov convened several dozen conferences at IMEMO to discuss the territorial issue and Japan.\(^{100}\) These began right

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97 Interview with Yakovlev.
98 Interview with Georgii Mirsky.
99 Interview with Sarkisov.
100 Interview with Zagorsky.
after the MFA conference in July. The meetings typically included five or six people, including Primakov, Kunadze, Sarkisov, Vladimir Lukin (head of the Policy Planning Department of the MFA), Alexander Panov (the successor to Chizhov as Head of the MFA's Administration of Pacific and South-East Asian Countries), and Aleksei Zagorsky as the junior member of the team. Sometimes Aleksei Senatorov (from the CC ID) and Dmitri Petrov (from the Institute of the Far East) were invited. The latter two were invited more as critics of new ideas than as generators of them.

According to Zagorsky, there were usually two major themes at these conferences, one on the general state of relations with Japan, and the second on the islands. Confidential papers were subsequently prepared and sent directly to Gorbachev. As Zagorsky describes, these meetings first began with Primakov's setting the tone:

Primakov would say something like, 'The existing situation is not acceptable in any way, so we should find a radical solution.' Our answer was that the radical solution should be considered in the context of the problem of the islands. We spent some months to make Primakov understand the essence of the problem. Sometimes the words or speeches were repeated from conference to conference. After Primakov began to understand the essentials of the problem, then there was a discussion of the nuances of the problem, whom to approach, when to approach them, what problems to pose, etc. Primakov was very serious about pushing this.101

The tone of these meetings continued to be one reflecting a search for some radical solution. But according to Zagorsky, "The common idea was that first the USSR should recognize the existence of the problem and should discuss it openly, and second, the 1956 agreement should certainly be valid. Under Primakov, no further steps were discussed."102

International Environment

The international environment also played a role in influencing Gorbachev to address the territorial issue. Between the middle of 1988 and the end of 1990 Gorbachev

101 Ibid.
102 Ibid.
had addressed most of his top priorities. Relations with the United States and with Western Europe had transformed from hostile to exceedingly positive, thanks to Gorbachev's arms control initiatives, Soviet withdrawal from Afghanistan, Gorbachev's endorsement of the "Sinatra Doctrine"\(^{103}\) in Eastern Europe, and especially his acceptance of a united Germany in NATO.

These foreign policy accomplishments affected Gorbachev's policy toward Japan in two ways. First, while they made Gorbachev exceptionally popular in the West, they had the opposite effect at home. Not only was there a growing sense of anger and betrayal that Gorbachev had allowed the USSR to cede its superpower status by accepting unequal arms control agreements with the West, but there was an overwhelming resentment that he had effected the dismantling of the Soviet empire in Eastern Europe. Moreover, if Gorbachev had pursued these policies in order to jump-start the Soviet economy to enable competition with the West, the only way he would be able to accomplish this would be with massive Western economic aid and investment. But because Gorbachev refused to implement the needed radical economic reform, the West was not coming through with the much anticipated aid. As the USSR faced an economic crisis in 1990, Gorbachev was desperate to find aid wherever he could. Thus the possibility of reaping a financial reward from Japan in exchange for the transfer of islands finally became an option to consider.

The second way in which these international developments affected the territorial issue involved Japanese perceptions. The Japanese had been the last of the major countries to take Gorbachev, perestroika, and the new thinking seriously. Finally, with the downfall of communism in Eastern Europe and Gorbachev's acceptance of a united Germany in NATO, a public debate ensued in Japan that addressed whether Japan would

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\(^{103}\) Gorbachev's spokesman, Gennadii Gerasimov, referred to Gorbachev's policy of allowing each country of the East European bloc to develop its own way as the "Sinatra Doctrine" after the popular song by Frank Sinatra, "I Did It My Way."
become isolated from the international community if it failed to respond positively to Gorbachev's reforms. How this debate affected Tokyo's policy toward Moscow will be discussed in the following section.

Japan's Political Environment

Japan's foreign policy establishment during this period also contributed to a new atmosphere that was conducive to a compromise with Moscow. In particular, three factors helped push negotiations with Moscow to a new level of engagement: (1) the appointment in 1988-89 of a number of moderate leaders in the traditionally very conservative Gaimusho (Ministry of Foreign Affairs) who were willing to accept some flexibility toward the Soviet Union; (2) the rapid turnover of weak prime ministers, encouraging the emergence of behind-the-scenes negotiations with Moscow; and (3) the resulting opportunity for ambitious factional leaders within the LDP to push for a breakthrough with Moscow.

Before examining these three trends, it is useful to review what Rozman identified as "three phases in the [Japanese] response to Moscow." The first phase, which lasted from 1986 to the middle of 1987, is described as the "awakening": "Slowly the Japanese were aroused from their stupor in thinking about Moscow. They came to realize that the times were indeed changing." The second phase is described as "uncertainty": "[It] was punctuated by a jolt in the autumn of 1987, when Soviet-American relations abruptly improved . . . . It lasted more than one and one half years, and it was characterized by rapidly changing concerns and many challenges to old ways of thinking." The third phase is characterized as one of "confidence":

In the middle of 1989 the third cycle started with the Sino-Soviet summit and the Tiananmen brutality, followed by an accelerated downturn in the fortunes of international communism without any attempt at Soviet

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interference in other countries. Japanese became more assured in their views of Moscow's commitment to change and more interested in looking ahead. Thus began the phase of Japan's confidence and its new future orientation.105

Within the Japanese foreign policy establishment, the Gaimusho has always been the primary actor in the formulation of policy concerning the Soviet Union. The leadership of the Gaimusho consists of career foreign service officers who have achieved their positions by rising through the ranks within a seniority-based system. Rozman points out that "the few who reach the pinnacle of power as vice-minister or one of two deputy foreign ministers can make a difference."106 During 1988 and 1989, "appointments were fortuitous for a moderation of thinking on Soviet policy." Ryohei Murata, who had a reputation "for keeping the broader picture in mind" when dealing with the return of the Northern Territories, was appointed Vice Minister. In addition, "the cycle of promotions and reassignments produced an unprecedented constellation of moderate Soviet specialists also in the next-highest positions within the Gaimusho. Moreover, two leading hard-liners (Hirokazu Arai and Minoru Tamba) were sidelined from decision making and two others (Nagao Hyodo and Hiroshi Shigeta) were also removed from the process. Rozman writes that "[a]n apparent historical accident provided the first opportunity in decades for a relatively reform-minded group to predominate."107 At the same time, the Gaimusho began to slip from the limelight, as factional leaders and academics began to play a much more active role.

Because of the nature of Japan's political system, the prime minister is typically not a very powerful figure. He is generally a compromise candidate, often cannot choose his own cabinet, and is typically beholden to the leaders of the largest factions in the

105 Ibid., 18.
106 Ibid., 28.
107 Ibid., 29.
ruling Liberal Democratic Party (LDP). Moreover, there is usually a rapid turnover of prime ministers.

When Gorbachev became Soviet leader, however, Japan happened to have a very strong prime minister in Yasuhiro Nakasone who was in office for an unusually long tenure of five years. According to Rozman, Nakasone's influence derived from his aggressive and independent approach to the Soviet Union:

[H]e first rallied Japan against the Soviet threat and sought to turn it into an "unsinkable aircraft carrier" and then, after he gained a favorable impression of Gorbachev at the time of his visit to Chernenko's funeral in Moscow, began to look for a way to achieve a breakthrough in relations—a step toward his long-term dream of leading Japan out of the postwar era.\(^{108}\)

Nakasone's successors, on the other hand, were unusually weak, even by Japanese standards. In less than four years (between 1987 when Nakasone stepped down and the summit in 1991) Japan had three prime ministers. The brief tenures of both Noburo Takeshita (November 1987 to June 1989) and Sosuke Uno (June 1989 to August 1989) suffered from scandal. Toshiki Kaifu succeeded Uno, and although he lasted longer, he was weakened by his lack of experience in foreign affairs. Kaifu therefore relied heavily on LDP party bosses, who as a result had enjoyed extensive freedom of action. It was during this period of weak leadership that Gorbachev became eager to generate momentum in Soviet-Japanese relations. The result was that the "Kremlin's initiatives offered a temptation for behind-the-scenes diplomacy difficult for political leaders to resist. With the blessing of the Gaimusho, some contacts were pursued."\(^{109}\)

In fact it was only through such contacts with LDP leaders that any real movement on the territorial issue took place. As Panov later wrote:

In spite of incidents which had raised the tension of the atmosphere of the preparations for [Gorbachev's] visit, those who supported an improvement in the Russo-Japanese relations increasingly assumed an active role.\(^{110}\)

\(^{108}\) Ibid., 21.

\(^{109}\) Ibid., 22.

\(^{110}\) Panov, From Distrust to Trust, 38.
According to Panov, LDP leader Abe "one of the most remarkable figures among them." It was Abe who first articulated to Shevardnadze the policy of "expanded equilibrium" to inject some flexibility in the rigid Japanese "entrance approach." Abe continued "to make a considerable contribution to the fulfillment of [Gorbachev's] visit," and Panov made special note of Abe's "courage with which he threw energy into the improvement in Soviet-Japanese relations" despite the fact that he was, by 1990, fighting a losing battle with cancer.\textsuperscript{111}

It was the 76-year-old powerful LDP party boss and former deputy prime minister, Shin Kanemaru of the Takeshita faction, who first "broke ranks [on 23 April 1990] with the unswerving advocates of four islands as the entry point for normalization by calling for at least two islands to be returned."\textsuperscript{112} Kanemaru stated:

\begin{quote}
I would rather see two of the four northern islands territories returned to Japan first than to postpone the issue. There may be some retorts to these suggestions since the islands are an integral part of our territory, but I even have an idea to purchase them if Moscow refuses to return the two islands as an interim step.\textsuperscript{113}
\end{quote}

One observer of Soviet-Japanese relations during this time wrote:

Kanemaru explained that he had actually advocated the phased return policy for quite a while and that the purchase idea was one way to break the deadlock. He revealed that he had exchanged views with an influential Soviet official on three occasions, urging that Moscow 'should at least return two islands to begin with, or there would never be a breakthrough.' Kanemaru, though holding no position in the cabinet or the LDP bureaucracy, nevertheless was a powerful behind-the-scenes supporter of Takeshita and his faction--some say that Takeshita took orders from him--and his utterances drew nationwide attention. . . . The Russian he talked to was Evgeni Primakov . . .\textsuperscript{114}

\textsuperscript{111} Ibid.

\textsuperscript{112} Rozman, \textit{Japan's Response}, 167, fn 172; Rozman sees Kanemaru's statement, made during the spring 1990 when Gorbachev was confronted by the spectre of Lithuanian independence, as an effort to find an interim solution that would be more palatable to those worried about the collapse of Soviet borders.


\textsuperscript{114} Ibid., 78-9.
And it was 48-year-old Ichiro Ozawa, Kanemaru's rising protege who succeeded Abe as LDP general secretary, who, with high political hopes of his own was negotiating with Volsky and Primakov, and pushing Tokyo to offer Moscow economic assistance in exchange for territorial concessions.\textsuperscript{115} An indication of his influence in LDP affairs was the fact that he met with Shevardnadze during the latter's visit to Tokyo in September 1990.

Thus a combination of well connected academics and ambitious politicians responded to Moscow's call for behind-the-scenes negotiations. At the time, this group was a minority in Japan, and it was due to their determination and activism that communications with Moscow were pursued. As Panov explained, three groups had formed within the LDP where traditionally the demand for a return of all four islands had predominated:

The first group supported the search for a compromising solution, including a proposal by Kanemaru Shin, one of the few top leaders of the LDP who supported a gradual solution. The second group insisted on waiting for a new proposal from the USSR. The third group, which was still the majority of the LDP, claimed not to have changed their traditional position. Representatives of these groups, however, announced their apprehension of a possibility that public opinion in Japan would split as a result of the argument held in the LDP and mass media. These representatives, then, started talking about a plan "to negotiate with the USSR flexibly" on condition ... that the USSR would return [all] the four islands. In other words, if the USSR had fundamentally agreed to return the islands, Japan could have consented to a gradual return of them: two islands first, then two more islands.\textsuperscript{116}

Policy Imperative

To date, it remains impossible to confirm exactly when and why Gorbachev began to consider the prospect of transferring to Japan some, if not all, of the disputed territory.

A strong case can be made, however, based upon numerous interviews with those close to

\textsuperscript{115} Rozman, \textit{Japan's Response}, 25.

\textsuperscript{116} Panov, \textit{From Distrust to Trust}, 71-2.
the problem, that around late summer 1990, Gorbachev had become persuaded by some
advisers that in exchange for a territorial concession, Tokyo could be induced to
compensate Moscow with substantial, and desperately needed, financial and economic
benefits. Why Gorbachev was intrigued by this prospect, and by whom he was
couraged to think along these lines, will be discussed below. It will be argued that
Gorbachev’s perceptions of a real economic crisis, the increasingly negative domestic
political fallout from perestroika and the new thinking, and the lessons drawn from his
negotiations leading to acceptance of a unified Germany within NATO, as well as the
prospect of substantial German economic assistance, made him receptive to promises of
an economic quid pro quo from Tokyo. Ambitious politicians from both Moscow and
Tokyo, seeking personal advantage in a Soviet-Japanese rapprochement and bolstered by
academic analyses in their respective countries, brought Gorbachev to the brink of a
territorial compromise.

