The dispute over the Senkaku/Diaoyu Islands erupted in the 1970s, but the territorial dispute between Japan and China itself had started earlier, over Okinawa, immediately after the Second World War. The major point of dispute in the Senkaku/Diaoyu issue is whether these islands are part of Okinawa or part of Taiwan. The former is the position of the Japanese government, while the latter is the position of both Chinese governments, that is, the People’s Republic of China (PRC) in Beijing and the Republic of China (ROC) in Taiwan. There was no such dispute over these islands before the end of the Second World War, that is, when both Okinawa and Taiwan were territories of the Japanese Empire.

Many studies have been written on the cross-Taiwan Strait and Okinawa problems. There are also many Senkaku/Diaoyu studies, but as with the Takeshima/Dokdo dispute between Japan and Korea, little attention has been paid to the Cold War context. The reason for this is, in addition to the fact that Taiwan (ROC) remained in the “West,” that the dispute surfaced during the period of détente when major states in the West, including the United States and Japan, were improving relations with China (PRC). Also, newly discovered maritime resources, particularly potential oil and gas reserves, in the neighboring areas began to attract attention. However, the Senkaku/Diaoyu issue is also a dispute between “China,” which (except for Taiwan) became communist after the Second World War, and Japan, which became a “client state” (McCormack, 2007) of the United States in the San Francisco System against the background of the Cold War.
This article looks at how the territorial disposition of Okinawa, Taiwan, and the Senkaku/Diaoyu Islands were dealt with in the process of constructing the post-war international order in East Asia and how the territorial disputes between Japan and China emerged, developed, and remained in the regional Cold War system, with particular attention paid to the relations between Japan, China, and the United States. In doing so, it attempts to provide a broader international context beyond the China-Japan bilateral framework to consider possible solutions.

**Chinese Defense Ministry Map showing Senkaku/Diaoyu Islands and Air Defence Identification Zones. 2015**

Japanese War.

Half a century later, at the end of the Second World War, between April and June 1945, Okinawa and the Senkaku/Diaoyu islands were occupied by the US military. Taiwan was incorporated into China (ROC) as a province after the Japanese surrender in August 1945. Six years later in September 1951, Japan formally renounced Taiwan in the peace treaty signed in San Francisco. Okinawa was placed under US administration together with the other US-occupied islands, including the Senkaku/Diaoyu. However, as with so many other contested islands of the postwar era, the treaty specified neither precise limits nor the final designation of the disposed territories (Hara, 2007, 2015). The problems surrounding Okinawa, Taiwan, and Senkaku/Diaoyu are closely related to the post-war territorial dispositions of Japan, particularly in the San Francisco Peace Treaty.

**Cairo Declaration and the Principle of “No Territorial Expansion”**

Several wartime international agreements covered the post-war disposition of the territories formerly under Japanese control. A key agreement made by the Allied leaders was the Cairo Declaration of 1943. This was a communiqué agreed on during the US–UK–China summit meeting held in Cairo from November 22 to November 26, and released on December 1, after the US–UK–USSR summit held in Tehran between November 28 and December 1, 1943. It stipulated that Japan would be expelled from all the territories it had taken “by violence and greed” adopting the principle of “no territorial expansion,” which was originally laid down in the Atlantic Charter, a blueprint for the post-war world signed in August 1941 by Anglo-American leaders on a battleship off the shores of Newfoundland. The Cairo Declaration specifically referred to Taiwan as territory to be “restored to the Republic of China.”

**Okinawa and Taiwan in the Allies’ Blueprint for Post-war Regional Order**

Okinawa was once an independent kingdom (Ryukyu) and became a tributary state to Japan in 1609. It also retained tributary relations with China until 1872, when it was incorporated into Japan as Ryukyu-han. In 1879, 16 years before Japan’s acquisition of Taiwan, it was designated as Okinawa Prefecture. The Senkaku/Diaoyu Islands were incorporated into Okinawa Prefecture by a cabinet decision in January 1895. Three months later, in April 1895, Taiwan was ceded to Japan by the Treaty of Shimonoseki, as a result of the First Sino-Japanese War.
The Cairo Declaration made no specific mention of Okinawa or Senkaku/Diaoyu. However, the future of Okinawa was discussed by President Roosevelt and Chiang Kai-shek in Cairo. According to the record of their meeting, the “President referred to the question of the Ryukyu Islands and enquired more than once whether China would want the Ryukyus.” To this, “the Generalissimo replied that China would be agreeable to joint occupation of the Ryukyus by China and the United States, and, eventually, joint administration by the two countries under the trusteeship of an international organization” (US State Department 1943, p. 324).

China had by then publicly shown strong interest in the future possession of Okinawa; the Nationalist (ROC) government on several occasions indicated its wish to secure the islands’ transfer to China. In a press statement on November 5, 1942, for example, Foreign Minister T.V. Soong included the islands among the territories that China expected to “recover” (Hara 2007, p. 161). It appears that, having been briefed about the Chinese interest in obtaining Okinawa, Roosevelt asked Chiang about the Chinese preference for treatment of the islands. However, Chiang instead proposed joint occupation and eventual joint administration with the United States under international trusteeship. Chiang noted in his diary that he had responded this way 1) to “put the US at ease” by not pursuing China’s territorial ambitions, 2) because the Ryukyus had belonged to Japan prior to the Sino-Japanese War, and 3) as joint control with the US is more valid than our exclusive control (Chiang 1977, p.122; Zhang 2007, pp. 683–4).

