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Bonnie Glaser
Center for Strategic and International Studies
Washington D.C.

US Interests in Japan's Territorial and Maritime Disputes with China and South Korea

Japan's territorial disputes with South Korea (Takeshima/Dokdo) and China (Senkaku/Diaoyu) have flared in recent years. The roots of both disputes lie in Japan's postwar settlement at the end of World War II and are inextricably linked to efforts by Seoul and Beijing to revise their postwar settlements with Tokyo. Further complicating these disputes is the recent surge in nationalist sentiments over sovereignty claims in all three countries and, in the case of the Senkaku/Diaoyu, an additional factor is the re-emergence of China as a great power that is asserting its maritime interests and resolve to defend its territorial claims. U.S. interests are affected differently in each of these disputes. Friction between Japan and South Korea over history matters, of which the Takeshima/Dokdo dispute is only a part, hampers American efforts to promote security cooperation between its two closest allies in the region. Tensions between China and Japan over the Senkaku/Diaoyu islands threaten peace and stability in Northeast Asia, and in the event of an accident or military clash, could compel US involvement. The US takes no position on the sovereignty question in either of these disputes, but it is not completely neutral as it has abiding interests in how these disputes are managed.

Senkaku/Diaoyu

The five islands that comprise the Senkaku/Diaoyu were annexed by Japan in 1895 and came under US government occupation in 1945 after Japan surrendered at the end of World War II. The islands were returned to Japan under the Okinawa Reversion Treaty in 1972. Beijing denounced the move as "totally illegal" and reiterated that the islands were "an integral part of Chinese territory."

For decades, Beijing and Tokyo were successful in preventing a confrontation over the uninhabited Senkaku/Diaoyu Islands. In September 2010, their ability to manage the dispute was severely tested when a Chinese fishing trawler captain collided with a Japanese coast guard vessel. Japan's decision to arrest the captain provoked Beijing's ire, and prompted China to employ various means to pressure Tokyo to release him. These included curtailment of shipments of rare earth minerals to Japan and the arrest of four Japanese businessmen for allegedly entering Chinese military facilities. US-Japan consultations produced a clear US statement that the disputed islands were

within the scope of the bilateral security treaty.¹ Japan eventually released the captain, but the damage to the Sino-Japanese relationship was not easily repaired.

In September 2012, a more dangerous episode erupted over the disputed islands when Tokyo announced its intention to purchase three of the islands from a private Japanese citizen. The decision was made to prevent Tokyo Governor and ultra nationalist Shintaro Ishihara from realizing his plan to purchase the islands and develop them to reassert Japan's sovereign rights. The Noda administration feared that if Ishihara's plan was not blocked, it would bring unpredictability and instability to the situation in the Senkaku/Diaoyu Islands, greatly agitate China, and potentially derail relations between the two countries. Beijing viewed the decision as a breach of a mutual understanding reached decades earlier to shelve the question of sovereignty and reacted strongly. It is also likely that at least some in China saw Japan's action as presenting an opportunity to challenge the status quo of the islands dispute. China could assert its sovereignty claims and ratchet up tensions over the islands without appearing as the provocateur, since its moves could be framed as a reaction to Japan's planned nationalization.

The Chinese government subsequently declared it would administer actively its sovereign control over the disputed islands. In accordance with this decision, maritime surveillance vessels were dispatched to conduct patrols in the contiguous and territorial waters around the Senkaku/Diaoyu islands, with naval ships positioned at a distance.² U.S. officials messaged publicly that they hoped both sides would act calmly and settle the issue through dialogue. They made a concerted effort to be even-handed by urging both Japan and China to exercise restraint and rely on diplomacy to defuse tensions, and to not deviate from the long-standing U.S. stance that Washington takes no position on the issue of sovereignty over the islands. At times they struggled to find ways to reassure Tokyo that U.S. support for Japan under the security treaty was unquestionable and signal China to not miscalculate, while avoiding agitating Beijing or emboldening Japan to confront China.