Economic Crisis

The precipitous economic collapse in the Soviet Union, according to one
authoritative source, "began in 1988, deepened in 1989 and had increasingly negative
consequences in 1990-1."\(^1\) Although poor official statistics make it impossible to
pinpoint the exact drop in output, Grigorii Khanin, a chief researcher at the Artificial
Intelligence Institute in Moscow, estimated that in 1989-90 "the net material product fell
by 9 per cent and reached a level 3 per cent below that of 10 years earlier!"\(^2\) The
negative indices as of 1990 included: major shortages of even basic consumer goods; an
inflation rate of 19 per cent; an impaired credit rating due to a trade deficit, a high level of
external debt and substantial payment delays on imports; a high and growing crime rate; a

\(^{118}\) Ibid.
disastrous environmental situation creating both hazardous public health conditions and serious public discontent.

Perceptions for the future were so pessimistic that,

by the autumn of 1990, there were widespread fears in the USSR that there would be a famine during the winter. This was not just idle chatter from people who could not distinguish between food shortages and a famine. There are people alive today in the USSR who have known four famines—those of 1921-22, 1931-4, 1941-3, and 1946-7. These famines, especially the first two, were major catastrophes in which millions of people died. Hence in the USSR people do not use the word "famine" lightly. Some specialists from Gosplan suggested that it was quite likely in 1991 that hunger and cold would lead to widespread disease and epidemics, which would be uncontrollable because of shortages of medicine. They also suggested that the fall of output in 1991 might be worse than that in 1990.119

In short, as Prime Minister Ryzhkov told the fourth session of the USSR Congress of People's Deputies in December 1990, "perestroika in the form ... in which it was originally conceived, has failed to be realized."120 Today there is a general consensus, at least in the West, that the cause of this collapse was the fact that although Gorbachev dismantled the old system, he failed to replace it with a viable new one; that he had pursued a destabilizing fiscal and monetary policy; and that his political changes had undermined the old system and impeded financial equilibrium.121

By 1990 the entire social, political, and economic system was on the verge of collapse. Moreover, with a society newly informed about and able to debate issues, such an ominous condition could not but exacerbate public fears.

The German Question

By January 1990 Gorbachev, who had hoped to delay German unification, "had abandoned the illusion that German unity was a question for the future."122 On 26

119 Ibid., 2.
120 Kontorovich and Ellman, eds., The Disintegration, 20.
121 Ibid.

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January, at an *ad hoc* meeting of top decision-makers on the German problem, unification was accepted as a *fait accompli.*123 Demonstrating the link between acceptance of German unification and Soviet economic necessities, in the same month the West German government acceded to a request by Moscow for the sale of foodstuffs to the USSR at prices subsidized by the West German government.124 When West German Chancellor Helmut Kohl and President Bush met in Washington on 24 February, Kohl confidently pointed out to Bush the critical linkage between Soviet acquiescence to a united Germany's membership in NATO and economic aid: "The Soviets are negotiating. But this may end up as a matter of cash. They need the money... There will be security concerns for the Soviets if Germany remains in NATO. And they will want to get something in return."125 Indeed, on 4 May, using the occasion of the Two-Plus-Four meeting in Bonn, and acting in accordance with instructions by Gorbachev and Prime Minister Ryzhkov, Shevardnadze explored the possibilities of a credit to be extended to the Soviet Union, again to be guaranteed by the German government. On the following day, Ambassador Iulii Kvitsinsky provided the details of the Soviet request: a credit in the amount of DM 20 billion ($12 billion), to be repaid within five to seven years.126

At the end of May, Baker met with Gorbachev in Moscow in preparation for the U.S.-Soviet summit. Gorbachev once again made the case for Western, this time U.S., aid for both economic and political reasons. Gorbachev complained to Baker about the

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124 See the account by Kohl's foreign policy adviser, Horst Teltschik, *329 Tage* (Berlin: Siedler, 1991), 114.


West's failure to follow through with concrete help for his reforms. Baker writes in his memoirs:

So much of [Gorbachev's] domestic program had been premised on his international achievements, but now the world outside seemed to be turning on him. . . . Gorbachev said the Soviet Union was facing a significant funding gap over the next few years, and would need $20 billion in loans and credits. He said he needed the symbol of [U.S.] involvement in the loan effort—in large part, [Baker] suspected, so he could demonstrate how his policies were succeeding in getting the United States to contribute to Soviet needs. Gorbachev said the next few years would be critical, because Moscow was going to move to a market-based economy. To cushion the impact and expedite the transition, he needed resources to buy consumer goods and to invest in the conversion of defense plants to civilian plants.127

At the U.S.-Soviet summit in Washington at the end of May, Gorbachev unexpectedly made the comment to Bush that he "agreed" with Germany's membership in NATO, albeit with some backtracking and vague notions about a "prolonged transition period."128 Immediately Bush and Baker understood that "from Gorbachev's perspective, progress required that he return to Moscow with tangible economic benefits—and that meant a trade agreement." Baker recalls Shevardnadze's admission that "we can't go home without this." Bush noted that he had heard almost the same message from Gorbachev himself: "I need this."129

While U.S. promises of aid remained vague and unfulfilled, it was Bonn's concrete and substantial agreement that made Germany-in-NATO palatable. In May Gorbachev and other Soviet leaders had "talked money with the Germans":130

When Horst Teltschik, Kohl's adviser on national security, met secretly with the Soviet leaders in Moscow in May, Ryzhkov and others talked at length of Soviet economic difficulties and pressed for large loans. A cynic would have sniffed the odor of blackmail, but a realist would not have been surprised that Gorbachev was seeking some tangible benefits to

128 Ibid.
129 Ibid., 254.
130 Ibid., 385.
balance the political price he would have to pay if he sanctioned a united Germany in NATO.\textsuperscript{131}

According to Matlock, that face-saving solution was "the German concessions that gave Gorbachev what he needed for an agreement." Those concessions included a German offer not only to place limits on their military forces, but to give the USSR various types of financial support. Matlock states that "Chancellor Kohl came to the Soviet Union on July . . . for meetings with Gorbachev . . . and the deal was struck." The German armed forces would be limited to 370,000 troops and Germany would pay DM 12 billion (around $8 billion) to facilitate the withdrawal of Soviet troops from Germany, provide other types of economic and technical assistance, and sign a friendship treaty.\textsuperscript{132} Kohl gave Gorbachev further political assistance at the G-7 summit in Houston in July. After the G-7 members agreed to direct the IMF to undertake a study of the Soviet economy in anticipation of Western assistance, Kohl "made clear that the Germans would unilaterally funnel massive amounts of assistance to Moscow."\textsuperscript{133}

\textit{The Search for a Solution to Economic Reform}

Beginning in mid-July 1990, Gorbachev finally seemed determined to push ahead with radical economic reform. In an unusual act of cooperation, he agreed to work with Yeltsin to develop a new economic program. The group commissioned to design the plan was chaired by Academician Stanislav Shatalin. Other prominent members included Nikolai Petrakov, an economist from Gorbachev's Presidential Council, and the radical economists Grigory Yavlinsky and Boris Fyodorov, both from Yeltsin's team. The Shatalin Plan incorporated much of Yavlinsky's "500-Day Plan," an ambitious program for the introduction of a market economy within 500 days through radical privatization.

\textsuperscript{131} Ibid.
\textsuperscript{132} Ibid., 386.
\textsuperscript{133} Ibid., 259.
and market principles. An important element of the Shatalin Plan was the reconstitution of the Soviet Union as a confederation, with basic responsibility for economic rule vested within the republic and local authorities. On 4 September, the commission published a summary of the plan in Izvestiia. Despite some flaws, the Plan, envisioning a total break with the existing economic system, was applauded by both reformers at home and democratic leaders abroad as "the best and most workable approach that had yet emerged."\textsuperscript{134}

For a brief period, Gorbachev seemed to endorse the plan fully. But by the end of August, Gorbachev signaled his vulnerability to Prime Minister Ryzhkov and conservative Party apparatchiks who were lobbying against the Plan. On 7 September, Ryzhkov announced that Gorbachev had directed that the Shatalin and Ryzhkov plans be merged, and that Abel Aganbegyan head the effort.\textsuperscript{135} In mid-October, the compromise document was released. As Matlock points out, "It omitted most of the key elements of the Shatalin approach--rapid privatization and decentralization--and retained many features of the government approach that had already proved unworkable, such as decreed price rises."\textsuperscript{136}

Gorbachev's decision to merge the two plans was the second major damaging decision he made for the fate of perestroika, the first having been his earlier decision not to run for president in a popular election. The reasons for, and the political consequences of, his choosing this path will be explored in the next chapter. What it did reveal, once and for all, was that, as Matlock points out, "Gorbachev had a poor understanding of economics in general and of market economics in particular. One also had to wonder if

\textsuperscript{134} Matlock, \textit{Autopsy of an Empire}, 408.

\textsuperscript{135} Ibid., 416.

\textsuperscript{136} Ibid., 418.
he had not lost his keen political touch, for the plan he approved was certain to increase internal tension in the country.\textsuperscript{137}

*The German Question, Economic Reform, and the Territorial Issue*

The economic crisis of 1990 emerged as the all-important policy imperative that thrust the territorial issue directly onto Gorbachev's agenda. Both the German question and Gorbachev's search for a solution to economic reform provided important links between the crisis and a compromise with Japan.

The German question and the notion of a financial *quid pro quo* had two implications for Soviet Japan policy. First, it left Gorbachev and his advisers, as well as Japanese politicians, with the "lesson of Germany," namely that political concessions could be sweetened by economic incentives. Second, in the aftermath of his agreement to united Germany's membership in NATO, Gorbachev was criticized for not getting enough from Bonn in return.\textsuperscript{138}

Gorbachev's search for a politically viable solution to economic reform served as another link. While he seriously considered adopting the Shatalin Plan, his advisers held discussions with the Japanese about how Tokyo could help solve Moscow's economic problems through massive foreign aid and cash.\textsuperscript{139} Even after Gorbachev made the fatal compromise with Ryzhkov in September, he was still convinced that he needed, perhaps more than ever, a massive injection of Western capital.

During Bush's Camp David meeting with Gorbachev at the end of May, Dennis Ross, Director of Policy Planning Staff at the State Department, asked Primakov how much aid the Soviet Union really needed. Primakov replied, "About twenty billion

\textsuperscript{137} Ibid.

\textsuperscript{138} Hannes Adomeit, *Rise and Fall of the Soviet Empire: The German Problem* (manuscript), pp. 651-53.

\textsuperscript{139} Interviews with Kyoji Komachi and Nobuo Shimotomai.
dollars a year for three years."\textsuperscript{140} Two months later, at the Houston G-7 summit in July, when the subject of aid to the Soviet Union came up, Kohl and Mitterand "lobbied their colleagues for $15 to $20 billion in aid to Moscow, which they justified as a sign of Western confidence in Gorbachev and his reforms."\textsuperscript{141} On the other hand, Bush, Thatcher, and Japanese Prime Minister Kaifu "all balked at the sum."\textsuperscript{142} Bush argued that it would be a waste of money before the Soviet economy was restructured and Soviet military spending reduced. When the seven leaders agreed merely to send Gorbachev a letter "expressing encouragement for perestroika and promising to expedite international studies of the Soviet economy as a prelude to possible Western aid," Gorbachev understood this for what it was--"a polite but thinly disguised rejection of the kind of large-scale, concrete assistance Gorbachev was looking for--and a vivid indication that there were limits to how far Bush would go in propping up his friend in the Kremlin."\textsuperscript{143}

Roald Sagdeev in an interview made the specific link between the economic crisis, the German question, and the territorial solution. He stated that initially, Gorbachev had linked Japan with arms control. He had understood the solution to economic growth to lie in a reduction of military spending to be accomplished through arms control agreements. If he could engage Japan, as well as Germany and other countries, in such agreements, that would give him leverage over the United States, his main target:

\begin{quote}
In his early speeches [on the Asia-Pacific region] in Vladivostok and Krasnoyarsk, Gorbachev was talking in general about Pacific affairs. At the beginning his first intention was to use both Germany in Europe and Japan in Asia as leverage to press on the Americans to decrease drastically or eliminate totally nuclear weapons in Europe and in Asia. It started from this point of view. His main concept was arms reduction. He understood
\end{quote}

\textsuperscript{140} Michael R. and Strobe Talbott, \textit{At the Highest Levels: The Inside Story of the End of the Cold War} (Boston: Little, Brown, 1993), 237.
\textsuperscript{141} Ibid.
\textsuperscript{142} Ibid.
\textsuperscript{143} Ibid.
that the Soviet economy was suffering from a tremendous military budget. He was not ready at that time to go to deep unilateral cuts. So he was trying to involve foreign countries in all these debates. The economic benefits would be derivations of this arms reduction, and of course the next step in establishing much better relationships.144

Kohl had responded right away, as a result of which Moscow and Bonn had signed a treaty to eliminate all tactical nuclear weapons in Europe. Japan, on the other hand, had not been receptive.

Sagdeev said that it was only in late 1989 and 1990 that Gorbachev saw that "something was not working with structural perestroika," that there was something fundamentally flawed with the type of economic reform he had implemented. Up until that time, there was economic growth and it looked like the Soviet Union was prospering. With the harsh realization that the economy not only was not prospering, but was on the verge of a crisis, did he begin to consider economic aid as a solution.