According to Wada’s study of the Cairo communiqué and its preparation, the United States and United Kingdom did not originally plan to include the sentence reflecting the principle of no territorial expansion: “They covet no gain for themselves and have no thought of territorial expansion.” It did not appear in the first and second drafts, and was likely a last-minute addition at Chiang’s suggestion (Wada 2013).

Three weeks prior to the Cairo Conference, on November 5-6, 1943, Japan had hosted the Greater East Asia Conference in Tokyo. This epoch-making event was the very first international conference held among non-Caucasian states on the basis of Japan’s "Greater East Asia Co-Prosperity Sphere" initiative. The major participants were Tojo Hideki (prime minister of Japan), Zhang Jinghui (prime minister of Manchukuo), Wang Jingwei (president of the Reorganized National Government of China in Nanjing), Ba Maw (head of state, Burma), José P. Laurel (president of the Second Philippine Republic), Subhas Chandra Bose (head of state of the provisional Government of Free India), and Wan Waithayakon (envoy of the Kingdom of Thailand). They were the representative of Japan’s allies, friends, and puppet regimes. However, no representative was invited from Indonesia, which Japan had decided to incorporate into its own territory.
adopted at this conference presented a competing strain of rhetoric to that of the Anglo-American Atlantic Charter. It stated that the “countries of Greater East Asia, with a view to contributing to the cause of world peace, undertake to cooperate toward prosecuting the War of Greater East Asia to a successful conclusion, liberating their region from the yoke of British-American domination, and ensuring their self-existence and self-defense,” and listed dignifying principles, including “abolition of racial discrimination,” in constructing a Greater East Asia. However, no phrase such as “no territorial expansion” was included here, as Japan planned to expand its territories to Southeast Asia, building on the territorial expansion in the wake of the attack on Pearl Harbor in December 1941.

For Chiang, the Cairo Conference was to counter the Greater East Asia Conference, in which Wang Jingwei of the Nanjing Government had participated. Therefore, it is understandable that he brought up the “no territorial expansion” principle of the Atlantic Charter here as a rhetorical device that contested and defied that of the Joint Declaration of the Greater East Asia (Wada, 2013). But this principle had already become merely nominal among the Allied Powers. At the Tehran Conference, which followed the Cairo Conference, the US and Soviet leaders discussed Sakhalin and the Kuriles in terms of Soviet conditions for joining the war against Japan. Roosevelt, on returning to Washington, informed the Pacific War Council that “the Kuriles would be conceded to Stalin as a price for Soviet participation” (Allison, Kimura, and Sarkisov 1992, p. 86).

Whereas the USSR had ambitions to acquire Japan’s northern territories, China restated its intention to acquire the southern territories of Japan, referring to Okinawa. The ROC foreign minister T.V. Soong stated on October 29, 1944, that Japan would have to evacuate the Ryukyu Islands; at a press conference a few days later, he added that China would “recover” the islands after the war. Furthermore, although the first edition of Chiang Kai-shek’s China’s Destiny did not mention the Ryukyus, its revised edition of January 1, 1944, described them as integral parts of China, particularly necessary for its national defense (Hara 2007, p. 161).

**Yalta Blueprint**

"The Allies’ principle of no territorial expansion had clearly become a dead letter at the US–UK–USSR Yalta Conference of February 1945, where Roosevelt and Churchill recognized Soviet territorial expansion in Eastern Europe as well as in its Far East. The "Agreement Regarding Entry of the Soviet Union Into the War Against Japan" signed by Stalin, Roosevelt, and Churchill in February 1945—the so-called Yalta Protocol—is an important agreement providing a core blueprint for the post-war international order in the Asia-Pacific. It outlined the conditions under which the Soviet Union would enter the war against Japan. In addition to the cession of territories (Southern Sakhalin and the Kurile Islands) from Japan to the USSR, it included agreements concerning China, such as the preservation of the status quo in Outer Mongolia (1), the lease of Port Arthur as a naval base, the internationalization of Dairen with Soviet preeminent status (2-b), and joint Soviet–Chinese operation of the Chinese Eastern and South Manchurian railways (2-c) (US State Department 1945, p. 984)."
Churchill, Roosevelt and Stalin at Yalta, Feb. 1945

These arrangements, the protocol stated, would “require concurrence of Generalissimo Chiang Kai-shek,” and “the President will take measures in order to obtain this concurrence on advice from Marshal Stalin.” The protocol concluded:

For its part the Soviet Union expresses its readiness to conclude with the National Government of China a pact of friendship and alliance between the USSR and China in order to render assistance to China with its armed forces for the purpose of liberating China from the Japanese yoke. (US State Department 1945, p. 984)

The above conditions were concessions by the United States and United Kingdom to have the USSR break its neutrality pact with, and declare war on, Japan. They were rewards for the USSR’s cooperation in ending the war quickly. It should be noted that “China” here was the Republic of China (ROC), led by Chiang Kai-shek, which the USSR, as well as the United States and the United Kingdom, then supported as the legitimate government of China. According to the record of a meeting with Roosevelt at Yalta, Stalin thought that “Chiang Kai-Shek should assume leadership” for the purpose of having “a united front against the Japanese” (US State Department 1945, p. 771).