Two episodes heightened concerns in the Obama administration about the potential for an accident or even an exchange of fire that could escalate to conflict. The first took place on December 13, 2012 when a Chinese government airplane flew near the disputed islands, prompting Japan to scramble its F-15 fighters, which then led China

¹ Secretary of State Hillary Clinton stated "... with respect to the Senkaku Islands, the United States has never taken a position on sovereignty, but we have made it very clear that the islands are part of our mutual treaty obligations, and the obligation to defend Japan." "Hillary Rodham Clinton Remarks with Vietnamese Foreign Minister Pham Gia Khiem," Hanoi, Vietnam, October 30, 2010, http://seoul.usembassy.gov/p_rok_1030cnka.html.

² Entry of Chinese ships into the 12 nautical mile zone has spiked from a total of 4 times between December 2008 and September 2012 to 37 times (as of April 28, 2013) since the nationalization of the islands.

to scramble its J-10 fighters to counter the Japanese interceptors. In a departure from its usually deliberate even-handed remarks, the State Department spokesman noted that American officials had raised concerns directly with the Chinese government. Alluding to U.S. obligations under the U.S.-Japan Security Treaty, the spokesman added that the officials had “made clear that U.S. policy and commitments regarding the Senkakus Islands (sic) are longstanding and have not changed.”³

The second episode was the reported use of fire-control radar by Chinese warships in two incidents in January, 2013, the first against a destroyer-based helicopter and the second against a Japanese frigate. Japan’s Ministry of Defense publicized the latter incident. The U.S. State Department spokesperson indicated that American officials were briefed by Japan following the second alleged use of fire-control radar by China, and said that “we’ve satisfied ourselves that it does appear to have happened.” Asked whether Secretary Clinton’s warning, issued on January 18, against unilateral steps to alter the status quo of Japanese administration of the islands⁴ remained U.S. policy under Secretary Kerry, the spokesperson answered in the affirmative. China’s Ministry of National Defense spokesman subsequently denied the accusations and charged Japan with releasing “false information” and “hyping” the threat from China.

Escalating Sino-Japanese tensions over the Senkaku/Diaoyu Islands challenge US interests in a number of ways. First, the US has an enduring interest in the peaceful settlement of territorial and maritime disputes. Economic prosperity and stability would be undermined if nations in the region resort to force to settle their disputes.

Second, the US is obligated to come to the aid of Japan if force is used. Article V of the US-Japan Security Treaty states that “an armed attack against either Party in the territories under the administration of Japan would be dangerous . . . and [each party] declares that it would act to meet the common danger in accordance with its constitutional provisions and processes.” “Administration” rather than “sovereignty” is the key distinction that applies to the islets. The fact that China is challenging Japan’s administrative control over the islands would not bear on a decision to intervene. Thus, the US could get dragged into a Sino-Japanese skirmish over the

³ Daily Press Briefing, Department of State, December 14, 2013, <http://www.state.gov/r/pa/prs/dpb/2012/12/202057.htm>.

⁴ On January 18, after meeting with Japanese Foreign Minister Fumio Kishida, Secretary Clinton told the press that “although the United States does not take a position on the ultimate sovereignty of the islands, we acknowledge they are under the administration of Japan and we oppose any unilateral actions that would seek to undermine Japanese administration and we urge all parties to take steps to prevent incidents and manage disagreements through peaceful means.” “Hillary Clinton, in remarks with Japanese Foreign Minister Fumio Kishida after their meeting at State Department,” <http://www.state.gov/secretary/rm/2013/01/203050.htm>.

islands that would have profoundly negative consequences for the future of US-China relations.

Third, failure of the US to come to provide assistance to Japan would call into question US credibility as an ally and more generally as a provider of security and stability in the Asia-Pacific region. Nations of the region would likely lose confidence in the U.S. and potentially move quickly to bandwagon with China and accommodate its interests.

Fourth, US handling of this dispute will have an impact on China's future behavior. If Beijing concludes that its use of coercion worked not only in the Scarborough Shoal against the Philippines, but also in the East China Sea against Japan, it is more likely to be emboldened to use such tactics again in the future. This could have destabilizing consequences in the South China Sea or in China's EEZ, where Beijing could seek to more aggressively bar ships from conducting reconnaissance.