Thanks to the advice of some of his close advisers, he decided that in order for the country to survive in the short term he needed to collect foreign credits quickly. Thus, as Sagdeev stated,

Gorbachev [first] took a lot [of credits] from Helmut Kohl. Then he was looking for Japan. My impression was that he was ready to have a deal around the Kurile Islands. This was about 1989-1990. Probably Primakov was involved in this part.145

Sagdeev believed that Gorbachev and those close to him were ready to have a real substantial deal with Japan in 1990. There were different figures discussed about how many billions of dollars it would cost the Japanese. There were also a number of different scenarios drawn, for example:

One scenario, which was unofficially discussed, and I know it was coming from nongovernmental thinkers in Japan, was to convert the area into free economic zones under an international umbrella. Then the Japanese could

144 Interview with Sagdeev.
145 Ibid.

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invest, long before the islands would be turned back to Japan. There were several crazy ideas at the time.\footnote{146}

According to Sagdeev, Gorbachev personally did not care about the specific disposition of the islands. Gorbachev cared about the \textit{quid pro quo}: "I think Gorbachev would have been willing to accept any one of [those ideas], if it would bring him even temporary financial relief."\footnote{147}

\textit{Moscow-Tokyo Back Channeling}

In 1985 Gorbachev refused to acknowledge that a territorial issue with Japan existed. By the second half of 1990, he was seriously considering returning the islands—the timing yet to be determined—in exchange for significant Japanese economic aid and investment. It has been argued throughout that the convergence of learning, a propitious political environment, and a policy imperative had to take place for Gorbachev to adopt such a radical decision. An examination of the back channel arena in which representatives of Moscow and Tokyo were determined to break the deadlock reveals an interweaving of these three variables.

The groundwork for informed discussion on the territorial issue had been laid in both Moscow and Tokyo by academic institutes headed by policy-oriented leaders. In Moscow, IMEMO, as discussed earlier, had served as the locus of open discussions by academic specialists—from IMEMO and in some cases from other institutes—and progressive policy makers who met with increasing frequency as the summit approached. These discussions had been commissioned by Primakov, who either personally chaired the meetings or, when absent, was thoroughly briefed. In so doing, Primakov was preparing himself to play the role of policy entrepreneur when the opportunity arose.

\footnote{146} Ibid. \footnote{147} Ibid.
In Tokyo, the groundwork for informed negotiations was laid by several advisory groups established by, and reporting to, political advisers.\textsuperscript{148} For example, the International Institute for Global Peace (IIGP), headed by Seizaburo Sato, a professor at Tokyo University, was established by Nakasone in retirement to develop "a comprehensive view of the world."\textsuperscript{149} It initially studied specifically the Northern Territories issue, but by 1989-90 had broadened its focus to the "transformation of socialism and of the Asia-Pacific region."\textsuperscript{150} Sato, who "sought to improve Soviet ties on terms consistent with Japan's strong position,"\textsuperscript{151} worked closely with Nakasone while the former prime minister still wielded some influence. Other such groups included the Research Group for Peace and Security (RIPS), which "frequently discussed Soviet affairs with the Gaimusho and top leaders,"\textsuperscript{152} and the Japanese Institute for International Affairs (JIIA), chaired by former ambassador to the Soviet Union, Kinya Niizeki, established as an international relations research institute directly under the Gaimusho. The JIIA published \textit{Soren kenkyu (Soviet Studies)}, regarded as the Japan's most important journal on Soviet affairs. Rozman writes that the JIIA relied "heavily on the leadership of Hiroshi Kimura for involving the academic community."\textsuperscript{153} Kimura, who also worked closely with the IIGP and the Suetsugu group described below, was an important link between these various groups.

It was the Council on National Security Problems, led by Ichiro Suetsugu and often referred to as the "Suetsugu group," that was "the most influential group on Soviet


\textsuperscript{149} Ibid., 33.

\textsuperscript{150} Ibid., 34.

\textsuperscript{151} Ibid., 33.

\textsuperscript{152} Ibid.

\textsuperscript{153} Ibid., 32.
Suetsugu, trained in the World War II Nakano spy school, had a history of personal activism on behalf of unresolved issues in Japan. In the late 1940s Suetsugu was active in the movement to help in the repatriation of Japanese POWs. He organized the Council on National Security Problems in 1968 to speed the reversion of Okinawa from the United States. After an agreement was reached on that issue in 1970, the Suetsugu group redirected its attention to promoting Soviet-Japanese contacts, and especially pressing for the return of the Northern Territories.

Suetsugu's influence was derived in large part from his extraordinary contacts with experts and policy makers in both the Soviet Union and Japan:

Suetsugu cultivated personal ties with high-ranking Soviet academics, including the successive directors of IMEMO Aleksandr Yakovlev and Evgenyi Primakov, who emerged at the end of the decade next to Gorbachev at the top of the Soviet decision making concerning Japan. Personal diplomacy outside of the foreign ministries became an important feature when ties were deadlocked over the Afghanistan situation in the early 1980s, and especially in the later effort to mend Soviet-Japanese relations. Suetsugu regularly visited Moscow and facilitated meetings between Soviets and high LDP leaders such as Shin Kanemaru. Through 1988 Primakov often came to Tokyo. Yakovlev made two visits in 1984 and 1989. Informal ideas about how to break the impasse in relations were flowing back and forth. When other advisory groups withered after Nakasone's departure, Suetsugu's group was an exception. Although others, including power brokers on the right of the political spectrum, have tried their hand at personal diplomacy, Suetsugu stands alone for his behind-the-scenes influence on Soviet matters.155

One of the reasons for Suetsugu's success in cultivating ties, Rozman suggests, was that he and his group

eschewed the spotlight in favor of unpublicized meetings with Soviet scholars and reports distributed across Japanese official circles. Its secrecy, aimed at encouraging frank exchanges with the Soviets, was usually observed. . . .156

154 Ibid., 34.
155 Ibid., 34-35.
156 Ibid., 34.
Suetsugu's ties on the Japanese side extended to Yoshio Sakurauchi, former foreign minister, speaker of the Lower House, and president of the Japan-Soviet Parliamentary Friendship Association, "who met with [Suetsugu] prior to traveling to Moscow." Suetsugu also had close contacts with Hisashi Owada, "the Gaimusho official leading the negotiations with Moscow." It is difficult to overstate Suetsugu's unique role in fostering a Soviet-Japanese dialogue, as Rozman's description suggests:

Foreign affairs experts [in Japan] describe Suetsugu's personal role as a throwback to the prewar era when influential figures operated from the shadows. Called a *kuromaki*, a dark figure pulling the strings in Noh drama, or a *ronin*, a masterless samurai not directly under any political leader, Suetsugu has spent many years cultivating ties with LDP politicians. He is praised for his efforts in the late 1940s on behalf of prisoners of war returning from the Soviet Union, for his spadework in the 1960s to secure the returning of Okinawa, for his connections with Soviet officials including to Yakovlev even before the latter became Gorbachev's Politburo associate, and for his persistent activities to promote delicate bilateral communications in the years leading to Gorbachev's visit to Japan. The Gaimusho cooperated with him, considering him helpful. Top LDP leaders, including prime ministers, worked with him in the hope that they would gain credit for the breakthrough all were anticipating. Trained in the wartime Nakano spy school and secure in his ties to the right through his National Assembly for Youth Development and his nationwide organization to return the Northern Territories, Suetsugu promised secrecy. No wonder he is also described as the "gray eminence" for prime ministers, including Nakasone and those who followed in the top post.

That Suetsugu's group was so trusted by both sides was in part due to the fact that it consisted of mostly people politically to the right of center and the far right. "Their recommendations would not likely be conciliatory and could be further toughened by Suetsugu's own long-standing leanings and strong association with the most ardent forces campaigning for the Northern Territories." Although this may not suggest a tendency to compromise, "for a Japan virtually united behind the return of the islands and a Soviet

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157 Ibid., 35.
158 Ibid.
159 Ibid.
leadership in a rush to rejoin the global community, the involvement of ardent nationalists in the preparations for negotiations can be a wise step."\textsuperscript{160}

Suetsugu exerted influence on Soviet-Japanese issues and played a major role in promoting Soviet-Japanese contacts both through his personal diplomacy and through the involvement of the group. On the personal level, by the late 1980s, he had "taken his mission for the islands to the Soviet Union over thirty times" where he had high-level contacts. By 1990, he was traveling to Moscow every month or two, meeting frequently with Yakovlev and Primakov. Suetsugu's Council on National Security Problems had held eleven "Peace in Asia" binational conferences by 1989, convening approximately every year and a half. By bringing together leading foreign policy experts and advisers on both sides, these meetings were meant to "provide a vehicle for mutual understanding and semiformal exchanges of ideas that might lead to new approaches in bilateral relations."\textsuperscript{161} The locus of meetings between Soviet experts and Suetsugu's group was, not surprisingly, IMEMO.

When Soviet advisers were searching to get beyond the hard-line position of the \textit{Gaimusho} on the territorial issue, they were able to find LDP leaders who had maintained close contacts with Suetsugu and his group. It was thus Takeshita, Abe, and Kanemaru with whom Primakov, Yakovlev, and Shevardnadze were able to first make progress in this period.

Most likely, it was the contact between Primakov and Kanemaru that helped forge the link between Volsky and Ozawa. Primakov had made special contact with Kanemaru in 1988. In May of that year, on one of his many visits to Tokyo, Primakov held "an unannounced meeting" with Kanemaru which was arranged by Suetsugu. Kanemaru later visited the Soviet Union on Primakov's invitation.\textsuperscript{162} According to an

\textsuperscript{160} Ibid., 36.
\textsuperscript{161} Ibid., 37.
\textsuperscript{162} Ibid., 25.
article in *Asahi shimbun*, in April 1990 at the time when Kanemaru broke ranks and called for the return of at least two, as opposed to four, of the islands, to produce a breakthrough in relations, Kanemaru had already met three times with Primakov, "who told him that he would tell Gorbachev of this suggestion."\(^{163}\)

The emergence of Ichiro Ozawa as the key Tokyo representative in the back-channel negotiations with Volsky had much to do with (1) the political environment in Tokyo, (2) Ozawa's own personal ambitions, and (3) his personal links to Kanemaru.\(^{164}\) During 1990, Japanese society was divided over the question of the appropriate international role for Japan in the wake of such dramatic events as the collapse of communism in Eastern Europe and the Iraqi invasion of Kuwait. Such debates also focused on the seriousness of perestroika and new thinking, and the question whether Japan was being too negative and passive in its response to Gorbachev. On this latter subject, according to Rozman, it was "Kaifu, together with his patron Kanemaru and Kanemaru's rising protege Ozawa, [who] seemed inclined to more vigorous leadership, while the triumvirate of the 1980s consisting of Takeshita, Abe, and Nakasone appeared to be divided and inclined toward political infighting."\(^{165}\) Ozawa was highly ambitious, and was already being seen in Japan as a likely future prime minister. He sought a breakthrough on the territorial islands as a stepping stone to that position.

One of Ozawa's assets in the process of seeking a territorial breakthrough was his former position at MITI. MITI was regarded as out in front of the *Gaimusho* in its interest in economic relations with the Soviet Union.\(^{166}\) According to Akio Kawato, a reproduction with permission of the copyright owner. Further reproduction prohibited without permission.

\(^{163}\) Ibid., 68.

\(^{164}\) Ozawa also had close family ties with Takeshita; interviews with Nobuo Shimotomai and Kyoji Komachi.

\(^{165}\) Rozman, *Japan's Response*, 324.

\(^{166}\) "In the fall of 1990, apparently over the objections of the Gaimusho, the Japanese leadership [undoubtedly on MITI advice] agreed to offer some "know-how" aid and a one hundred million dollar export credit to help combat Soviet food shortages... By early 1991 there were reports that MITI was beginning to advocate closer economic ties in response to calculations by its research group about long-run Soviet potential. " Rozman, 27.
Japan's consul general to Boston, Ozawa worked with MITI to design the economic aid package that would be offered as the *quid pro quo* for the return of the islands. The aid package was reported to consist of 3 trillion yen (over $20 billion), including $4 billion in emergency financing in the form of loans and a $9.3 billion package of twenty economic projects. Moreover, Ozawa's MITI's contacts no doubt strengthened his ties with Volsky. As noted earlier, Volsky had for some time been working with people at MITI as he sought advice related to the establishment of the Union of Industrialists and Entrepreneurs in the summer of 1990.

The sphere of back channel Soviet-Japanese relations shows how a policy entrepreneur (Primakov) attempted to take advantage of a fluid political environment both in Moscow and Tokyo to seize a policy imperative (the economic crisis) in order to push his policy preference (territorial settlement and stronger Soviet-Japanese economic relations) onto Gorbachev's agenda. Key to the success of the back channel sphere was the ability of Primakov to draw upon the ideas generated by his own network of specialists—experts on the politics, economics, history and culture of Japan. These generators of ideas, in turn, had benefited from a pattern of meetings and conferences with their counterparts in Japan. It was these experts who conveyed to Primakov and other top level leaders their "learning" about the nuances surrounding the territorial issue.

If the Kurile Islands had played a role in precluding improved Soviet-Japanese relations in the Cold War period, they had taken on an even larger significance on the eve of the close of the Cold War period. Rozman captures the feeling of anticipation in Japan:

> By the end of 1990 the Northern Territories were seen as a global problem—even analogous to the Berlin Wall prior to the fall of 1989. With the tearing down of the wall came German unification, agreement on the

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security of Europe, and acceptance of the Soviets as a member of the European community. With the return of the islands to Japan would come the end of Japan’s abnormal postwar status, a giant step toward a new security arrangement in the Asia-Pacific region, and Soviet access to the greatest credit-bearing country... As Nobuo Shimotomai [a Japanese scholar of the Soviet Union] explained, it was a global matter, and moreover, expectations inside the Soviet Union were extremely high. Kikuo Sato [another Japanese expert on the Soviet Union] was similarly emphatic in predicting the dramatic impact of Gorbachev’s visit on the Asia-Pacific situation, linking it with the South Korean-Soviet establishment of relations and the projected Japanese-North Korean normalization in breaking the cold war in the region and opening a new page in history.\(^{168}\)

Summing up the difference between Soviet public statements and private inclinations, Rozman refers to Sato’s October 1990 article which suggested optimism for a settlement based on an islands-for-cash arrangement:

Shevardnadze, Primakov, and Yakovlev had all made statements in the fall suggesting that the possibility was extremely remote of an official Soviet attitude change in favor of returning the islands. Yet [Sato] did not take these at face value. A few billions of dollars from Japan might appear as an injection into the crisis-plagued Soviet economy, a kind of barter as in the case of West German assistance."\(^{169}\)

Because the notion of an islands-for-cash deal was so controversial then and remains a topic of embarrassment and controversy even now, no one directly involved in the back-channel negotiations has spoken frankly about the exact evolution and contents of those meetings. But the combination of the Chernyaev document, interviews with some who were close to the scene, and informed secondary sources confirms without a doubt that such negotiations did take place, and were at least sanctioned at the highest levels. What happened to derail the deal, and with it the hope for a territorial agreement and significantly improved Soviet-Japanese relations under Gorbachev, is the subject of the last chapter.