According to a briefing paper prepared by the State Department before the Yalta Conference, the goal of US China policy was:

By every proper means to promote establishment of a broadly representative government which will bring about internal unity, including reconcilement of Kuomintang-Communist differences, and which will effectively discharge its internal and international responsibilities. (US State Department 1945, p. 356)

The United States expected an independent China to act as a stabilizing factor in the Far East, without falling into any power bloc (Soeya 1997, p. 35). In addition, cooperation between China and the United Kingdom was considered an essential part of UN solidarity and necessary for the development of independent China. For that purpose, the briefing paper even mentioned that:

We [US] should welcome the restoration by Great Britain of Hong Kong to China and we are prepared in that event to urge upon China the desirability of preserving its status as a free port. (US State Department 1945, pp. 352–7)
At the time of the Yalta Conference, whereas the United States wished China to become a stable power in the Far East, the United Kingdom appeared to have a different preference; that is, it desired “a weak and possibly disunited China in the post-war period” (US State Department 1945, pp. 352–3). For the United Kingdom—a prewar colonial power in major parts of South and Southeast Asia, including India, Burma, and Malaya—recovery of its colonial interests was an important objective, and applied also to China. In contrast with the United States, which preferred building cooperative relations with China by welcoming the reversion of Hong Kong, the United Kingdom was interested in regaining its prewar semi-colonial status in China and its direct control over Hong Kong. In short, the Big Three had already shown some signs of difference over their China policy. Nevertheless, at Yalta in February 1945 they were groping for ways to construct the post-war international order by maintaining their cooperative relations (Hara 2004).

The Yalta Protocol makes no specific mention of Okinawa or Taiwan. There was general agreement at Yalta that territorial trusteeship would apply to “territory to be detached from the enemy” as a result of the Second World War, but no specific territories were discussed.

Potsdam

The emergence of the Cold War has often been described as a process in which the character of Soviet–US relations was transformed from cooperation to confrontation (Hara 2012). When the war ended and the common enemy was eliminated, cooperation soon collapsed. However, US–USSR confrontation had already begun before the Japanese surrender. After the German surrender, the third and last US–USSR–UK summit was held in Potsdam from July 17 through August 2. In Potsdam, US–USSR confrontation surfaced over the post-war treatment of Europe, especially of Germany and Poland. On July 16, just before the conference opened, the United States successfully tested the first atomic bomb. The attitude of Truman, who succeeded Roosevelt after his death in April, at the conference became firm and rigid, leading to a grim confrontation with Stalin. The US–UK–China ultimatum to Japan was issued on July 26 from Potsdam, with Chiang Kai-shek (who was not present) concurring by wire. The Soviets, hosts of the conference, were not consulted. As Averell Harriman noted in his memoirs, the US leaders preferred to end the war without the Soviets, if possible (Harriman 1975, p. 492).

In the Potsdam Declaration, Japanese territories were to be limited to the four main islands and “minor islands” determined by the Allies, but their limits were not defined. On August 8, two days after the atomic bomb was dropped on Hiroshima, the USSR declared war against Japan, joining in on the Potsdam and Cairo declarations. Japan accepted the Potsdam Declaration one week later, signing the Instrument of Surrender on September 2.

Taiwan, Okinawa, and Senkaku/Diaoyu in the San Francisco System

In September 1951, six years after signing the Instrument of Surrender, 48 countries including Japan signed a peace treaty. Vast territories, extending from the Kurile Islands to Antarctica and from Micronesia to the Spratlys, were disposed of in the treaty. The treaty, however, specified neither their final devolution nor their precise limits, thereby sowing the seeds of various “unresolved problems” in the region. In Article 2(b), Japan renounced Taiwan, called “Formosa” in the treaty. The treaty, however, did not specify to which country or government Japan renounced it. In the case of Okinawa, or “the Ryukyu Islands,” Article 3 specified that the islands were to be under US administration until a
trusteeship proposal was submitted by the United States and passed by the United Nations. In other words, the United States could exclusively control Okinawa, until such time that it made a trusteeship proposal. Trusteeship is a transitional arrangement, not a final disposition, of territorial sovereignty. Thus, the treaty also left the final devolution of these territories unresolved. Furthermore, neither government of China was invited to the peace conference in San Francisco, where this treaty was signed. The USSR sent representatives to the conference, but refused to sign the treaty.

The San Francisco Peace Treaty (Excerpt)

**Article 2(b)**
Japan renounces all right, title and claim to Formosa and the Pescadores.

**Article 3**
Japan will concur in any proposal of the United States to the United Nations to place under its trusteeship system, with the United States as the sole administering authority, Nansei Shoto south of 29° north latitude (including the Ryukyu Islands and the Daito Islands), Nanpo Shoto south of Sofu Gan (including the Bonin Islands, Rennan Island and the Volcano Islands) and Parece Vela and Marcus Island. Pending the making of such a proposal and affirmative action thereon, the United States will have the right to exercise all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of these islands, including their territorial waters.

Senkaku/Diaoyu was not discussed in the process of preparing the peace treaty. It was the disposition of Taiwan and Okinawa that had become contentious and accordingly required a number of discussions and deliberations. In the six years between the Japanese surrender and the signing of the peace treaty in San Francisco, the international political environment surrounding Japan had changed significantly. The Cold War had intensified, becoming hot in places, and developed in complex ways. After the Japanese withdrawal, post-war liberation and independence movements in some parts of the region had turned to civil war over governing principles for the new states, where competition between the superpowers over spheres of influence supervened. The disposition of Taiwan and Okinawa in the San Francisco Peace Treaty was closely related to such changes, especially with regard to the situation in China.

