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Abe's Russia Visit: Widening Japan's Options?

By Rupakjyoti Borah

Synopsis

The recent visit of the Japanese Prime Minister Shinzo Abe to Sochi for the Winter Olympics signalled some innovative diplomacy by Japan to reaffirm its position in the global geopolitical stakes. However, Japan-Russia relations continue to be hobbled by a long-festering territorial dispute.

Commentary

JAPAN'S PRIME Minister Shinzo Abe's Sochi visit for the Winter Olympics on 7 February 2014 came against the backdrop of several western leaders not attending the Games. Ever since coming to power, Prime Minister Abe has been expanding Japan's foreign policy options as Japan's ties with its neighbours China and South Korea hit new lows, especially in the aftermath of his visit to the controversial Yasukuni shrine in Tokyo.

While on one hand, Abe's visit was meant to show support for Russia, which has been facing flak for its anti-gay laws and on issues of human rights, he knows too well that Japan would also require Russia's support when it hosts the Tokyo Olympics in 2020. In addition, economic considerations are also at work since Japan, after the Fukushima disaster, has been forced to cut down on nuclear energy generation and has been scouting for alternative energy sources.

Other factors behind Abe's Moscow move

Japan imports natural gas from countries like Australia, Indonesia, Malaysia and Qatar besides Russia, which has huge natural gas reserves which can meet Japan's need. Russia can also help cut down Japan's import bills because of its geographical proximity. Prime Minister Abe came to power in December 2012 on a promise to halt the decline of the staggering Japanese economy. Since then, he has implemented his so-called "Abenomics" and to ensure his continuous hold on power, this means also cutting down on Japan's huge energy bills.

Japan-Russia trade stood at US\$34 billion in 2012 with Japan ranking as Russia's ninth biggest trade partner that year. While major Russian exports to Japan include crude oil and LNG, Russia's leading imports from Japan include automobiles, trucks and auto parts. Tokyo's cumulative investment in the Russian economy stood at US\$11 billion in 2012. With Japanese companies looking at newer markets in the wake of political tensions with China and instability in manufacturing hubs like Thailand, Russia seems like a prime candidate for the Japanese industry. In addition, with the prospects for shipping routes through the Arctic appearing

increasingly bright, both Russia and Japan have much to gain from deepening their economic engagement.

Russia on the other hand wants to draw Japanese investment into its relatively underdeveloped Far East. In addition, it is apprehensive of China's growing clout in the region, especially in the economic sphere. Moscow wants to explore new markets for its huge reserves of natural gas given the fact that Russia's economy depends to a big extent on its natural gas exports. In addition, in the wake of the fast-increasing production of shale gas in the United States, Russia needs to find more and newer markets for its energy exports.

The territorial issue

Although Japan has a territorial dispute with Russia, both President Putin and Prime Minister Abe have agreed not to let it hold hostage the relations between them. Last year, Abe became the first Japanese Prime Minister to pay an official visit to Russia in a decade; since then, relations between Tokyo and Moscow have improved rapidly. Abe will have another opportunity to meet Putin during the G-8 meeting in Sochi in June this year, which President Putin has agreed to reciprocate.

At the heart of the territorial dispute between Russia and Japan lie four islands, referred to by Moscow as the Southern Kurils and by Tokyo as the Northern Territories. While a territorial swap and a peace deal do not seem likely in the immediate future, what is certain is that the Putin-Abe era is the best time to have such a deal. Significantly, Abe flew to Sochi after attending an annual "Northern Territories Day" rally in Tokyo aimed at stepping up the pressure on Moscow to return the islands which Russia had seized in the final days of the World War II.

The visit of the Japanese PM to the Sochi Games shows that Abe is prepared to go the extra mile to secure Japan's key national interests. Alliances are being reworked in the Asia-Pacific in the wake of a rising China and a decline in American influence in the region even as the US is caught in a vortex of domestic and international issues. Whether the growing Putin-Abe relationship translates into a lasting friendship between Moscow and Tokyo is something to watch. What is certain is that it would not hurt either Moscow or Tokyo to have one more ally on the international stage.

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