\(^{168}\) Rozman, *Japan’s Response*, 161.

\(^{169}\) Ibid., 162.
CHAPTER V

Opportunity Lost:
January - April 1991

The territorial issue continued to define Soviet-Japanese relations during the first four months of 1991, up to and including the long anticipated Gorbachev-Kaifu summit in April. It was during this period that Gorbachev considered which option to take to Tokyo, and chose, at the last minute, the least progressive of earlier proposed options.

This final chapter will examine three critical meetings leading up to the summit—one in January, and two in March—and summarize the contents of the summit itself. An analysis of why Gorbachev chose the decision he made will identify the political environment as the variable that no longer presaged a radical solution. Beginning in late November 1990 the "propitious" domestic political environment had begun to crack, but by April it was in a state of chaos. The future of reform and of Gorbachev's political life were in serious question.

Preparing for the Summit

January 1991: Working Toward a Territorial Solution

Toward the end of January 1991, Gennadii Yanaev chaired a meeting of the Preparatory Committee for the Presidential Visit to Japan. Sergei Grigoriev was present at that meeting, acting as executive secretary. The following summary is based on Grigoriev's personal notes taken at the meeting, as well as interviews with Evgenii Bazhanov, Konstantin Sarkisov, and Aleksei Zagorsky.

Yanaev had been appointed CC secretary in charge of international affairs in July 1990, Soviet Vice President in December 1990, and had succeeded Yakovlev as chairman of this committee earlier in January 1991. According to Grigoriev, this meeting was held...
to discuss the Saplin document, and specifically the Volsky option. Two factors indicated that Gorbachev was already having a change of heart concerning an islands-for-cash arrangement: the fact that Gorbachev himself was not chairing the committee, and that the group had been expanded to include more conservative members than those represented in the Saplin document.

Attending the January meeting were the following: Volsky, Stepan Sitaryan (First Deputy Chairman of the Council of Ministers and head of the State Foreign Economic Committee set up by Yakovlev, a very good friend of Gorbachev's), Vitalii Ignatenko (press secretary to Gorbachev and Grigoriev's boss), Aleksandr Panov (head of the MFA Department of Pacific and Southeast Asian Countries), Valentin Falin and Andrei Grachev (head and deputy head of the CC ID), Vassily Saplin (desk officer in charge of Japan at the CC ID), Konstantin Sarkisov (head of Japan section of IVAN), Vladylen Martynov (Primakov's successor as director of IMEMO), Anatolii Miliukov (head of Economic and Social Forecasting Department within Gorbachev's office), and Vladislav Malkevich (chairman of the Soviet Chamber of Commerce and Industry and former KGB officer).

Kunadze, who had been so involved in shaping Japan policy up until this time, was no longer considered "safe." Having become disenchanted with Gorbachev, he was increasingly involved with Yeltsin's group.¹ His replacement on this committee was Sarkisov, a good friend of Saplin's, Volsky's, and Grigoriev's.

Yanaev opened the meeting stating that there were three items on the agenda for discussion: (1) the political part of the trip, (2) the Ozawa plan, and (3) the program for the summit. Panov was asked to speak first. A quiet, effective, and subtle man, Panov was very close to Saplin and had been lobbying for a solution behind the scenes. He

¹ Later in 1991, after the Tokyo summit, Kunadze was appointed RSFSR deputy foreign minister.
reviewed plans for the summit, including the preparedness by both sides to discuss the territorial issue:

All the 11 [intergovernmental] agreements will be ready. A visit of the [Japanese] Minister of Foreign Affairs is scheduled for March, and the program for bilateral cooperation for the future will be considered, although we anticipate some rollbacks. We've submitted to the Japanese the text of the Joint Statement. They're studying it. They have their own draft of a Joint Statement that they have submitted to us, and it has two options. One a narrow one, and the other a broad one. The important thing is that we will be suggesting the signing of the peace treaty, and although there has been some progress, we have to bear in mind that with the territorial question the Japanese have very serious intentions. And that is why no peace treaty is possible without a demarcation of the border [emphasis added]. . . .

Kaiifu has sent Gorbachev a private, secret message . . . . It says: "We want four islands now, and let's discuss the details, but let's use the approach of 1956 as the basis."

Thus we can conclude that they are prepared to negotiate. We [too] are prepared for negotiations. . . . first, to discuss the territorial question, but also to tie it to the military problems. The USSR does not consider Japan to be a military opponent or adversary, and we are prepared to cut down radically, or withdraw, all our troops from the Kuriles, bearing in mind what their position or attitude will be.2

Volsky spoke next, and brought up two concerns, (1) the actions of the Russian Federation, and (2) the attitude of the West and of China:

The important question is what Russia will do. The representative of the Russian Foreign Ministry was attending the negotiations on this peace treaty. Russia gave us its ideas, and Russia also submitted its draft of some of the considerations, [such as] the Russian representative should be included in Gorbachev's delegation. But what Russia wants to achieve during this trip is just to recognize the existence of the territorial issue, and to transfer the rest [i.e. the solution] to the Russian authorities.

The San Francisco Treaty of 1951 did not resolve any problems between the USSR and Japan. It even has a very confusing approach to the very notion of what the Kurile Islands are. The Japanese do not recognize their border with the USSR, but this border is also not recognized by the leading Western countries....The Chinese are quiet, but I know that they are strongly supporting Japan on the territorial issue.3

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2 Sergei Grigoriev, ["Personal Notes from January 1991 Meeting"].

3 Ibid.
Ignatenko suggested bolstering the Foreign Ministry's position by solving the
POW problem as well at the summit:

The position of the Foreign Ministry is reasonable, and I think we should
also strengthen it by our preparedness to solve the problem with all the
former POWs. I also suggest making a stop-over on the way, [in] Khabarovsk, and maybe we should discuss right now when we should
submit the lists of POWs. I suggest that we do it before or at the very
beginning of the summit, to create a better atmosphere.4

Falin was willing to go along with the territorial transfer, but only if it was tied to
the complete U.S. military withdrawal from Japan:

We have to connect tightly two things: the resolution of the territorial
question and the complete withdrawal of the Americans. We tell [the
Japanese]: You break all your military ties with [the Americans], and then
we will go and pursue this line [the MFA line]. So far, I think this line is
too much, is letting them have too much.5

Panov disagreed with Falin, and did not feel Moscow was giving too much. But
he, like Volsky, was concerned about what Russia would do. He also felt that Japan
would probably not be satisfied with this plan. Nevertheless, should that be the case, the
Soviet side could respond that it was now up to the Japanese to come up with a plan.
Moreover, he suggested telling the Japanese the Soviets are still considering the Ozawa
plan:

No, we are not letting them have too much. We are offering various ideas
here. We certainly should say that we denounce strongly our statement of
1960.

But we have a concern: what will the Russian government do? And if we
do it... will it make the Japanese happy? I do not think it will. I think
that we should tell them, "We are giving you a chance. Now you should
probably help us to resolve the problem, and give us a lead. At the same
time, we also do not rule out the use of the Ozawa plan [emphasis
added]."6

4 Ibid.
5 Ibid.
6 Ibid.
Volsky took this line of thinking even farther, and, not surprisingly, made the strongest statement in favor of the Ozawa plan. At the same time, he was sensitive to the political implications of this act, and suggested finding the most salient term to describe it:

I think we should bring back to life...the agreement of 1855. But for public relations purposes, we should separate the two notions: (1) to give back (vernut'), and to transfer (peredat'). These are different things. But we should go for the maximum.7

Yanaev, ever cautious, summed up the two possible solutions discussed, and concluded that Gorbachev be left to choose between the two:

As the discussion shows, there are two paths. One is to try to take an iron and concrete position: we cannot do it [transfer any of the islands]. The other is the other extreme: we will return all four islands. Some people also believe this [path] is impossible. Then what shall we do? In general, the attitude of the Foreign Ministry is reasonable, but we have to do everything right tactically. Maybe we should divide ourselves into two teams, saying different things. But the President should be our conductor and conduct the choir. The important thing, and the answer we can get only from him [Gorbachev], is how far can we go, and what we cannot go for [na chto poiti ne mozhno].8

Yanaev also anticipated that Gorbachev would run into problems with the military: "What to do with the army? Just think about it, it might create additional difficulties." Malkevich was the most negative about giving back any territory: "We will achieve nothing, and we will only make Gorbachev look bad. The situation in the country is terrible. Nothing [good] will happen. Don't do it!"9

Sarkisov argued that it was important to at least break the deadlock, and if giving all four islands was not politically feasible at that time, then begin at least with two:

We have to make steps forward. If not all the four, then I suggest the two-plus-two formula. It's a different situation [with each group of two]...If we give them two islands immediately, it is already a great and grandiose step forward. It is a good idea, although we should not limit it. I think we

7 Ibid.
8 Ibid.
9 Ibid.
should immediately begin negotiations about the other two islands as well. If we negotiate for this [the two], we can stimulate the Japanese to submit it to the International Court [of Justice] in the Hague. Let the Court then decide in Japan's favor [and make the Soviet government turn over all four]. But we must go [to the summit in Japan], we cannot cancel or postpone the trip.¹⁰

Martynov agreed that "we must go" and that it would be "a useful visit." But he felt the Japanese were pushing for the maximum as a negotiation ploy, and that Moscow should seek the best position it could:

...I know the Japanese psychology. Nobody wants the islands immediately [nikto ne zhdet ostrovov srazu]. They are just studying the possibilities, and they are trying to impose a game. We should also be playing this game and achieve political results.¹¹

Sitaryan was keen to determine what the Soviet Union would get in return for this concession:

The lack of clarity on many issues complicates the assessment of the situation. We need this trip. This is a good move toward further rapprochement. We cannot say no. And unlike our careless activities in the West, now we should learn how to tie things up [right]. [According to Grigoriev, this was a reference to the bungling of the German question by not getting enough in return for Soviet agreement to a united Germany in NATO.] So the biggest question is, dadim, a chto nazad? if we give them the islands, what do we get back?¹²

Sitaryan also raised concerns about Gorbachev's preparedness to make some form of a compromise, and about Russia's inclination to agree with that compromise:

The more important thing is whether there is an internal preparedness on the part of our leader to do this. I cannot judge. I will not take upon myself the responsibility to judge about this.

Also, we have to find some ways of agreeing with Russia. Otherwise they will just denounce it.¹³

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¹⁰ Ibid.
¹¹ Ibid.
¹² Ibid.
¹³ Ibid.
Volsky concluded with the strongest criticism of this wavering, and outlined clearly what the USSR would lose if it let this opportunity slip:

This is our last chance. Just think about the food and all sorts of other aid. This [discussion] is all bad. You are all politicians here. To hell with all of you. You understand nothing. Economics is more important. [Returning the islands] is the only way [the Japanese] will give us some money. . . . We must go [to Japan] and not just go for nothing. We must go for credits. Let's analyze again the Ozawa proposal. The Ozawa plan offers $22 billion. The plan offers short-term credits and gradual credits. What they give us immediately, and we should grab it, is $1.5 billion to buy medications; $1.5 billion to buy food; $1 billion for consumer goods. For medium-term credits, they give us $8 billion. And for long-term credits they give us $10 billion.

I spoke to Ozawa, I am in touch with him, as you know. Ozawa said sarcastically, "You don't need it [this money]? (Ne nado?) If you don't need it, then what do you need?" Ozawa then said, "Give me a formula. Let's postpone the actual sovereignty over all the islands for fifteen years, but give a promise to us now that we will have those in fifteen years."

It's a symbolic question, but I support this solution of the so-called 'postponed sovereignty' in the following way: we give them two islands immediately, and assure them that they will get two more within fifteen ears. We ourselves are making a mistake. . . . If we don't need it, then well just give me a hint, and I will stop it. But what shall we do without money? We already owe them $450 million that we cannot pay back. Their companies cooperating with us are already going bankrupt. Let's at least pay our debts to the Japanese companies before the summit.14

Volsky then turned to Sitaryan and said, "You should do it. My [opinion] is that it should either be the Ozawa line, or we should not go to Tokyo." Sitaryan responded by suggesting that they give Volsky the responsibility for carrying to Gorbachev the Ozawa line, "After such an active speech by Volsky, I suggest giving all the powers to Volsky. Why shouldn't we give him all the powers?"15

Miliukov did not agree that the Ozawa plan was the right solution. Like Martynov, he suggested that the Japanese were just playing a game anyway:

We do not have to do much. We should just initiate the process. I have a feeling that they do not really want it now. I think we should respond to

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14 ibid.
15 Ibid.
all their messages, and claim that we are excited about what they suggest.16

To summarize, the discussion revealed a range of opinions. Volsky’s was the most outspoken voice for a transfer of all islands to Japan for the sake of economic benefits. Sarkisov, Panov, seemed earnest in their search for a workable compromise. Yanaev, Falin, and Sitaryan were cautious, not committing themselves to any one position. Malkevich was the most negative voice against any transfer of territory. centered around two options for settling the territorial issue: (1) transfer four islands right away, or (2) transfer Shikotan and the Habomais immediately, and agree to discuss the disposition of Kunashir and Iturup at a later date.

