

18. In early 1990, Soviet ground strength in the Northern Territories was estimated at one division (15,000 troops) armed with tanks, amphibious personnel carriers, helicopters (redeployed from Afghanistan), and long range artillery (130mm cannon). In addition, 40 MiG-23 Flogger fighters were deployed in Etorofu. The disclosure by Tokyo of these deployments helped to keep the issue of reversion in the public mind.
19. With the reversion of Okinawa in 1970, the Northern Territories is the last significant territorial issue left unresolved from World War Two (a peace treaty would be the last political issue, although the disintegration of the Soviet Union will have unpredictable effects on negotiations).
20. In conversations with the author, Japanese officials often referred to the Soviet declaration of war and the subsequent lengthy imprisonment of over 500,000 Japanese prisoners of war to explain the historical animosity the Japanese felt toward the Soviet Union. More recent events, such as the September 1983 destruction of Korean Air Lines flight 007 (which claimed 28 Japanese among the 269 victims), numerous espionage episodes and recurrent violations of Japanese territorial waters and airspace, reinforced official and public scepticism of Soviet intentions.

It would be wrong to suggest, however, that there has been no progress on Russo-Japanese border relations. During Foreign Minister Nakayama's October 1991 visit to Moscow, he and Russian Foreign Minister Pankin signed documents on exchanging notes on reciprocal group visits, without the necessity of visas, by Soviet citizens living in the Northern Territories and Japanese citizens. The waiving of visa requirements for individual visitors is currently being examined.

The authoritative Nihon Keizai Shimbun reported on 14 October, 1991 on a series of Japanese incentives for reversion. The newspaper, citing unidentified officials accompanying Foreign Minister Nakayama, suggested that Tokyo would be willing to offer Japanese citizenship or permanent resident status to Soviet residents of the Northern Territories. According to the story, reprinted by TASS, Soviet residents would be entitled to remain on the islands after reversion. Those who wished to return to the USSR would be compensated by Japan for the value of their property and relocation costs. The report went on to suggest that the Japanese approach to Soviet military personnel would be based on the "German model" and envisaged financial compensation of Yen 1.7 million (C\$15,000) per serviceman.

While the status of these proposals are open to question, they do represent a new approach by Tokyo which in the past had failed to take into account the sentiments of Soviet residents on the question of reversion. At the time of the Nakayama-Pankin talks, the Sakhalin Oblast Soviet Executive Committee held a press conference denouncing the idea of reversion and called instead for the creation of a "free economic zone on the territory of the southern Kuriles and the island of Hokkaido" (reported by Moscow Radio Rosii Network on 15 October, 1991). Russian President Yeltsin, in a news report carried by Interfax, 17 October 1991, indicated his displeasure with the statement by RSFSR Deputy Foreign Minister Georgiy Kunadze that reversion of the Northern Territories to Japan was "inevitable".

The Russian campaign to retain the Northern Territories is being organized by Valentin Fedorov, head of the Sakhalin administrative region.

21. The Russian memory is also long, and recalls the Japanese attack on Port Arthur in 1905 and the humiliating defeats leading to the USA-influenced Treaty of Portsmouth the Japanese incursion in Siberia and northern Sakhalin in 1919, the occupation and annexation of Manchuria and perceived threats to Mongolia and Siberia during the Japanese war with China.