**Formosa (Taiwan) in the San Francisco Peace Treaty**

After the war, Formosa was returned to China as the province of Taiwan, while the civil war between the Nationalists and Communists erupted. Over the next few years, China’s political conditions changed drastically from those envisaged at Yalta. In 1947, President Truman officially proclaimed the US Cold War policy to be the containment of Communism. This policy, however, initially focused solely on Europe—US policy toward China was officially one of non-intervention, even after the Communist government was established in October 1949. The United States then foresaw the possibility that in the long run China would split from the USSR, as Tito’s Yugoslavia already had. This possibility was mentioned in the US National Security Council policy document NSC 48/1, approved by the president on December 23, 1949 (Etzold and Gaddis 1978). The US defense line in the Western Pacific, stretching from the Aleutians through Japan to the Philippines, came to be known as the “Acheson Line,” after being mentioned in a speech by Dean Acheson, the secretary of state in January 1950. Acheson did not mention Taiwan, which the United States then saw as capable of being “lost” to Communism, as continental China already had been.

From late 1946 onward, the State Department prepared several drafts of a peace treaty with Japan. Until December 1949, all those drafts had specified “China” as the country to which Japan would cede Formosa. For example, Article 2 of the August 1949 draft read:

> Japan hereby cedes to China in full sovereignty the island of Taiwan (Formosa) and adjacent minor islands, including Agincourt (Hoka Sho), Crag (Menka Sho), Pinnacle (Kahei Sho), ... (cited in Hara 2007, p. 60)

“Pinnacle” might be interpreted as the English name of Senkaku/Diaoyu. However, the parenthesis with the Japanese name “Kahei Sho” makes it clear that it is not the “Pinnacle” currently disputed by China and Japan.
With the outbreak of the Korean War in June 1950, US China policy changed drastically to one of active containment. The dispatch of the US Seventh Fleet to the Taiwan Strait to protect Taiwan from invasion added intervention in the Chinese civil war to that already under way in Korea (Soeya 1997, p. 47). Since then, the Taiwan Strait has been a Cold War frontier in the region.

In 1950, John Foster Dulles was appointed to oversee the drafting of the Japanese peace treaty; the first draft prepared under his supervision was completed on August 7. From this point on, “China” as the country to receive Formosa disappeared from US drafts. For example, the August draft stated (in Chapter IV, Territory, Article 5):

Japan accepts whatever decision may hereafter be agreed upon by the United States, the United Kingdom, the USSR and China with reference to the future status of Formosa, the Pescadores, Sakhalin south of 50 degrees north latitude and the Kurile Islands. In the event of failure in any case to agree within one year, the parties of the treaty will accept the decision of the United Nations General Assembly. (cited in Hara 2007, pp. 61–2)

The next year, after a series of negotiations, a new draft was completed on March 1, 1951. “The Four Powers or UN resolution” formula of the previous year was dropped. Formosa was mentioned along with Korea in Chapter III, “Territory,” as follows: “Japan renounces all rights, titles and claims to Korea, Formosa and the Pescadores” (cited in Hara 2007, p. 38).

The alteration in this draft was due to the change in the Korean situation, as Chinese (PRC) intervention prompted Washington to consider the “loss of Korea” as a possibility (Hosoya 1984, p. 150). As for Formosa, there was a danger within the UN framework that it might be ceded to the PRC, which the British had already recognized in January 1950. The British participated in the Korean War alongside the Americans, but did not change their policy of recognizing the PRC. The United Kingdom had its own national interests to protect, particularly its remaining colonial interest in Hong Kong and economic interests in the Chinese market. Through the fiction that Wellington Koo, the ambassador from China (ROC), and other Chinese diplomats who had misgivings about this Formosa disposition. Dulles told them that “Formosa represents a problem which should be settled by international agreement that we [US] were able to protect Formosa with the Seventh Fleet” (US State Department 1951, p. 1,325). Southern Sakhalin and the Kurile Islands, promised to the USSR in the Yalta blueprint, were also dealt with in the same article.

In the meantime, the war in Korea reached a major turning point. In late November 1950, a Chinese “volunteer” army crossed the border and began large-scale military intervention in the Korean War. Anti-Chinese emotion erupted domestically in the United States, affecting the issue of Chinese participation in the peace conference. US policy toward Chinese representation thereafter hardened in favor of the ROC (Hosoya 1984, p. 116).

The alteration in this draft was due to the change in the Korean situation, as Chinese (PRC) intervention prompted Washington to consider the “loss of Korea” as a possibility (Hosoya 1984, p. 150). As for Formosa, there was a danger within the UN framework that it might be ceded to the PRC, which the British had already recognized in January 1950. The British participated in the Korean War alongside the Americans, but did not change their policy of recognizing the PRC. The United Kingdom had its own national interests to protect, particularly its remaining colonial interest in Hong Kong and economic interests in the Chinese market. Through the fiction that
the Chinese troops were “volunteers,” China avoided declaring itself at war.