A summary of the meeting was given to Chemyaev. In the end, it was decided that Volsky be responsible for talking to Gorbachev and trying to convince him to go with the Ozawa plan.

The question arises, What was the purpose of this meeting, especially in the wake of Saplin’s document which had already laid out various positions of the bureaucracy on the territorial issue? Grigoriev argues that although the process of decision-making had changed under Gorbachev, especially since the establishment of the presidential system, Gorbachev still relied on old patterns when it came to particularly sensitive or controversial matters. It is Grigoriev’s assumption that between the time that Chemyaev forwarded Saplin’s document to Gorbachev on 21 January and this meeting, Gorbachev had received some negative feedback on the question of returning any of the islands. Therefore, Gorbachev decided to have Yanaev hold this meeting and broaden the voices represented by including such people as Malkevich, Falin, and Miliukov who would hold a more conservative point of view. In other words, this meeting would serve Gorbachev as a test, to see what would be the reaction to a territorial transfer of a broader constituency than that represented by the Saplin document. Moreover, according to

16 Ibid.
Grigoriev, Gorbachev could distance himself from the notion of a territorial transfer during this trial period by having Yanaev chair the meeting. In other words, Yanaev would be the scapegoat, whom Gorbachev could blame if the plan did not work or ran up against too much resistance. Grigoriev suggests:

That is why Gorbachev decided to relieve himself a little bit from this responsibility, and to make Yanaev responsible. But Yanaev was also an experienced person. He did not take any vote. And everybody knew that Volsky was Gorbachev's man. If this had not been a controversial issue, Gorbachev would just have taken Chemyaev's memo and made a decision, like he did so many times. But this was very controversial, because there were so many things involved. So Gorbachev was looking for a person to blame it on. He was trying to decide if this would cause an explosion inside his own camp. He was using Yanaev to test the waters, just see what others would say, and what were their opinions, basically to initiate some kind of discussion, to get feedback, but also to have some kind of scapegoat just in case...and if Gorbachev felt the political risks were not too great, he would have gone ahead and done it. 17

The real issue at stake, according to Grigoriev, was the question of the political acceptability of the Ozawa plan, supported most aggressively by Volsky. Yanaev, however, would not take a vote on that. He was cautious, and wanted to find out the position of the President. If he had taken a vote, he would have been, according to the conventions of Soviet decision making, directly associated with the decision, which would then after be known as the "Yanaev solution." Yanaev was not about to take full responsibility for a decision he was not at all certain would be adopted or even defended by Gorbachev. He knew that Gorbachev would have to worry about the military, for instance. Instead, he decided to pass on to Volsky the authority to try to convince Gorbachev to adopt the Ozawa plan. Yanaev basically said, according to Grigoriev, "Let's give the whole thing to Volsky." One reason was that Volsky would know just how to talk to Gorbachev. A second reason was that since Volsky did not hold an official position at that time, he was less vulnerable politically. A third, even more important reason was that the absence of a formal vote on the Ozawa plan would allow Yanaev and

17 Interview with Grigoriev.
the others to avoid any potential blame for the decision. As Grigoriev said, "They could go to the army and the KGB and report what was going on. They could blame it all on Volsky if it didn't work out. Volsky was the scapegoat."18

Asked how this process of decision-making differed from the past, Grigoriev explained:

Before they would have been invited to the meeting of the Secretariat of the CPSU, or to the Politburo meeting, depending upon which of the two was dealing with the matter. They would have to present their opinions. And then, the Politburo or the Secretariat would decide what the attitude was here.

Gorbachev basically had within this presidential system, even before he was president, his own shadow cabinet. They would hold meetings at the dacha at Volynskoe, and they would convince Gorbachev that this was the decision, and then Gorbachev would go and adopt the decision or push it through the Politburo or Secretariat. That was typical of his style.19

That Gorbachev was being so cautious about this decision underlines both the controversial nature of the issue and his awareness of his own political vulnerability:

[Gorbachev was playing] the same bureaucratic game-find a scapegoat. Different structure, but same game. In the old days [pre-1988], when the old structure was in place, everyone would have had to tow the line, but also Gorbachev would have had to go for the formalized decision--the decision would have had to be supported by everyone. Before 1988, when he had no problems, or just small problems, Gorbachev could have pulled it off [made the decision to transfer the islands] just by the authority of his position. After 1988, when the Party was already on the verge of a split--it took them three days to discuss the Nina Andreeva affair, and that really almost split the Party--it would have been more dangerous for him because this could have been used as an excuse to accuse him officially of so many things. It was a delicate matter.

So Gorbachev decided not to preside over the meeting. I think it is not a coincidence that Chernyaev, who was supposed to come to the meeting, was not there. If Chernyaev had been there, he would have been representing Gorbachev, and they would be taking on more responsibility. Still, Saplin took notes and took them immediately to Chernyaev, so Chernyaev knew about everything right away. Yanaev called Gorbachev, and God knows what he told Gorbachev.20

18 Ibid.
19 Ibid.
20 Ibid.
Shortly after this meetings, Ignatenko and Grigoriev visited Tokyo from 1 through 7 February to have meetings with various Japanese groups in preparation for the summit. They went, according to Grigoriev, under the assumption that they were to find a way to return all four islands that would be politically acceptable to both sides. They held "extensive discussions" on the islands in all these conversations. Kaifu had already sent a message to Gorbachev that he was prepared for a settlement on the principle of 1956.

Primakov too continued to play a role, but a more indirect one. His official business in Japan was over in December, when he became more and more involved in the Iraqi situation. He had gone to Iraq twice in October 1990, and again in February 1991, hoping to show Gorbachev he could solve the Gulf problem without a war. By February, however, it was evident that his initiative had failed, and he was forced to keep a low profile. He was still talking to Japanese, but tactically had decided not to be involved in the summit. Instead he continued to stay informed through his close friend, Ignatenko. Their friendship dated back to the 1950s, and it was Primakov who had introduced Ignatenko to Gorbachev and got him the job in Gorbachev's office. Ignatenko reported regularly to Primakov on the latest developments in the summit planning.

Grigoriev stated with confidence that up until the end of February those close advisers and bureaucrats working the problem were all for a transfer of islands of some kind:

Chemyaev, Volsky, Saplin, Panov, they were all for it. Volsky was pushing the strongest. But they were all scared. Gorbachev was saying wait and see. They knew Gorbachev could have made any one of them a scapegoat, so everyone was cautious and quiet, and Gorbachev was scared. When things were discussed for the first time, when they all got together in the Crimea and discussed it in the summer [of 1990], when I first got involved, the German question had been settled quickly. They thought this could be solved quickly. The Japanese were offering a lot of money, and they were looking for money. They felt it was because of the Japanese that the G-7 group in Houston had decided not to give the Soviet Union aid. Until the end of February they were all acting under the assumption that the question would be resolved.21

21 Ibid.
But by the end of February, Grigoriev and Ignatenko were sensing that the favorable atmosphere was beginning to change:

We were getting more and more signals, more and more reactions from people [against such a resolution]. Ignatenko was telling me not to say anything to the people at the Soviet embassy in Tokyo. There was some sort of a game going on. But I wasn't involved. By that time my relationship with Ignatenko was already soured by a big fight we had in Japan.22

March 8, 1991: The Conservative Lobby

Late in February, Gorbachev received a one-page letter signed by Defense Minister Dmitri Yazov, KGB Head Kryuchkov, and Prosecutor-General Nikolai Trubin. It contained a strong warning to Gorbachev that the President should not transfer to Japan any of the Kurile Islands. The letter argued that the islands were too important militarily and politically, and that the people of the Soviet Union would not understand such a move.23

In early March, Grigoriev happened to see Deputy Prime Minister Igor Rogachev who mentioned that another meeting on the summit was about to take place, and they both thought it peculiar that Grigoriev and Ignatenko had not been informed or invited. It turned out that this meeting included almost a completely different cast of characters. The only two members who had also been at the January meeting were Yanaev and Falin, two of the most cautious members at that time. Other participants included Aleksandr Bessmertnykh, the new Minister of Foreign Affairs and Rogachev; Kryuchkov; Yazov; and Valerii Boldin, head of the General Department of the Central Committee and recently named Gorbachev's chief of staff.

While the details of this meeting are not available, the conservative makeup of the group clearly suggests that Gorbachev had decided a territorial transfer was no longer

22 Ibid.

23 Grigoriev himself saw this document.
politically feasible. Bessmertnykh, just recently named foreign minister to replace Shevardnadze who had resigned in December, was probably too new at his post to have any real authority with this group. Both Kryuchkov and Yanaev were to be leaders in the failed coup in August 1991. Boldin, who would also take part in the coup, was by now was in control of Gorbachev's schedule, and Shakhnazarov, Ignatenko and others were fighting with him just to have access to Gorbachev.

Those in favor of any territorial transfer, with or without the anticipated *quid pro quo*, were conspicuously absent. There could have been only one conclusion from this group: no change in the territorial status. Not surprisingly, in the wake of this meeting, a strong statement was forwarded to Gorbachev denouncing any territorial transfer.24

**Ozawa Rebuffed by Gorbachev**

Ozawa went to Moscow at the end of March specifically to meet with Gorbachev, to present to him the details of the proposed *quid pro quo*, and to secure Gorbachev's agreement in advance of the April summit. As stated in the Saplin document that Gorbachev had received, Ozawa had been invited back in December to come to Moscow to discuss these. Harry Gelman of the Rand Corporation, in a short monograph prepared for the U.S. Air Force in 1993, confirmed that Gorbachev had indeed known what to expect from Ozawa's visit because "[t]he Ozawa package proposal was conveyed to Gorbachev a few days in advance of the Ozawa visit, and its existence was leaked by a Gorbachev subordinate on March 20."25

Saplin acted as Ozawa's host and interpreter and took him to meet with Gorbachev. After three hours of talks, Gorbachev had not even mentioned the islands. Ozawa was angry, and Saplin rushed to see Volsky to find out what was going on.

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24 Interview with Grigoriev.

Volsky called Gorbachev’s office on Ozawa’s behalf, only to be told that Gorbachev was busy. Volsky and Saplin took Ozawa to meet with Yanaev as the next in command, but Yanaev responded to their questions with only vague answers. Saplin began to sense that something had happened to derail the process. He and Volsky insisted that Yanaev call Gorbachev and set up a second meeting with Gorbachev for Ozawa, who was arguing that he could not go back to Tokyo without an answer.

The next day Ozawa was granted a second meeting with Gorbachev. This time Ozawa asked Gorbachev directly about the islands and outlined the specific _quid pro quo_ that Gorbachev could expect in exchange for the return of the islands. Gelman describes that _quid pro quo_ which he attributes to "several plausible accounts":

- $4 billion worth of emergency loans to be granted quickly by the Export-Import Bank of Japan to help provide the Soviet Union with consumer goods;
- Another $4 billion to be made available for reimbursing the Soviet Union for moving its citizens off the islands, withdrawing the troops stationed there, and paying compensation for loss of property;
- Another $8 billion to be guaranteed by the Japanese government for private-sector loans, mainly for oil and gas projects in and around Sakhalin; and
- $10 billion for general Soviet economic development to be lent at low interest rates to help build factories and roads and develop natural resources.\(^\text{26}\)

As Saplin reported to Grigoriev, Gorbachev flatly rejected the agreement. He said something like, "No. We cannot go for it. The people will not forgive us if we begin trading our territory. We cannot do it now. We have other problems. We will admit that the problem exists, but the problem cannot be solved."\(^\text{27}\)

Ozawa was furious. He had invested enormous political capital in what he expected would be the culminating conversation with Gorbachev. He had fully expected

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26 Ibid., 23.

27 Interview with Grigoriev.
to bring back to Tokyo confirmation of the completed deal, which would be officially sanctioned at the summit. Ozawa had gone to enormous lengths to bring to Moscow what he believed was sufficient to finalize the agreement. In the first place, he had secured the backing of the Japanese elite:

Most of the Japanese business community was not enthusiastic about investments in the Soviet Union under the conditions that prevailed there in the spring of 1991, but Japanese business leaders were apparently won over by Ozawa's argument that a decisive Japanese commitment for the sake of a settlement would pay long-term dividends. Meanwhile, endorsement of the Ozawa package was weakest in the third section of the traditional Japanese elite triumvirate, the government bureaucracy, which was apparently divided over the issue. Many Japanese observers believe that Ozawa had worked with officials of the Ministry for International Trade and Investment (MITI) to prepare the package. Some suggest that Ozawa simply used MITI support to override Foreign Ministry opposition, while others believe that some senior Foreign Ministry officials temporarily acquiesced but disowned the project after it had failed.28

In the second place, Ozawa had to secure Japanese approval for a reversal of Tokyo's bargaining strategy in order to bring to Moscow "the most concrete information [the Soviets] had ever received about the scope and nature of the economic quid pro quo they might obtain in return for surrender of the islands":

The Japanese bargaining tactic of declining to become specific about this quid pro quo in absence of a preliminary Soviet commitment to Japanese demands had certainly been one of the reasons for the impasse. the previous fall, Argumenty i Fakty editor Aleksey Surkov, who was inclined to be conciliatory, expressed impatience with this reticence and told a Japanese newspaper that "no progress will be made' until Japan gave the USSR 'a clear-cut guarantee about what it plans to give the Soviet Union in return for the four islands."29

Finally, Ozawa had even managed to win support for a "new, more flexible Japanese position on transfer of the disputed territories".30

namely that all four islands did not have to be returned simultaneously, that it would suffice to return Habomais and Shikotan initially and to defer the return of Etorofu and Kunashiri for a long time, provided that

28 Gelman, Russo-Japanese Relations, 22, fn. 28.
29 Ibid., 22, fn. 29.
30 Ibid., 23.
Gorbachev was willing to adopt some formula at the outset acknowledging Japanese sovereignty in principle over the islands.\textsuperscript{31} In other words, Ozawa had convinced the Japanese to break away from their rigid position, and finally accept a \textit{phased} return of the islands, for which it would compensate the Soviet Union.