Fifth, growing friction between Japan and China is complicating US efforts to forge greater cooperation among countries of the region to oppose North Korea's nuclear weapons program. For example, the trilateral summit of leaders from China, South Korea, and Japan scheduled for May 2013 was postponed by Beijing due to the ongoing dispute over the Senkaku/Diaoyu Islands⁵. The summit would have provided an important opportunity for a trilateral statement of unity among the three leaders on policy toward North Korea.

Takeshima/Dokdo

The tiny group of rocky islets known as Dokdo in South Korea and Takashima in Japan (and called the Liancourt Rocks in the US) have been subject to dispute between the two nations since the end of Japan's colonization of the Korean Peninsula in 1945. The islets were occupied by South Korea in 1954. An elderly Korean couple inhabits the rocks and security guards are stationed there. Japan renewed its claim to the islets in 2005. In recent years, Korea has protested strongly the creation of "Takeshima Day" by Japan's Shimane Prefecture, the entry of a Japanese civilian plane into the airspace near the islands, and the dispatch of Japanese Coast Guard vessels to conduct hydrographic surveys near the disputed islands. In August 2012, to burnish his nationalist credentials and in response to the Japanese claims over the

⁵ "Senkakus Row Prompts China to Demand Postponement of Summit with Japan, South Korea: Sources," Kyodo, April 4, 2013, <http://www.japantimes.co.jp/news/2013/04/04/national/senkaku-row-prompts-china-to-demand-postponement-of-summit-with-japan-south-korea-sources>.

disputed territory in its Annual Defense White Paper, Lee Myung-bak became the first South Korean president to visit the islands. The visit was criticized by Japanese Prime Minister Yoshihiko Noda as “extremely regrettable” and “completely unacceptable.” It reignited tensions between Seoul and Tokyo and set back the development of deeper bilateral strategic relations.

Since 1953, the United States has officially adopted a policy of taking no position on the sovereignty dispute over Takeshima/Dokdo. In 1954, Washington clarified with Seoul that the protection of the islands would not come under the purview of its security treaty.⁶ Since then, the US has taken steps to reinforce its stance of “non-interference” and “taking no position.” In the 1970s the US Board on Geographic Names (BGN) renamed the “Dokdo” islets as the “Liancourt Rocks” – a Western name that better conveyed US impartiality on the issue.⁷ In July 2008, again to conform to the US diplomatic stance on the Takeshima/Dokdo dispute, the BGN geographers decided to modify the status of the islets in their records from “Korean sovereignty” to “sovereignty undecided.”⁸ After intense lobbying by the South Korean government, and given that President George W. Bush was due to visit South Korea the following month, the BGN rescinded its decision to re-label, under executive orders from the President. On this, the deputy spokesperson for the State Department clarified that reinstating “Korean sovereignty” did not “represent a change in US policy, but rather an action to ensure consistency with that policy,” which “for decades has been to not take a position regarding the sovereignty of the islands in question.”⁹

Despite being neutral on the dispute, the United States has an abiding interest in its resolution. Officially this only allows for a hands-off approach, urging the disputant parties to “work it out together” and have it “resolved peacefully.”¹⁰ Any attempt to mediate would risk the United States being seen as favoring one party over another

⁶ Frank Ching, “Dokdo islands dispute dismays US,” *The China Post*, August 29, 2012, <http://www.chinapost.com.tw/commentary/the-china-post/frank-ching/2012/08/29/352571/p2/Dokdo-islands.htm>.

⁷ Jason Park, “The Liancourt Rocks Dispute – A ‘Love Triangle’ Among Japan, South Korea and the US,” in *The United States and Japan in Global Context: 2011*, The Edwin O. Reischauer Center for East Asian Studies, The Paul H. Nitze School of Advanced International Studies, The Johns Hopkins University, <http://www.reischauercenter.org/en/wp-content/uploads/2012/05/Yearbook-2011.pdf>.

⁸ Ibid.

⁹ “Daily Press Briefing,” *US Department of State Archive*, July 28, 2008, <http://2001-2009.state.gov/r/pa/prs/dpb/2008/july/107498.htm>.