The Japanese peace treaty was drafted jointly by the United States and the United Kingdom. However, in the process, difficulties arose over policies toward China. While the United States supported Chiang Kai-shek’s ROC, the United Kingdom insisted that the PRC government should represent China. This caused a serious split between the two countries over issues such as the disposition of Formosa and Chinese participation in the peace treaty. In the end, they finalized the peace treaty on the following bases: that Japan should choose its own future relationship with China, that Taiwan’s future would not be determined by the peace treaty itself, and that neither China would be represented at the peace conference (Hosoya 1984, p. 281). The US–UK joint draft was thus prepared on June 14, 1951 (US State Department 1951, p. 1,120).

For Formosa, this June draft became the final one signed at the peace conference. In the wartime Allies’ agreements and in earlier treaty drafts, Formosa had been to be returned to “China” but it became an “unresolved problem” in the San Francisco Peace Treaty. Certainly, the peace treaty by itself did not divide China. However, by leaving the status of the island undecided, various options remained open for its future, including possession by the PRC or the ROC, or even independence.

Incidentally, as late as the May 1951 draft, “the USSR” had been specified as the country to which Japan would renounce the Southern Sakhalin and the Kurile Islands. However, Dulles proposed that the territorial clauses be consistent: consequently, “the USSR” disappeared from the June draft (Hara 2007, pp. 93–5). In its negotiations with the USSR/Russia over the Northern Territories, Japan has taken the position that the final designation and attribution of these territories was not specified in the peace treaty and therefore is still pending. However, this logic does not seem to have been applied to China: that is, Japan never proposed that China negotiate the final designation of Taiwan based on the fact that its final disposition was not specified in the peace treaty.

Senkaku/Diaoyu was not considered in the context of the disposition of Taiwan. These islands were placed under US control, together with Okinawa, which will be discussed in the next section. While those islands were under US occupation, the ownership of Senkaku/Diaoyu was hardly questioned. Nevertheless, the seeds of a future dispute were sown, because no clear border demarcation was made in the 1951 San Francisco Treaty.

On April 28, 1952, the same day that the San Francisco Peace Treaty went into effect, Japan signed a peace treaty with the Chinese Nationalist government (ROC), effectively recognizing that regime as the legitimate government of China. The United States pressured Japan to do so, warning that Congress would not otherwise ratify the San Francisco treaty and the security alliance with Japan, also signed on the same day. The 1952 Japan–ROC peace treaty contained provisions in its own Article 2 that were similar to those in the San Francisco treaty:

It is recognized that under Article 2 of the Treaty of Peace with Japan signed at the city of San Francisco in the United States of America on September 8, 1951, Japan has renounced all right, title and claim to Taiwan (Formosa) and P’eng-hu (Pescadores) as well as the Spratly and the Paracel Islands. (United Nations 1952, p. 38)

This simply recognized the Japanese renunciation of Formosa, as well as of the
Spratlys and the Paracels, but without specifying their geographical limits or future ownership.

Okinawa and Senkaku/Diaoyu in the San Francisco Peace Treaty

The problems of both Okinawa and Senkaku/Diaoyu are in their origin deeply related to US policy toward Asia, especially China. Both the Chinese Nationalist (ROC) government and US military had had an interest in possessing or controlling Okinawa from the wartime period. US wartime studies suggested that Japanese sovereignty was most valid, but left other options open, respecting China’s interest. Japan was then an enemy—defense there meant “defense against Japanese aggression”—while China was an ally, thus plans for the post-war period took account of its cooperation and interests.

After the Second World War, with the development of the Cold War in Asia, the US interest in Okinawa shifted to the defense of its sphere of influence, especially to “defense of Japan”. Whereas US military leaders, including MacArthur, insisted on exclusive and permanent control, or annexation, of the islands, the State Department explored ways to secure US bases through the UN trusteeship system instead of outright annexation, which would be criticized as “imperialism” or “expansionism.” In 1947, tactically linking and negotiating its position of the Kuriles with the USSR during the UN Security Council meetings, the United States secured its exclusive strategic trusteeship of Micronesia, where it had already begun to carry out nuclear testing (Hara 2007, ch. 4). In 1951, without actually placing the islands under a trusteeship, the United States secured exclusive control of Okinawa in the carefully elaborated provisions of the San Francisco Peace Treaty. The United States also placed Senkaku/Diaoyu, together with Okinawa, under its control as part of “Nansei Shoto south of 29° north latitude” although there is no specific mention of those islands in the treaty.

Both the retention and renunciation of Okinawa by Japan were considered in the course of the peace treaty preparation; after all, the status of the territories mentioned in Article 3 was not clearly defined in the treaty. Article 3 of the treaty does not specify renunciation of territorial sovereignty by Japan. But neither does it confirm Japanese sovereignty. Examination of the other territorial dispositions suggests that Dulles considered it convenient to leave the devolution of the territories vague. The same thinking was probably applied to Okinawa. The absence of any phrase specifying “renunciation by Japan” means that Japan was not excluded from future possession. But it did not necessarily close off ways for alternative settlement, such as possession by the United States or China, or even independence. Thus, the treaty did not completely guarantee Japanese sovereignty over Okinawa and Senkaku/Diaoyu. Their future status was left undecided. Here, with the reality of danger of Taiwan’s “liberation” by the PRC, a “wedge” of territorial dispute was inserted between China and Japan through the ROC’s demand for Okinawa. The Senkaku/Diaoyu problem that erupted in the 1970s thus actually started when the San Francisco Peace Treaty was signed, designating the islands not as part of Taiwan, but as part of Okinawa. Lying on the Acheson Line, Okinawa too was a “wedge” to secure Japan under the US sphere of influence, as well as an important base for the defense of Taiwan in US China policy.