It is most likely that Ozawa was confident that the Japanese government would support this proposal. As Hasegawa points out:

\textit{There was no secret that Ozawa, who represented the Takeshita faction in the LDP, was more powerful than Prime Minister Kaifu himself. The fact that this powerful figure had visited Moscow just two weeks prior to Gorbachev's visit to Tokyo indicated that (1) no detailed arrangements necessary for the summit had been made, (2) nevertheless, the Japanese government desired a positive outcome from the summit, and (3) Ozawa wanted to gain assurances that would satisfy minimal conditions for such a successful outcome.}\textsuperscript{32}

All this political maneuvering on Ozawa's part had been carried out in the belief that it would serve to secure Gorbachev's agreement. Shortly after his return to Tokyo, Ozawa resigned as general secretary of the LDP. It was generally assumed that he resigned because the candidate he had been backing for election as mayor of Tokyo lost the race. Saplin told Grigoriev, however, that the real reason Ozawa resigned was because he had lost face by promising to return from Moscow with a finalized agreement with Gorbachev, and failing.\textsuperscript{33}

\textbf{Expectations Revised}

In the wake of Ozawa's resignation, the Japanese revised their expectations surrounding the summit. The most decisive role in formulating Japan's policy toward the

\textsuperscript{31} Moreover, "Ozawa evidently secured the backing of the Japanese elite consensus for this position in the course of putting together support for his economic package. During the week before Ozawa left for Moscow, the new doctrine was publicly endorsed first by [the] chairman of the Federation of Economic Organizations (Keidanren), and then by Ozawa himself. A 'Foreign Ministry source' then confirmed the shift, although not for personal attribution," ibid., 23, fn.31.

\textsuperscript{32} Ibid., 64.

\textsuperscript{33} Interview with Grigoriev.
summit was played now by the Gaimusho, especially Hisashi Owada (councilor), Nagao Hyodo (chief of the European-Asian division), and Kazuhiko Togo (chief of the Soviet section). Between the beginning of April and the summit, they met almost daily with Kaifu. According to Hasegawa, who based his assessment on a report by diplomatic correspondent Tadashi Yagi, the MFA anticipated five possible scenarios:

1) Gorbachev would recognize the existence of the territorial problem; 2) he would go as far as to respect the spirit of the 1956 Joint Declaration; 3) he would reaffirm the 1956 Joint Declaration and agree to negotiate on the sovereignty of the other two islands; 4) reaffirming the 1956 Joint Declaration, he would promise to return the two islands; or 5) he would recognize the Japanese sovereignty over the four islands and agree to negotiate the terms of returning them. Hyodo judged that the third or fourth scenario would be the most likely and advised Kaifu that the most important task for him would be to place the reaffirmation of the 1956 Joint Declaration and the question of the sovereignty over the four islands on the negotiating table. On this judgment, he had already testified at the Budget Committee at the Upper House: "We are of the opinion that the Soviet Union has recognized the joint declaration as the starting point of the negotiations." 

Hasegawa concludes that Japan now had a revised assessment of the criterion for success at the summit, namely Gorbachev's recognition of the 1956 Joint Declaration. It is not surprising that Japan came up with this conclusion. As far back as July 1988, when he met with Nakasone, Gorbachev had tested the waters concerning Japanese willingness to accept the 1956 offer:

In his talks with Nakasone, Gorbachev indeed made apparent both his interest in testing Japan's willingness to accept a two-island settlement and his reluctance to commit the Soviet Union to such a solution in the absence of good reason to believe that Japan would settle on this basis. Gorbachev is reported to have reminded Nakasone of Khrushchev's 1956 conditional offer to return the Habomais and Shikotan. Although Gorbachev did not offer to revive Khrushchev's proposal, his readiness to discuss this precedent with Nakasone was interpreted in Japan as new


35 Ibid., 65.

36 Ibid.
evidence "that he [Gorbachev] is trying to shake Japan's firm position that all four islands must be restored to the nation."37

Subsequently in October 1988, Primakov suggested that "some sort of positive situation may be created... [if]... Japan admits that it was not right to have rejected the terms of the [1956] Japan-USSR joint declaration."38 Later, in September 1990, as a member of the Presidential Council, Primakov "was said to have 'suggested' to a group of visiting Japanese legislators that the Soviet Union was prepared to fulfill the 1956 commitment."39 In late September 1990, a visiting LDP delegation in Moscow was said to have been handed an unofficial draft of a proposed agreement along the lines of the 1956 declaration. It was only when "Japanese political circles" rejected the solution because there was no commitment of sovereignty over the other two islands that the Soviet Foreign Ministry officially "denied having had anything to do with such a document."40

Approval of International Committee of USSR Supreme Soviet

According to Aleksandr Panov, another meeting to discuss the Presidential visit was called by Gorbachev on 27 March. At this meeting, the second plan of the MFA described in the Saplin document was approved as a basis for negotiation for the peace treaty in Tokyo. In his book, Panov concludes that this choice was based on the following assumptions: first, it was not appropriate to start a concrete negotiation for altering the border between the USSR and Japan because "the problem of the territorial dispute would make the domestic confrontation conspicuous, and there would be a possibility of causing a chain reaction of a territorial demand from other nations."41

38 Ibid.
39 Ibid., 16.
40 Ibid., fn. 23.
41 Aleksandr Panov, Beyond Distrust to Trust: Inside the Northern Territories Talks with Japan, translation from the Japanese provided to the author by Futoshi Ogo (Tokyo: Simul, 1992).
Secondly, "the overwhelming trend of public opinion" opposed the return of any territory to Japan. The representatives of the RSFSR approved this decision the following day.

According to Panov, recognition of the territorial dispute and identification of the specific islands involved was the new position that Gorbachev was expected to take to Tokyo. Foreign Minister Bessmertnykh reported the fundamental policy of the Presidential visit to Japan in detail at the meeting of the International Committee of the Supreme Soviet on March 27. The Committee discussed the policy and approved the MFA proposal on the day before Gorbachev's departure. The decision of this committee was important, according to Panov, because it approved against any attack the approach to peace treaty included in the second MFA plan.

Nevertheless, Grigoriev and others argue that Gorbachev still believed that he could achieve something more dramatic with the Japanese. Although he could no longer think of pledging a transfer of the islands, he still had hopes that he would be able to rely on his charm and ingenuity to come up with some way to accomplish his goal of obtaining Japanese aid. They argue that Gorbachev waited until the last possible minute to make up his mind.42

The Summit: The Cherry Blossoms Wilt

The long-awaited summit between Gorbachev and Kaifu took place in Tokyo from April 14 to 19, during Japan's cherry blossom season. The outcome was a disappointment for any who still hoped for a breakthrough on this intransigent issue. After a description of the summit, focusing mainly on the territorial aspects, an analysis of what precluded a more radical solution will be offered.

Of the four days of talks, at least three of them were focused on the territorial issue. The Japanese side repeated the familiar historical and legal arguments, while

42 Interviews with Sergei Gorbachev and Konstantin Sarkisov.
Gorbachev refused to put any proposal on the table. Since there was no agreement after the third session, the two sides agreed to hold an unscheduled fourth session on the morning of April 18. Finally there was some narrowing of the gap. Kaifu proposed that the joint statement should refer specifically to the four islands. Gorbachev agreed and further proposed reduction of Soviet troops stationed on the islands, joint economic activities on the islands, and Japanese residents' nonvisa access to the islands. Kaifu withdrew his insistence that Moscow recognize the sovereignty issue. After failure to agree on the most difficult point—how to treat the 1956 Joint Declaration—the two sides agreed to hold an additional unscheduled fifth session. After Kaifu insisted on including a reference to the Joint Declaration, Gorbachev agreed to the following statement:

The Prime Minister and the President . . . expressed the firm will to continue the constructive and energetic work [for a peace treaty], making use of all positive factors that have been accumulated through bilateral negotiations over the years since 1956, when Japan and the USSR jointly declared the end of the war and the restoration of diplomatic relations.43

The vagueness of this statement allowed both sides to draw their own interpretations:

It did not specifically refer to the 1956 Joint Declaration and the return of the two islands, and thus Gorbachev could claim that he did not make any territorial concessions. The Japanese government, on the other hand, could interpret this as Gorbachev's tacit approval of the 1956 Joint Declaration, therefore unquestionably including the return of the two islands.44

In fact, both sides did draw their own interpretations:

At the press conference held at the prime minister's official residence, Kaifu stated that there was no question that all aspects of the 1956 Joint Declaration, including the return of Habomais and Shikotan, were reaffirmed by the joint statement.45

Gorbachev, on the other hand, stated:

As for the reason why we did not refer specifically to the 1956 Joint Declaration, it was because while making use of the parts that have been

43 Hasegawa, "Gorbachev-Kaifu Summit," 70.
44 Ibid.
established as historical facts and become effective in international law, we decided not to restore what has not been realized, and for which history has prepared a different path. I believe we can move forward by taking into account only the positive contributions made in 1956.46

Back in Moscow, Gorbachev confirmed in his report to the Supreme Soviet that he had refused to include a reference to the 1956 Joint Declaration, and thus had rejected Japan's demand for the return of two islands. The official Japanese statement, on the other hand, stated that "the 1956 Joint Declaration, which specified the return of Habomais and Shikotan, was unquestionably reaffirmed in the joint statement, even though it was only referred to indirectly."47

Three other areas were also discussed. Gorbachev made impassioned, but unsuccessful, pleas for private investment, but his speech consisted of an assemblage of various proposals, with no serious analysis behind them. Concerning Asian security, Gorbachev did not make any substantial new proposals for the creation of a security framework in the Asia-Pacific region. He did suggest holding a five-power conference among the Soviet Union, the United States, Japan, China, and India, but Japan rejected it as unrealistic. And finally, Gorbachev addressed the issue of the Soviet internment of Japanese POWs. The Japanese were hoping Gorbachev would admit that the internment of Japanese POWs had been a mistake committed by the Soviet government. But Gorbachev disappointed them by only expressing "sympathy with the families of those prisoners of war who had died in a foreign land," and not apologizing for the internment.48

In addition, fifteen agreements and memoranda were signed, covering such noncontroversial areas as agreements on trade payments, protecting the environment, protection of cultural treasures, and the like.

46 Ibid., fn. 47.
47 Ibid., fn. 49.
48 Ibid.

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Evaluating the summit for its handling of the territorial issue, it can only be judged a failure. It did not achieve what had been achieved in 1956. The only movement on the issue was the fact that for the first time a joint statement referred to the four islands by name as the subject of further negotiations.

In a press conference held after the talks, Gorbachev said:

Three days of work and intensive, frank—and I want to stress this—generally well-disposed dialogue are behind us. Problems of bilateral relations and a peace treaty probably took up about 80% of all the negotiating time. We didn't sidestep any rough spots in our discussion or hide behind evasive phrases.49

Political Environment

It was the breakdown of the "propitious" Soviet political environment that precluded any significant breakthrough on the territorial issue. By the time Gorbachev went to Tokyo in April 1991, his political strength was at the lowest point since he took office in 1986. He believed, probably correctly, that any suggestion of giving away Soviet territory would be used by his political opponents as grounds for his removal from office. Those political opponents were at the two ends of the political spectrum: on the right, the military and civilian reactionaries, including the military-industrial complex, the KGB, and the Party hard-liners; and on the left, the new democrats.

Attack from the Right

The conservative forces had been the first to form a coalition, back in the fall of 1990. Their grievances against Gorbachev were many, foremost among them being: the almost complete loss of power of the Communist Party and subsequently of their own status and perquisites, the substantially unilateral dismantling of the Soviet military, the growing economic crisis, the loss of Eastern Europe, the collapse of the Warsaw Pact, a united Germany in NATO, and the growing separatist sentiments in the Soviet republics.

49 Izvestiia, 20 April 1991.
The first bold sign of Gorbachev's capitulation to these conservatives had been his decision to reject the Shatalin Plan in November. In the process, he betrayed his two most important allies in reform, Shevardnadze and Yakovlev, both of whom had been so important for the crafting of a new Japan policy, and both of whom resigned in December. The second sign of his growing dependence on the reactionaries was the decision to use force in Vilnius, Lithuania, on 13 January 1991, against a peaceful demonstration. The brutal killing of ten unarmed civilians was an astonishing act of Stalinism. Where these reactionaries stood on the question of the Kuriles had been blatantly revealed in the one-page letter to Gorbachev in March, signed by Kruychkov and Yazov, outlining all the reasons he must not give any territory back to Japan.

**Attack from the Left**

As severe as the attack from the conservatives had been, Gorbachev had weathered it by compromising and giving in to their demands. On the left, the liberal and reformist groups were outraged that Gorbachev had betrayed the Shatalin Plan, which they considered to be the only hope for the Soviet economy. Moreover, they saw through Gorbachev's attempt to hide behind a veil of ignorance and dodge responsibility for the bloodshed in Lithuania. Disgusted with Gorbachev's indecisiveness, weakness, and capitulation to the reactionaries, these democrats embraced Yeltsin as the new hero, the new promise for a democratic Russia.

