

The U.S. Role in the Sino-Japanese Dispute over the Diaoyu (Senkaku) Islands, 1945–1971*

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In 1996, the Sino-Japanese conflict over the Diaoyu (Senkaku) Islands intensified to the point where the American mass circulation periodical *Time* asked: “Will the next Asian war be fought over a few tiny islands?”¹ That such a question could be asked seems incredible given that the Diaoyu Islands, which lie north-east of Taiwan and west of Okinawa, consist of only five small islands and three rocky outcroppings with a total landmass of no more than 7 square kilometres or 3 square miles.² Apart from their miniscule size, the islands are uninhabited, are incapable of supporting human habitation for an extended period of time and are unlikely to support any economic life of their own from indigenous resources.³

Why do the Chinese and Japanese care so much about islands that one scholar noted “you can’t even find on most maps?”⁴ The main reason seems to be the desire to claim sovereignty over a huge area of the continental shelf and Exclusive Economic Zone (EEZ), 71,000 square kilometres by one recent estimate, that would convey rights to almost 100 billion barrels of oil and rich fishing grounds.⁵ In addition, the islands are

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1. “In an ocean of controversy,” *Time*, 7 October 1996, p. 30.

2. Daniel J. Dzurek, “Effect of the Diaoyu/Senkaku Islands dispute on maritime delimitation,” paper presented at the IBRU Conference on Borderlands Under Stress, University of Durham, 16 July 1998, pp. 1–9. The islands are Diaoyu (Uotsurishima), Huangwei (Kubashima or Kobishō), Chiwei (Taishōjima or Akao-Shō), Beixiao (Kitakojima) and Nanxiao (Minamikojima). The rocks are Dabeixiao (Okino Kitaiwa), Dananxiao (Okino Minamiwa) and Feilaidai (Tobise). From 1945 to 1971, the U.S. referred to the Diaoyu Islands in several ways: Sakishima Guntō (which represents the collective name for the Miyako and Yaeyama Islands); the Yaeyama Islands (which included Senkaku Rettō); Senkaku Rettō (which included Uotsurishima, other islands and Sentō Shōshū); and the Sentō Shōshū or Diaoyu islets. Office of the Language Aid, HCRI, *A Gazetteer of the Ryūkyū Islands*, pp. 14–18, Map 5, RG 260 (USCAR), Records of the Office of HCRI, Box 6, National Archives-College Park.

3. Ying-Jeou Ma, “The East Asian seabed controversy revisited: the relevance (or irrelevance) of the Tiao-Yu-T’ai (Senkaku) Islands territorial dispute,” in Hungdah Chiu (ed.), *Chinese Yearbook of International Law and Affairs*, Vol. 2 (1982) (Taipei: Chinese Society of International Law, 1983), pp. 28–33, 43–44.

4. Raul Lautenschütz, “Japan, China, and the Senkaku Islands,” *Swiss Review of World Affairs*, July 1979, p. 32.

5. *Ibid.* pp. 32–33; Ying-Jeou Ma, “The East Asian seabed controversy revisited,” pp. 2–4; Nicholas D. Kristof, “Would you fight for these islands?” *New York Times*, 20 November 1996, <http://www.mtholyoke.edu/acad/intrel/diaoyu.html>; and Dzurek, “Effect of the Diaoyu/Senkaku Islands dispute on maritime delimitation,” p. 1. Ma presents a legal analysis

close to strategic sea-lanes.⁶ Finally, the dispute has implications for other disputes such as China's claims to the South China Sea Islands and Taiwan, and Japan's claims to the Liancourt Rocks and Kuriles.⁷

Since the reversion of the Ryūkyū Islands (which formally included the Diaoyu Islands) to Japan in 1971, the United States has taken a "strongly" neutral position towards Chinese and Japanese claims to the Diaoyu Islands.⁸ In September 1996, for instance, Glyn Davies, a briefer for the State Department said:

We expect that the claimants to the islands will resolve their differences and do so peacefully. We urge all the claimants to exercise restraint as they move forward ... We're not going to predict what's likely to happen. We're simply going to confine ourselves to calling on both sides to resist the temptation to provoke each other or raise tensions ... it's not the kind of issue that's worth elevating beyond a war of words.⁹

On 7 November 1997, in an on-the-record briefing, the U.S. ambassador to Japan, Thomas Foley, stated, "this is a matter, we think, for both countries to deal with."¹⁰

The official neutrality of the American government is perplexing, though, given that a recent report by the U.S. Congressional Research Service concluded that the United States has a legal obligation to defend the Diaoyu Islands pursuant to the 1960 U.S.–Japan Security Treaty.¹¹ Moreover, the Chinese and Japanese have made a conscious effort to address, negatively in the former case and positively in the latter, the

footnote continued

that rejects the notion that the islands convey any continental shelf/EEZ rights. "The East Asian seabed controversy revisited," esp. pp. 28–33, 43–44.

6. Robert G. Sutter, "East Asia: disputed islands and offshore claims – issues for U.S. policy," *Congressional Research Service Report for Congress*, 28 July 1992, p. CRS-7; and Ji Guoxing, "Maritime jurisdiction in the three China seas: options for equitable settlement," [gopher://gopher-igcc.ucsd.edu](http://gopher-igcc.ucsd.edu).