Interestingly, at the time of the San Francisco conference, China (PRC) openly supported the return of Okinawa to Japan. Prior to the conference, Chinese media had stated the PRC’s position that Okinawa was part of Japanese territory, supporting demands made in Okinawa for the return of administrative rights to Japan. In a statement on August 15, 1951, Zhou Enlai flatly opposed the idea of
putting Okinawa under US trusteeship, declaring “these islands have never by any international agreement been separated from Japan.” However, the PRC’s support for Okinawa’s reversion to Japan was really a demand for the removal of US military bases from Okinawa and a peace treaty with Japan that would expand PRC influence (Hara 2007, ch. 7).

Okinawa Reversion, Resources, and the Senkaku/Diaoyu Dispute

For almost two decades after the signing of the treaty, no party questioned Japan’s sovereignty over Senkaku/Diaoyu, and none claimed that these islands should have been allocated as part of Taiwan, which Japan had renounced in the peace treaty. It was not until around 1970 that both the PRC and the ROC began to claim that the islands were part of Taiwan.

The United States had by the early 1970s returned to Japan its administrative rights over all the territories mentioned in Article 3 of the peace treaty, without placing them under UN trusteeship. As it did so, both the PRC and the ROC began to claim ownership of Senkaku/Diaoyu, at least in part motivated by the value of natural resources in the waters near the islands that began to receive attention. Because the Senkakus had never been disputed before, it was for Japan a “problem that emerged suddenly,” as described in a government pamphlet published in 1972 (Gaimusho joho-bunka-kyoku 1972). The government in Taiwan retained the position that Okinawa was not Japanese territory, and opposed its “reversion” to Japan. The PRC also criticized this “reversion,” but for a different reason, calling it “a fraud” because the US military bases were retained (Hara 2007, ch.7).

US policy over Senkaku/Diaoyu at the time of the Okinawa reversion deserves special attention, as it is perhaps the key to understanding the problem. Before the reversion of Okinawa, there was certainly an understanding in the US government that Senkaku was part of Okinawa. However, the Nixon administration adopted a policy of taking “no position on sovereignty” when returning “administrative rights” over these islands to Japan along with Okinawa, thus leaving the dispute to the Japanese and the Chinese. This policy was in fact questioned at the time. In March 1971, the US Department of Defense sent a memorandum to the State Department, recalling that the United States had recognized and treated Senkaku/Diaoyu as part of Okinawa in the past. However, this point was not reflected in US policy. There are reasons for this.

The first is obviously the PRC. The time was one of US-PRC détente, the centerpiece of a dramatic transformation in the structure of Asia-Pacific and global international relations. The primary diplomatic agenda of the Nixon administration, inaugurated in 1969, was normalizing relations with the PRC. It had inherited the Okinawa reversion agreement from the Johnson period, but had no intention of allowing the tiny islands of Senkaku/Diaoyu to impede the development of its policy toward China.

The next is Okinawa. The US aim was to ensure retention of the bases on the islands. In the late 1960s, President Johnson had promised to return Okinawa to Japan. However, the United States had no incentive for reversion; on the contrary, during the Johnson administration, Okinawa’s strategic importance increased in connection with the war in Vietnam. Johnson’s promise was a political one, rendered necessary by the growth of movements demanding reversion, not only in Okinawa, but all over Japan. Many Japanese opposed US intervention in the Vietnam War and the increased use of the Okinawa bases for that war further provoked anti-US demonstrations, with signs that the Japanese Socialists and Communists were gaining in popularity. Hence the Johnson administration’s compromise was
undertaken to appease anti-US feeling among the Japanese and to prevent the Communists from exploiting the situation.

Thus, though the United States would “return” Okinawa to Japan, it would retain its bases there. Nor was the Vietnam War its only reason for so desiring to retain the bases on Okinawa. The 1969 Nixon–Sato Communiqué contained a specific promise of Okinawa’s return, but also included the so-called “Taiwan and South Korean provisions” (Soeya 1997, pp. 113–14). The implication of these, which directly linked Japan’s security to that of Taiwan and South Korea, was that the PRC continued to be perceived as a threat in the region.

In his annual presidential address in February 1971, President Nixon stated:

> We are prepared to establish a dialogue with Peking. We cannot accept its ideological precepts, or the notion that Communist China must exercise hegemony over Asia. But neither do we wish to impose on China an international position that denies its legitimate national interests. (Kissinger 1994, p. 724)

A territorial dispute between Japan and China, especially over islands near Okinawa, has in fact rendered the US military presence in Okinawa more acceptable to Japan. While emphasizing the “China threat” and the “defense of Japan” to the Japanese, Nixon managed to secure tacit Chinese approval of the US presence in Okinawa as “defense against Japan,” thus exploiting China’s fear of a revival of Japanese militarism. The United States achieved a series of difficult diplomatic objectives, such as withdrawal from Vietnam, reconciliation with Communist China, and retention of bases in Okinawa, one after another, by recognizing their relationship and tactically linking them to its advantage. The Senkaku/Diaoyu dispute was merely another element of that emergent reality that could be used, according to the logic of Henry Kissinger, the architect of Nixon’s diplomacy, “to create a network of incentives and penalties to produce the most favorable outcome” (Kissinger 1994, p. 717) for the United States. It is not clear whether the ROC ever officially abandoned its claim to Okinawa. As noted earlier, the PRC’s support for Okinawa’s reversion to Japan was a political move, directed against the US bases there. As with Vietnam’s claim in the South China Sea, the PRC’s position on Okinawa could be reversed, and China’s “traditional” claim espoused after reunification. Until both the PRC and the ROC recognize Japan’s sovereignty over Okinawa, the possibility remains for China to revive its claim.