Yeltsin had reemerged in political life fully recovered from his humiliation by Gorbachev at the Party plenum in 1987. He had campaigned for, and been elected, People's Deputy, then President of the Supreme Soviet of the RSFSR, and finally the only person in Russian history to ever stand for popular election, an achievement that stood in stark contrast to Gorbachev's failure to do the same.

Yeltsin was increasingly feeling the strength of his popularity and legitimacy, and was determined to block any initiative on Gorbachev's part that would help Gorbachev
politically. Yeltsin challenged the legal authority of Moscow to transfer sovereignty of the islands, and stated on several occasions that any agreement negotiated by Gorbachev would not be acceptable without the participation of the Russian republic government. For that reason, Gorbachev had invited Russian Foreign Minister Andrei Kozyrev and four other Russian republic officials to accompany him to Tokyo. In January 1990 Yeltsin went to Japan and made the five-stage proposal concerning the islands. In August 1990, he visited Kunashir, listened to the opposition of its residents, and then loudly opposed the return himself.

Having discovered that Gorbachev was close to making a deal with Ozawa over the Kurile Islands, Yeltsin was concerned that an infusion of Japanese aid would provide the safety net that Gorbachev needed. He thus enflamed Russian nationalist sentiments with statements exposing Gorbachev's intention to "sell Russian territory." He even went on television calling for Gorbachev's resignation.

Some have suspected a direct link between Yeltsin and Anton Tarasov, a People's Deputy of the Russian Congress, who published an inflammatory article in Sovetskaia Rossiia in 1991, claiming Gorbachev was about to sell the Kurile Islands for $200 billion. Tarasov was an "entrepreneur," who had a series of shady business operations. He began making money by taxing foreigners arriving at Sheremetevo Airport through border guards. By 1990, he was working for Yeltsin, had a successful grain harvesting operation that allowed him to sell grain abroad in exchange for Western consumer goods. Despite a government monopoly on foreign trade, Tarasov was actually allowed to sell oil to the West. In 1991, he and his deputy disappeared.

Relations between Gorbachev and Yeltsin had taken a sharp turn for the worse at the end of December 1990, after Gorbachev's turn to the right. Their relationship

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50 Interview with Grigoriev.

51 Ibid.
remained tense until the end of April 1991. The situation was further inflamed by those conservatives who were now close to Gorbachev. According to Aleksandr Panov, these people who sought to exacerbate a confrontational situation between the two, were the later leaders of August coup. Because of their manipulation, none of the representatives of RSFSR had been invited to the meeting of the Yanaev Committee in January. Gorbachev had corrected this slight by inviting Kozyrev and others to the summit.

Of all the factors constraining Gorbachev, most people who were close to the scene assert with confidence that Yeltsin was the most important one. By April 1991, with the threat of the dissolution of the Soviet system and Soviet empire growing every day, Gorbachev was barely holding on to his own power. The one person who could claim popular legitimacy was clamoring to usurp what remained of Gorbachev's power. Any territorial concession on Gorbachev's part in April 1991 would surely have been the excuse Yeltsin was looking for.

Back to the Future

In April 1991, the state of the territorial issue between Moscow and Tokyo remained virtually unchanged, save for the fact that it had now been officially acknowledged by Moscow. Once again, Japan slipped off of Gorbachev's agenda, as the last Soviet leader turned his attention to the more pressing matters, such as the question of the preservation of the union itself.

Gorbachev and his closest advisers had "learned" to look at Japan in a new way. He had encountered a sufficiently compelling reason to reverse the long-standing policy prohibiting ceding any Soviet territory. What he had lost was the political environment able to support and implement that policy reversal. In the process of dismantling a totalitarian system and establishing a more democratic one, Gorbachev no longer had in place a system he could control. Instead he had an angry population, which allowed him

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52 Panov, Beyond Distrust to Trust.
little room to maneuver. The opportunity to resolve the issue that continued to irritate Soviet-Japanese relations like a "bone in the throat" had slipped from his hands, and Gorbachev's goal of forging a dynamically new and positive relationship between the two countries found itself shipwrecked "on the rocks."

53 Konstantin Sarkisov's description of the territorial issue; interview with Sarkisov.
CONCLUSION

In the more than six years from 1985 through 1991 that Soviet foreign policy was shaped by Mikhail Gorbachev, radical policy shifts were made toward the United States, Western Europe, the Warsaw Pact states, China, and the communist countries in the developing world. Yet no comparable shift resulted in Soviet-Japanese relations, especially with respect to the bilateral dispute over the Kurile Islands. This study has sought to explain why no material progress was made between Moscow and Tokyo, why this seemingly important policy dog "did not bark."1 Were opportunities missed that could have been seized upon? Were the barriers to progress ideological, political economic, strategic, or a combination of these factors? Answers to these questions were sought in order to fill a neglected aspect of our understanding of the Gorbachev era and in order to suggest perhaps how this last major unresolved dispute resulting from World War II could have been settled.

It was emphasized at the outset that this inquiry was constrained by certain limitations, especially by the absence of a fully candid memoir by Gorbachev and the unavailability of many government documents that could help us reconstruct Moscow's policy development on this issue. Nonetheless the author did have access to a variety of primary sources, including official statements and articles published in the press; personal interviews with top level advisers to Gorbachev, as well as senior Soviet Japan specialists; and critical documents drafted by Gorbachev's advisers on the eve of his 1991 Tokyo summit.

In order to optimize the explanatory power of the analysis of events, several methodological approaches were applied: realism, neo-realism, and ideological

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1 This popular phrase grew out of Arthur Conan Doyle's Sherlock Holmes short story, "Silver Blaze," in which the telling clue is the dog that "did nothing in the night-time."
perspectives; organizational and bureaucratic explanations; and learning and related
concepts from cybernetics. It is clear from this analysis that Gorbachev never considered
Japan a high priority policy nor did he have a very clear understanding of the potential
benefit to be derived from improved Soviet-Japanese relations until very late in his
tenure. It was only when the country was in the midst of an economic crisis and close
advisers used the argument that improved Soviet-Japanese relations were needed to jump-
start the economy that he finally turned his attention to Japan in a more than superficial
manner.

A detailed account was provided, drawing upon secondary sources, of the
evolution of the Kurile Islands issue in Russia and subsequent Soviet relations with Japan
in order to highlight Gorbachev's geopolitical "inheritance" on this issue. The historical
analysis revealed that Gorbachev inherited a set of Soviet perspectives on the Kurile
Islands that would have made it difficult for any national leader to reverse:

1. Deep animosity in Moscow toward Japan stemming especially from the defeat of Russia in the Russo-Japanese War of 1904-05.

2. Diometrically opposed diplomatic positions in the two capitals on the historical basis for the control of the territories emanating from fundamentally different interpretations of the Treaty of St. Petersburg of 1875, the Cairo Summit of 1943, the Yalta and Potsdam agreements of 1945, and the San Francisco Treaty of 1951.

3. A legacy of inflexibility by Moscow toward the issue sustained by Stalin, Khrushchev, and Brezhnev.

4. Periodic Soviet flirtations with a "two-plus-two" formula that would return Shikotan and the Habomais to Japan and leave the disposition of Kunashir and Iturup to a later date.

5. Consistent opposition by the Soviet military leadership to returning the islands because of the dangerous precedent a return of the disputed territory would set (where would it end?) and because of the strategic significance of the Sea of Okhotsk, most recently in the missile age as a safe base where Soviet ballistic missile submarines could cruise with minimal risk from American attack.

6. Modest but growing Soviet-Japanese economic relations from the late 1960s through the early 1980s that, for some, held the promise of enhancement of Siberian economic development.
7. A European-centric Soviet foreign policy that only focused on Japan as an occasional tactical move to reduce U.S. and Chinese influence in Northeast Asia.

8. The consistent absence of Japanese specialists in positions of leadership in the Soviet decision-making hierarchy.

No other foreign policy relationship managed by Moscow had such a potent combination of historical, territorial, strategic and domestic impediments.

The application of several families of methodological approaches to Soviet foreign policy decision-making during the Gorbachev period revealed that three conditions had to be satisfied in order for Gorbachev to embrace and implement successfully a radically new policy initiative concerning the Kurile Islands: first, "learning," or the absorption of ideas that would produce a different conceptual paradigm about Japan; second, a "propitious political environment" in which both domestic and international political spheres would be conducive to the adoption and implementation of a major policy shift; and third, a "policy imperative," sufficiently compelling to justify an initiative completely contrary to traditionally perceived Soviet and Russian interests. Without a convergence of these factors, no radical change in Soviet policy toward the Kuriles was sustainable.

An analysis of Gorbachev's intrinsic approach to decision making revealed an exceptionally bright and highly educated individual—unprecedented among Soviet leaders since Lenin—who actually undertook and implemented "revolutionary" policies in both the domestic and foreign arenas to support reform of the Soviet system. When faced with revolutionary change, however, Gorbachev tended to side with the more conservative elements in the decision-making process.

From his university days Gorbachev exhibited two tendencies: attraction to probing intellectual discussions with intelligent, open-minded classmates, some of whom later became his assistants (e.g., Aganbegyan, Lukianov, Velikhov, Kamshalov, Adamishin), while simultaneously maintaining a staunch defense of the basic tenets of
the communist system. As he rose swiftly through the Party ranks, Gorbachev was increasingly exposed to individuals, many from the intelligentsia, who were worried and angry about the political and economic state of the country. Gorbachev, a protégé of the reform-minded Andropov, had a critical meeting with Alexander Yakovlev in 1983 in Ottawa, in which Gorbachev revealed his conviction that the then current Soviet leadership was not capable of dealing with the nation's most pressing problems. As Bialer noted, Gorbachev's "sources of learning" were the domestic performance of the Soviet system under Brezhnev, the new and necessary conditions for Soviet growth, and the changed nature of Soviet society and conditions for its stability. By the time Gorbachev had an opportunity to truly assess the gravity of the situation, which he did not fully appreciate for another year after he had taken power in March 1985, he came to the conclusion, as Adomeit has noted, that "each and every one of the major cognitive and predictive elements of Marxist-Leninist ideology was erroneous." Gorbachev came to acknowledge that pervasive pessimism and feelings of hopelessness permeated all layers of society. He spoke openly in a Central Committee Plenum in February 1988 that Soviet national income, with the exception of industries related to alcohol, had not increased in real terms in twenty years! Moreover he described a system of "stratification that rewarded power and was indifferent to performance," resulting in a lazy, unmotivated, unproductive work force. Gorbachev concluded that the Soviet system was "rooted in corruption and unfulfilled promises," producing an enormous welfare state that was incapable of providing modern social services.

Internationally, Gorbachev appreciated the scientific, technological and information revolution that had been taking place in the capitalist world since the early 1970s. This revolution, he realized, produced sophisticated communications and information networks, a massive increase in industrial and public services, qualitative improvements in consumer goods, a dynamic global economy, and qualitative changes in the technology of modern warfare. A profound conclusion of Gorbachev's analysis was
that the Soviet Union would not be able to compete with the new generation of weapons being developed in the West without massive capital investment and complete industrial restructuring. Gorbachev consequently implemented a series of policies—perestroika, glasnost and demokratizatsiia on the domestic level, and novoe politicheskoе myshlenie on the international level—through a process of trial and error, processing of new information, and coalition building that resulted in his progressing from "adaptive" to "learning" behavior.

Yakovlev, who became one of Gorbachev's top lieutenants irrespective of his official position, was consistently "out front" of the general secretary, seeking to radicalize the Party structure and convince Gorbachev of the need to reform the entire political system. A corollary of this bold thinking in the foreign policy sphere was to accomplish the massive shift of resources from the defense to the civilian sector through arms control and disarmament agreements that would reduce domestic demand for new weapons and improve East-West relations.

With respect to the Asia-Pacific region, Gorbachev stressed from 1985 through 1987 the need for development of Siberia and the Soviet Far East as an important element in his strategy of economic perestroika and a concomitant reduction in the dangers of war. In a speech in Vladivostok in 1986 he noted that Japan was an important country economically. He sought to separate Japan from its strategic partnership with the United States by improving Soviet-Japanese relations, especially economic relations. Once Yakovlev and Shevardnadze were in top positions of leadership, Gorbachev had two aides who could push effectively for improvement in Soviet-Japanese relations.

Yakovlev in particular was important in shaping the new Soviet orientation toward Japan. He had developed a sophisticated understanding of the capitalist world based in part on his academic studies, a one-year sabbatical at Columbia University, and ten years service as Soviet Ambassador to Canada. Yakovlev sought to reform fundamentally the Soviet system of government. He saw the promotion of multipolarity--
improving Soviet relations with other countries, and with Japan and Germany in particular—as a means of improving the Soviet Union's global position and of reducing the U.S. leverage on Soviet behavior. Improved relations with Japan would lead to badly needed economic benefits as well. In sum, Yakovlev's recognition of the importance of improving relations with Japan represented a flat rejection of Gromyko's world view and condescending attitude toward Japan.

Shevardnaze shared Yakovlev's views because he was also desirous of fundamental change in Soviet foreign policy. He reorganized the structure of the Ministry of Foreign Affairs to make it more efficient and eliminate its anachronistic geographic divisions and made sweeping ambassadorial changes, replacing older, conservative officials with younger, more knowledgeable specialists. Shevardnadze created the Arms Control and Disarmament Directorate and the Scientific Coordination Center (Nauchno-konsul'tativniy otdel) to facilitate greater collaboration with the academic institutes of the Academy of Sciences. The SCC, headed by Shustov and Kalugin, promoted permanent contacts between MFA departments and academic specialists in order to challenge institutional biases and forge more creative solutions. Gorbachev's forward leaning Japan policy was further facilitated by the appointment of key foreign policy aides—especially Anatolii Chemyaev and Georgii Shakhnazarov. Chernyaev in particular acted as an honest broker seeking to integrate policy positions across agencies in order to generate the most progressive policy formulation.