¹⁰ “Daily Press Briefing,” *US Department of State*, August 23, 2012, <http://www.state.gov/r/pa/prs/dpb/2012/08/196881.htm>.

and easily undermine the mediation process.¹¹ On at least one occasion, however, the United States has reportedly intervened in the past to promote a compromise: during negotiations between South Korea and Japan on “The Treaty of Basic Relations,” the United States tried, albeit in vain, to broker joint administration of the lighthouse on Takeshima/Dokdo.¹² It appears that, from the perspective of the South Koreans, the territorial dispute, as a symbol of Japan’s colonial rule on the Korean Peninsula and its refusal to come to terms with its “war crimes,” can brook no concessions, and for this reason it remains a major barrier to closer relations between the two American allies.

This has not discouraged the United States from coaxing its two East Asian allies into closer security cooperation. These efforts began in the George W. Bush administration, which sought to promote closer cooperation among US allies in the region through bilateral, trilateral and quadrilateral mechanisms. Progress in South Korea-Japan has not been insignificant. In 2010, the South Korean and Japanese militaries observed each other’s bilateral military exercise with the United States for the first time; and in June 2012, the three countries held the first joint military drill in the non-territorial waters off the Jeju Island.¹³ However, two weeks after the trilateral exercise, security cooperation stalled as the South Korean President Lee Myung-bak backed out of the General Security of Military Information Agreement (GSOMIA) at the eleventh hour, when the South Korean public learned about it. Citizens were incensed by his surreptitious management of the intelligence pact: Lee had not fully consulted the involved ministries, instead the Cabinet approved it as an impromptu agenda item; and he avoided discussions with the National Assembly and the public.¹⁴ Lee probably opted for maintaining secrecy because he understood that disclosure of the GSOMIA plan at the outset to his people, who remain distrustful of the Japanese given that historical problems such as the Dokdo/Takeshima dispute are unresolved, would have killed it immediately.

¹¹ Richard Halloran, “The Rising East: US Should Insist that Japan and South Korea Make Up,” *Civil Beat*, September 10, 2012, <http://www.civilbeat.com/articles/2012/09/10/17044-the-rising-east-us-should-insist-that-japan-and-south-korea-make-up/>.

¹² Mark Selden, “Small Islets, Enduring Conflict: Dokdo, Korea-Japan Colonial Legacy and the United States,” *Asia-Pacific Journal: Japan Focus*, April 25, 2011, Issue 16, p. 4.

¹³ David Kang, “Japan-Korea Relations: The New Cold War in Asia?,” *Comparative Connections*, January 2011, http://csis.org/files/publication/1004qjapan_korea.pdf; “US, S. Korea, Japan begin joint naval drill,” *Asia Times Online*, June 21, 2012, <http://english.ontv.cn/program/asiatoday/20120621/117050.shtml>.

¹⁴ Chico Harlan, “At last minute, S. Korea postpones signing first military pact with Japan since World War II,” *The Washington Post*, June 29, 2012, http://articles.washingtonpost.com/2012-06-29/world/35461564_1_military-agreement-military-rise-islets; Aidan Foster-Carter, “South Korea: A deal too far with Japan,” *Asia Times Online*, July 17, 2012, <http://www.atimes.com/atimes/Korea/NG17Dg01.html>.

Following President Lee's August 2012 visit to the disputed islands, the US reaffirmed its longstanding position. The State Department, through its spokesperson, maintained that "we [the United States] take no position on this territorial dispute. We [The United States] want to see our strong Pacific allies work this out together and work it out through consensus."¹⁵ The US also called for the two countries to ease tensions and seek solutions. In separate meetings with Prime Ministers Noda and Lee in September, Secretary of State Clinton communicated to them that "their interests really lie in making sure that they lower the temperature and work together, in a concerted way, to have a calm and restrained approach."¹⁶ In January 2013, a US delegation led by Assistant Secretary Kurt Campbell travelled to Seoul and Tokyo to urge them to "rebuild" their ties.¹⁷