**Conclusion**

The ally-foe relations between the United States, Japan, and China were reversed in wartime and the post-war period. Whereas Japan changed from a former enemy to an important ally as a cornerstone of the US strategy in Asia, China, that is the PRC, turned into a threat. The disposition of Taiwan and Okinawa, including Senkaku/Diaoyu, in the Japanese peace treaty reflected these developments and, accordingly, changes in the US strategy in East Asia.

During the early post-war period, the United States prepared for the disposition of Japan based on the principle of “no territorial expansion,” proclaimed in both the Atlantic Charter and Cairo Declaration. For example, a peace treaty draft prepared by the State Department in March 1947 stated: “The territorial limits of Japan shall be those existing on January 1, 1894, subject to the modifications set forth in Articles 2, 3 ... [sic]” (cited in Hara 2007, p.26). In principle, Japan was envisaged to become what it had been prior to its territorial expansion in the Sino-Japanese War. The same draft, however, specified that Japan
was to renounce “the Ryukyu Islands forming part of Okinawa Prefecture” as well (cited in Hara 2007, p. 166). According to these principles, Senkaku/Diaoyu, incorporated into Okinawa Prefecture in January 1895, would have been removed from Japan.

The United States initially prepared peace treaty drafts according to the Cairo Declaration, the Yalta Agreement, the Potsdam Declaration, and the Basic Post-Surrender Policy for Japan adopted by the Far Eastern Commission on June 19, 1947. Peace treaty drafts prepared in July and August 1947 provided detailed specification of territorial dispositions, in order to avoid future conflict, specifying names of minor islands such as “Takeshima” and “Kunashiri” or providing clear demarcations using latitude and longitude (Hara 2007, ch. 2 and ch. 3).

If a peace treaty had been signed according to the premises of the US State Department around this time, the situation in East Asia would have developed quite differently. Some, at least, of the existing disputes would not have emerged. However, the actual outcome was different. Against the background of the escalating Cold War, which turned into “hot” wars in Asia, peace treaty drafts went through various changes and eventually became simplified. Countries that were intended to receive such islands as Formosa (Taiwan), the Kuriles, and other territories disappeared from the text, leaving various “unresolved problems” among the regional neighbors. Including the Okinawa provisions, the equivocal wording of the peace treaty was the result neither of inadvertence nor error—issues were deliberately left unresolved. It is no coincidence that the regional conflicts derived from the San Francisco Peace Treaty—the Northern Territories/Southern Kuriles, Takeshima/Dokdo, Senkaku/Diaoyu (Okinawa), Spratly/Nansha, and Paracel/Xisha problems—all line up along the Acheson Line. In all of these instances the US would play a decisive role, whether denying territorial gains to rivals or forcing allies such as Japan to accept terms favourable to US interests such as the reversion of Okinawa with US bases intact.

In the early 1970s, the structure of international political relations in the Asia-Pacific changed drastically, especially those centering on China. The split in the Eastern Camp contributed to the emergence of a China–US–USSR tripolar system in the political map of this region. However, the shift to policy by the US and its allies to one of “engagement” with China did not necessarily mean the collapse of the Cold War structure. The basic structure of the regional Cold War, in which the two Chinas confront each other across the Taiwan Strait and Taiwan is protected by the US umbrella, has not changed to this date.

The territorial problem between Japan and China originally centered on Okinawa. In the 1970s, as the “administrative rights” of Okinawa were returned to Japan, the focus of the Sino-Japanese territorial dispute shifted to the Senkaku/Diaoyu Islands, where resource nationalism was accented by the new energy potential discovered in the vicinity of those islands. The emergence of new factors, including valuable resources around the islands and the adoption of the United Nations Convention on the Law of the Sea (UNCLOS) granting even small islands large territorial rights, complicated the problem further. In the meantime, the origin of the problem as a by-product of the Cold War has been forgotten.

The issue of US bases after the Okinawa reversion experienced a major turning point in the 1990s and in late 2000s. With the collapse of the Yalta System and the demise of the USSR and the advent of the so-called “post–Cold War” era, the necessity of keeping US bases in Okinawa began to be questioned by many in the US media and politics (Johnson and Keen 1995, pp. 103–14). The “Okinawa problem” developed into a hot issue in Japan in
1995, after a schoolgirl was raped by three US military personnel. However, due to cooperative efforts between the US and Japanese governments, the issue of “withdrawal” (tettai) was somehow replaced by “transfer” (iten).

Although waves of the global “post-Cold War” transformations in international relations such as globalization and regionalism have reached East Asia, they have not necessarily denied the remaining structure of confrontation founded in the early post-war years. The relaxation of tensions seen in the Cold War thaw in the 1950s and US-China détente in the 1970s in both instances gave way to a deterioration of East-West relations. Similar phenomena have been observed in East Asia, including tensions across the Taiwan Strait and over the Senkakus, thereby contributing to the continued importance of US bases in Okinawa and throughout the Asia-Pacific.