Research institutes had subtle and complex influences on policy, but there is little doubt that over time Gorbachev's cultivation of academic specialists generated a far more pluralistic policy debate than Moscow had seen since Lenin. Institutes exercised influence through three channels: articles, published in prestigious journals; policy-relevant and classified reports sent directly to the Central Committee; and personal ties of institute scholars with top policy makers and their staff. IMEMO, in particular, formerly
headed by Yakovlev, emerged as the academic institute with the most influence over Japan policy, under the leadership of its new director, Yevgeni Primakov.

Primakov, a graduate of the prestigious Institute of Oriental Studies and an expert Arabist (though born to a Jewish family), had worked for the State Committee on Broadcasting and Television, then transferred to Pravda, before becoming deputy director of IMEMO in 1970, and later became director of the Institute of Oriental Studies. He accompanied Gorbachev to the Reykjavik summit with President Reagan in 1986. He was Yakovlev’s personal choice to succeed him as director of IMEMO in 1987. Primakov staked out a role as adviser on the Asia-Pacific region in general and Japan in particular; he recruited Kunadze, a brilliant and ambitious Japan scholar, to head the Institute’s Japan section, and he appointed Zaitsev, who later became Minister of Foreign Economic Relations, to head the section on economic relations in the Pacific.

It was also fortuitous that by the late 1980s Japan was headed by Prime Minister Nakasone, a far-sighted politician eager to resume high-level communications with Moscow. Through the end of the decade, the net effect of all these changes was at least an atmospheric improvement in Soviet-Japanese relations, symbolized in joint communiqués issued after two meetings at the ministerial level.

By the end of the decade Gorbachev had made some important first steps toward improving relations with Japan but had not succeeded in much substantively. He failed to draw Japan concretely into a regional security system or to weaken Japan’s security relationship with the United States. He spoke eloquently about peaceful coexistence and the inadmissibility of military means for solving practical problems in the nuclear age and of the importance of a multidimensional approach to relations with other social systems. He failed, however, to understand that his policies were inappropriate to meet Japan’s needs and was not able to jump-start bilateral economic relations as he had hoped.

The policy imperative was still missing in this period. Gorbachev, who had "learned" much in a short period, failed to understand the importance of tackling the
territorial issue to realize a qualitative change in Soviet-Japanese relations. By 1990
Gorbachev had come a long way on Japan, but still had much further to go. He was, after
all, a product of a system that despised Japan, accorded it marginal value, and paid it
scant policy attention. Even after overcoming these perspectives, his general lack of
knowledge led him to the unrealistic conclusion that normalizing relations with Japan
was a relatively simple matter. By changing Moscow's diplomatic style and offering
economic and security initiatives which could benefit Tokyo as well as Moscow,
Gorbachev expected Japan to be a willing partner.

Concerning the Kurile Islands specifically, Gorbachev paid lip service to the issue
and had little comprehension of the impact of the "territorial question" on the Japanese
leadership's willingness and ability to improve relations. He did not appreciate that there
were only two possible options for any Japanese government: to insist on the return of the
Northern Territories as a precondition to more friendly relations (the "iriguchi ron" or
"entrance approach"), or to expect that improved relations would produce a return of the
islands (the "deguchi ron" or "exit approach"). Japanese domestic political conditions
were such that Tokyo remained throughout the late 1980s wedded to the more hard-line
"entrance approach." Even Nakasone, who sought to solve "the last pending problem of
postwar Japanese diplomacy could ultimately do little more than maintain that the two
countries could have friendly relations in other areas while insisting that no improvement
in Soviet-Japanese relations was possible unless the Northern Territories were returned.

On balance, then, despite new thinking in Moscow and an acceptance of the role
that Japan could play in Soviet development, old biases ran deep. Moreover, no one in
the Soviet foreign policy establishment was pushing Gorbachev hard to address the
territorial issue, and the pendulum of debate about Japan among specialists was only
beginning to shift to a more positive point of view. Even Yakovlev did not advocate the
return of the Kuriles. Primakov, ever the cautious pragmatist, only advocated this policy
after it seemed at least possible that Gorbachev would adopt it.

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It was a sporadic and non-linear process that eventually placed the territorial issue on the Soviet agenda in 1990. A constellation of changes in both Soviet and Japanese policy-making environments created the opportunity for negotiations on a possible resolution. Reforms of the structure of the decision-making process temporarily marginalized those institutions which balked at the idea of a territorial compromise and instead gave prominence to voices which had believed in the necessity of coming to some kind of arrangement with Japan. Conversely, changing attitudes toward the Soviet Union in Japan, as well as a series of top-level political crises, made room for several ambitious and more flexible politicians, eager to help shape a post-Cold War era and to play a critical role in negotiations.

Soviet-Japanese discussions of the territorial issue took place in three distinct but intersecting spheres of Soviet policy making: in the official diplomatic arena; in an ever-broadening circle of non-official or semi-official political observers, academic specialists, and journalists; and in an officially sanctioned back channel, initiated by certain leaders of factions of Japan's Liberal Democratic Party.

Shevardnadze made three important trips to Japan, his third and final one being in September 1990 to prepare for Gorbachev's visit. Because of the enormous constraints facing Gorbachev at this time, Shevardnadze was careful not to build unrealistic expectations. He called for the building of a new Soviet-Japanese relationship over the next decade, rather than in the space of a single year. He also noted that the territorial issue could not be solved without an extensive preparation of public opinion. As the date for Gorbachev's visit drew closer, Moscow informally began to float a number of compromise plans through academic experts and Party advisers. These included the demilitarization of the islands, the creation of an ecological cooperative zone, and returning to the 1956 two-island formula.
Of critical importance was the ascendancy of Yeltsin in 1990 as chairman of the RSFSR Supreme Soviet. He made a ten-day visit to Japan in January and offered his own five-phase solution:

1. Official recognition of the territorial dispute and the reshaping of public opinion (2-3 years).
2. Demilitarization of the islands (5-7 years).
3. Declaration of the islands as a free enterprise zone for Japan (3-5 years).
4. Signing of a peace treaty with Japan.

These four stages would take 15-20 years. Yeltsin concluded that the "final solution" of the dispute would be left to future generations. It is worth noting that, at this writing, Yeltsin has been in power for more than five years since the collapse of the Soviet Union and Gorbachev's departure from power, and significant progress has yet to be made on the territorial dispute.

Later in 1990 the RSFSR declared its sovereignty over the disputed islands and in October RSFSR Foreign Minister Andrei Kozyrev stated that the Russian Federation should be involved in any negotiations with Japan concerning the disputed territory.

The back channel efforts of Arkady Volsky, working with his Japanese counterpart Ichiro Ozawa, general secretary of the LDP, was the last significant effort to shape an agreement prior to Gorbachev's visit. The two reached an agreement involving the exchange of the islands for more than $20 billion in aid and investment. But by this time Yakovlev and Shevardnadze had departed from Gorbachev's inner circle, and domestic political support for Gorbachev was crumbling. The military, the KGB, and the Russian population in the Soviet Far East opposed any territorial cession. Yeltsin and his colleagues sought to deny any victory to Gorbachev. The collapse of the Eastern European communist states and the failure of the economy to respond were altogether building enormous opposition to Gorbachev personally. And when Lithuania attempted
to remove itself from the Soviet Union in 1991, Gorbachev, in an act of self-preservation, felt compelled to use force to squelch the rebellion.

Although Gorbachev's adviser Chernyaev carefully crafted an options paper for the Gorbachev trip that considered compromise solutions including the return in stages of all four islands, Gorbachev no longer had the political support at home to carry out such a bold policy initiative. The irony was that Gorbachev had indeed adopted "learning behavior" and had destroyed the decision-making system that precluded such an initiative. But he failed to replace this system with anything but ad hoc arrangements, built on a fragile web of forward thinking government and non-governmental specialists. Just as the domestic economic conditions were such that a "policy imperative" had truly materialized for a territorial deal that would produce an infusion of Japanese economic assistance into the Soviet Far East, the overall domestic political support Gorbachev needed to sustain such an initiative crumbled before him. The dog was about to bark, but it was strangled by opposition at home before it could open its mouth.

In Tokyo, in April 1991, Gorbachev could do little more than reach some modest commercial and scientific agreements and point toward an eventual period of improved relations. The opportunity for a substantial territorial compromise had passed. Within a few months, Gorbachev was completing the drafting of a new union treaty, one of the "final straws" that led to the failed coup attempt against him in August. By the end of the year, Yeltsin, using constitutional means that Gorbachev had himself permitted to be created, outmaneuvered the Soviet President. By the end of 1991, to the amazement of the entire world, the Soviet Union was no more and Gorbachev was without an office.
APPENDIX: LIST OF INTERVIEWS

This list includes officials, academic specialists, and journalists who were involved in, or knowledgeable about, Soviet-Japanese negotiations in 1985-1991. Unless otherwise stated, the brief biographical information pertains to their position during the Gorbachev period.

   Correspondent and political analyst, Izvestia.

   Specialist on arms control and foreign policy; 1987, head, Arms Control and Disarmament Section, IMEMO; member of advisory group on arms control, Soviet Foreign Ministry.

   Specialist on Asia-Pacific region; consultant to Central Committee International Department; 1991, professor, Diplomatic Academy, USSR Ministry of Foreign Affairs; currently, deputy director, Diplomatic Academy.

   1976, deputy head, International Department, CPSU Central Committee; 1986-91, candidate member, CPSU Central Committee; currently Director for Pacific and Asian Studies, Foreign Relations Association, Gorbachev International Foundation.

   Research fellow and Asian specialist, IMEMO; currently Scientific Editor, MEiMO.

   1988-90, official in American section of the International Department, CPSU Central Committee; 1990-91, deputy press spokesman for Gorbachev.

   Head of Department of Pacific Studies, IMEMO.

   1996, consul general, Embassy of Japan, Boston.

Expert on Soviet foreign policy and Soviet-Japanese relations; professor and director of Slavic Research Center, Hokkaido University; currently professor, International Research Center for Japanese Studies, Kyoto, and first vice president, International Council for Central and East European Studies.

Japanese diplomat; 1989, Director, Policy Planning Division, Research and Planning Bureau, MFA; 1989-91, Executive Assistant to Foreign Minister; 1991-93, Director, Russian Division, European and Oceanic Affairs Bureau, MFA; currently, Deputy Chief of Mission, Japanese Embassy, USSR.

Senior Research Fellow, IMEMO.

12. Kotsuba, Sergei. Moscow,
Scientific Editor for Problems of the Asia-Pacific Region, MiEiMO, Department of Pacific Studies, IMEMO.

Diplomat and Japan expert; 1983-87, attaché for science, USSR Embassy in Japan; 1987-91, head of sector, head of department, IMEMO; 1991, Deputy Minister of Foreign Affairs, RSFSR.

Head of Department, IMEMO.

Diplomat; 1982-88, first secretary, counselor, USSR Embassy in Japan; 1989-91, deputy chief, chief, Department of Pacific Ocean and South-East Asian Countries, USSR Ministry of Foreign Affairs; 1992-, RSFSR Ambassador to Republic of Korea.

Japan scholar; Head, Department of International Problems of the Far East, Institute of Far Eastern Studies.

Special assistant to Soviet Deputy Foreign Minister Igor Rogachev (1987-91); since 1992 counselor, Political Affairs, Russian Embassy in Washington.

Specialist on Japan; Senior Research Fellow, IMEMO.

Physicist; 1987, head of Soviet Space Agency; 1988-90, adviser to Gorbachev on science and disarmament.

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Head of Department of Japanese Studies, Institute of Oriental Studies, USSR Academy of Sciences.

1986-October 1988, first deputy head of the Department for Liaison with Socialist Countries; October 1988, special assistant to Gorbachev for relations with socialist countries; in addition, from fall 1989, special assistant to Gorbachev on Soviet legal issues; 1989-91, member, USSR Supreme Soviet and Congress of People's Deputies; currently director for Global Programs, Gorbachev Foundation, Moscow.

Scholar of Russia and the former Soviet Union; Professor of Political Science, Seikei or Hosei University.

Expert on Asian history; 1958-88, researcher, Institute of Oriental Studies, USSR Academy of Sciences; 1988-present, deputy director, IMEMO, and director, Center of Development Studies, IMEMO.

1986-90, personal aide to USSR Foreign Minister Eduard Shevardnadze.

25. Togo, Takehiro.
Currently Ambassador Extraordinary and Plenipotentiary of Japan, Moscow.

1992, retired military officer and consultant to RSFSR Supreme Soviet.


1987, Research Fellow, Center for Japanese and Pacific Studies, IMEMO; currently head, Center's Section for Japanese Political Studies.
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________. "Nekotorye voprosy, sviazannye s problemoi iaponskikh voennoplennykh: Spravka."

________. "Pered delovymi krugami, 17 aprelia [1991 goda]."

________. "Pered professorami i studentami iaponskikh universitetov, 17 aprelia [1991 goda], 18.30-19.15."

________. "Programma ofitsial'nogo vizita v Iaponiiu prezidenta SSSR M. S. Gorbacheva, 16-19 aprelia 1991 goda."

________. "Skhema podgotovki i provedeniia vizita prezidenta SSSR v Iaponiiu."


________. "Variant plana informatzionnogo obespecheniiia podgotovki i provedeniia vizita M. S. Gorbacheva v Iaponiiu."

________. "Vystuplenie prezidenta SSSR M. S. Gorbacheva v parlamente Iaponii, 17 aprelia 1991 goda."


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