The resurgence of tensions between South Korea and Japan has been a disappointment to Washington, which has attempted to promote both bilateral ROK-Japan cooperation as well as trilateral cooperation that includes the US. The growing missile threat from North Korea could be more effectively deterred or countered if the two allies could reach an intelligence-sharing agreement that facilitates exchange of information from their sensors and radars and enables the formation of a regional missile defense network.¹⁸ Also, as the balance of power shifts in East Asia, there is a greater need for South Korea and Japan to work together to reduce friction in the region. That their aversion to security cooperation stands in the way – even as Japan is quickly forming security arrangements with Australia, another Pacific partner of the United States - will limit the United States' ability to preserve stability through the East Asian "spokes" of its alliance system.¹⁹

¹⁵ "Daily Press Briefing," *US Department of State*, August 13, 2012, <http://www.state.gov/r/pa/prs/dpb/2012/08/196411.htm>.

¹⁶ "Clinton urges Japan, S. Korea to 'lower temperature,'" *The Straits Times*, September 9, 2012, <http://www.straitstimes.com/the-big-story/asias-disputed-islands/story/clinton-urges-japan-skorea-lower-temperature-20120909>.

¹⁷ "US urges allies Japan, S. Korea to mend ties," *Asahi Shimbun*, January 12, 2013, http://ajw.asahi.com/article/behind_news/politics/AJ201301120015.

¹⁸ Bruce Klingner, "Washington Should Urge Greater South Korean-Japanese Military and Diplomatic Cooperation," *The Heritage Foundation*, September 24, 2012, <http://www.heritage.org/research/reports/2012/09/washington-should-urge-greater-south-korean-japanese-military-and-diplomatic-cooperation>.

¹⁹ Since the Joint Declaration on Security Cooperation between Japan and Australia were unveiled in 2007, bilateral defense cooperation has made steady progress. Both countries concluded the Acquisition and Cross-Servicing Agreement (ACSA) in 2010, and the Information Sharing Agreement (ISA) in 2012. "Defense Cooperation and Exchange with other Nations – Australia," *Japan Ministry of Defense*, http://www.mod.go.jp/e/about/answers/exc_australia/index.html.

Conclusion

The US has a great deal at stake in Japan's territorial and maritime disputes with China and Japan. Active diplomacy is required, but mediation would be inadvisable. The US must be consistent and clear in its statements of policy. It is important to note, however, that US policy toward both of these disputes is that it takes no position on the issue of sovereignty. The US is not neutral, however. In the case of the Sino-Japan islands dispute, the US has an obligation to deter and if necessary to defend Japan should Beijing use force. Since 1971, the United States and Japan have not altered the application of the 1960 Mutual Security Treaty to the islets. Therefore, it is incorrect to state that the US is neutral in the Senkaku/Diaoyu dispute. Richard Armitage, although no longer a serving US government official, stated US interests clearly in an interview the Wall Street Journal, saying, "We're not neutral when our ally is a victim of coercion or aggression or intimidation."²⁰

US interests would be well served by promoting risk reduction measures in both of these bilateral disputes as well as among the militaries and coast guards of all Northeast Asian nations. Recent interactions between the Chinese and Japanese militaries and coast guards suggest the potential for an inadvertent clash due to miscalculation or accident. Although agreement was reached between Tokyo and Beijing in 2010 to set up a hotline between premiers, it hasn't been implemented. Defense officials of the two countries also agreed in 2011 to set up a military-to-military hotline, but that also has yet to materialize. Japan has proposed creating a "seaborne communication mechanism" between military officials of both countries.²¹ If tensions can be lowered over the islands, it may be possible to make progress on the establishment of these hotlines and other risk reduction measures. The ROK and Japanese militaries should establish similar mechanisms. The US can play a role in promoting greater cooperation among regional naval entities, including search and rescue arrangements, cooperation among coast guards, and channels for crisis communications.

²⁰ Peter Landers, "U.S. Not Neutral About Japan, Armitage Told Beijing," Wall Street Journal, November 29, 2012, <http://blogs.wsj.com/japanrealtime/2012/11/29/u-s-not-neutral-about-japan-armitage-told-beijing/>.

²¹ "Japan Suggests Hotline to Beijing Over Island Spat," *South China Morning Post*, February 9, 2013, <http://www.scmp.com/news/china/article/1146826/japan-suggests-hotline-beijing-over-island-spat?page=all>.