Although economic interdependence has deepened and efforts to enhance confidence-building measures have been repeated over the past decades, as far as these conflicts remain unresolved, there is always danger for their escalation. Unless the sources of the conflicts are removed, not only Japan-China relations but the entire region of East Asia will never be released from the vicious circle of instability and uncertainty.

Resolution of the problems originating in the post-war territorial disposition of Japan may better be sought in a broader multilateral context, just those problems were created in such a context, rather than in limiting the framework to parties with territorial claims—an approach that has not seen success for many years. Although there is no space here to introduce concrete details, there have indeed been several projects by international group of scholars to consider these regional conflicts and their resolution in a multilateral framework.  

In the 1990s, against the backdrop of the “end of the Cold War” and the relaxation of tensions in East Asia, a window of opportunity appeared to open, and expectation for settling the Northern Territories dispute between Japan and Russia also heightened. Yet none of the proposals presented then was acceptable to both Japan and Russia. Including Japan, the present political environment may not necessarily be ideal for settling these problems in East Asia. As with the Northern Territories and many other international disputes, time may again present opportunities for solutions. It seems worthwhile that scholars, researchers, and intellectuals bring together their wisdom and prepare ideas and recommendations in advance of the time when an opportunity does present itself again. The complex threads of international relations cannot be easily disentangled. Yet, while there are clues, by mobilizing wisdom and conscience, solutions to problems should never be impossible.


Kimie Hara (email (https://apjjf.org/mailto:khara@uwaterloo.ca)) is the Director of East Asian Studies at Renison University College, the Renison Research Professor at the University of Waterloo (Canada), and an Asia-Pacific Journal contributing editor. Her books include Northern Territories, Asia-Pacific Regional Conflicts and the Aland Experience: Untying the Kurillian Knot (http://www.routledge.com/books/details/9780415666046/) (with Geoffrey Jukes), “Zaigai nihonjin kenkyusha ga mita nihon gaiko” (Japanese Diplomacy through the Eyes of


Related articles

• Reinhard Drifte, The Japan-China Confrontation Over the Senkaku/Diaoyu Islands – Between “shelving” and “dispute escalation” (https://apjjf.org/-Reinhard-Drifte/4154/article.html)


• Yabuki Susumi, Mark Selden, The Origins of the Senkaku/Diaoyu Dispute between China, Taiwan and Japan (https://apjjf.org/-Mark-Selden/4061/article.html)

• Kimie Hara, The San Francisco Peace Treaty and Frontier Problems in the Regional Order in East Asia: A Sixty Year Perspective (https://apjjf.org/-Kimie-HARA/3739/article.html)

• Wada Haruki, Resolving the China-Japan Conflict Over the Senkaku/Diaoyu Islands (https://apjjf.org/-Wada-Haruki/3433/article.html)


• Kimie Hara, Micronesia and the Postwar Remaking of the Asia Pacific: "An American Lake" (https://apjjf.org/-Kimie-HARA/2493/article.html)


References


See here. (http://www.jnpc.or.jp/img_activities/img_interview/img_specialreport/specialreport_19781025.pdf)


Gaimusho jo-ho-bunka-kyoku (Ministry of


**Notes**

1 Subhas Chandra Bose was present only as an “observer” since India was still under British rule.

2 Mongolian Peoples Republic (1924-1992), an independent state within the Soviet sphere.

3 Dulles warned that the United States would not return Okinawa to Japan if it made concessions to the Soviet Union and gave up its claim to all four island groups in its so-called Northern Territories (Hara 2007, ch. 3).

4 In his statement on August 15, 1951, Zhou Enlai flatly opposed the idea of putting Okinawa under American trusteeship,
declaring, “these islands have never by any international agreement separated from Japan” (cited in Hara 2007, p. 176).

5 It states: “Our [DOD’s] search has indicated that the coordinates proposed in the cable call for identical points to those found in Civil Administration Proclamation No. 27 of December 25, 1953, and these in turn are found in Army Map Service Gazetteer to Maps of Ryukyu-Retto and Ogasawara-Gunto, published in October 1944. Moreover, the Gazetteer, which is undoubtedly the source of the Proclamation coordinates refers at this point to the Senkakus [Diaoyu] as part of the Okinawa prefecture. It would therefore dignify the Japanese claim to the Senkakus, contrary to the neutral position assumed by the United States ... Unquestionably the United States ‘administered’ the Senkaku Islands as part of the Okinawa administration, and such an administration took place (a) without question or issue raised by the United States as to its powers to administer, and (b) apparently without Taiwan making a claim or attempting to claim the Senkaku until oil becomes an issue. Under these circumstances, the United States ‘position’ is not entirely free from an element of recognition ...” (March 19, 1971, Memorandum for Mr. Mark Greenwood, Department of State, from Harry H. Almond, Jr., Office of the Assistant General Counsel, International Affairs, Department of Defense, cited in Hara 2007, p. 180).

6 Deng Xiaoping, Deputy Prime Minister of China, commented on the Senkaku/Diaoyu issue as follows, responding to a question at a press conference at the Japan National Press Club in 1978. “It does not matter if this question is shelved for some time, say, 10 years. Our generation is not wise enough to find common language on this question. Our next generation will certainly be wiser. They will certainly find a solution acceptable to all." (Deng, 1978)

7 See for example, Hara and Jukes 2009; Hara 2015.