7. Lautenschutz, "Japan, China, and the Senkaku Islands," p. 33; and Phil Deans, "The Diaoyutai/Senkaku dispute: the unwanted controversy," <http://snipe.okc.ac.uk/international/papers.dir/deans.html>. This also is implied by Lam Peng Er's analysis of Japan's involvement in the South China Sea dispute, "Japan and the Spratlys dispute: aspirations and limitations," *Asian Survey*, Vol. 36, No. 10 (October 1996) (online). For background on the aforementioned disputes, see respectively Eric Heyer, "The South China Sea disputes: implications of China's earlier territorial settlements," *Pacific Affairs*, Vol. 68, No. 1 (Spring 1995), pp. 34–54; and Kimie Hara, "Hoppō, Ryōdō Mondai (The Northern Territories problem): a territorial issue between Japan and Russia," in Carl Grundy-Warr (ed.), *Eurasia: World Boundaries*, Vol. 3 (London: Routledge, 1994), pp. 163–182.

8. Hereinafter I use the term Diaoyu Islands to refer to the disputed islands.

9. Quoted in Larry A. Niksch, "Senkaku (Diaoyu) Islands dispute: the U.S. legal relationship and obligations," *PacNet Newsletter*, No. 45 (8 November 1996), <http://www.csis.org/html/pac45.html>. This is an U.S. Congressional Research Service analysis.

10. <http://www.state.gov/www/policy-remarks>.

11. Niksch, "Senkaku (Diaoyu) Islands dispute." Apparently, an earlier Congressional Research Service Report came to the same conclusion. This is reported in Kristof, "Would you fight for these islands?" A copy of the 1960 agreement appears in J.A.S. Grenville and Bernard Wasserstein, *The Major International Treaties Since 1945: A History and Guide with Texts* (London: Methuen, 1987), pp. 124–26. In an agreed minute to the 1960 treaty, Japan stressed its residual sovereignty in the Okinawa chain and expectations of consultations and discussions with the U.S. in the event the islands were threatened or attacked. The U.S. stated it intended to take measures for the defence of the islands.

implications of American administration of the islands from 1945 to 1971 for their respective claims to sovereignty. The historical record clearly shows that the United States, at least until its public retreat in 1971, favoured in both word and deed Japanese claims to the islands.¹² For instance, the U.S. Navy and Japanese Maritime Self-Defence Forces jointly patrolled the waters around them. In addition, the U.S. Navy paid an annual rent of \$11,000 to the son of the first Japanese settler of the Diaoyu Islands as compensation for its use of one of the islands as a firing range, which continued until 1978.¹³

The purpose of this article is to examine in depth the contemporary historical record in order to evaluate the actual extent to which the United States favoured the Japanese claim to the Diaoyu Islands after it assumed administration in 1945 and thereby reinforced Japanese faith in the strength of their claims.¹⁴ Although there have been studies of Sino-Japanese claims to the islands going back to the 16th century and an abundance of analyses of the dynamics of the dispute since the 1970s, this work represents the first effort to document American policies during the American administration of the Ryūkyū Islands from 1945 to 1971.¹⁵

It is both important and timely to review the historical record. First, the dispute is ongoing and serves as an important, albeit not the most important, source of friction in Sino-Japanese relations. As noted earlier, both the Chinese and the Japanese reference agreements with the United States and American administration of the islands to support their legal claims to them. Secondly, as mentioned above, some in the U.S. government take the position that they have a legal obligation to defend the islands, which has obvious potential ramifications for Sino-American relations. Thirdly, at a time when China is focusing on developing its naval forces and acquiring a blue-water capability, it is useful to have historical knowledge about the issues towards which China might apply its capabilities.¹⁶ Finally, the publication of relevant materials in the *Foreign Relations of the United States* series and the continuing release

12. Even though an agreed minute to the 1971 reversion treaty incorporated the Diaoyu Islands as part of the Ryūkyū Islands being returned to Japan, the U.S. government took the position that “this treaty does not affect the legal status of those islands at all.” See United States Senate, Committee on Foreign Relations, *Okinawa Reversion Treaty. Hearings, 92nd Congress, first session, Ex. J. 92–1, October 27–29, 1971* (Washington, D.C.: U.S. GPO, 1971), p. 11.

13. Niksch, “Senkaku (Diaoyu) Islands dispute”; Kristof, “Would you fight for these islands?” and Deans, “The Diaoyutai/Senkaku dispute.”

14. This does not imply that the Japanese do not have a valid legal claim.

15. See, for example, Unryū Suganuma, “The Diaoyu Islands according to Chinese record of Ming times,” *Chinese Historians*, Vol. 9, No. 16 (1996), pp. 75–96 and the works identified in nn. 1–9, 21, 22, 25, 26.

16. On China’s efforts to develop a blue-water navy, see You Ji and You Xu, “In search of blue water power: the PLA Navy’s maritime strategy in the 1990s,” *The Pacific Review*, Vol. 4, No. 2 (1991), pp. 137–149; Larry M. Wortzel, “China pursues traditional great-power status,” *Orbis*, Vol. 38, No. 2 (Spring 1994), pp. 157–175; Henri Labrousse, “Les ambitions maritimes de la Chine,” *Defense Nationale*, Vol. 50 (Autumn 1994), pp. 131–141; and You Ji, “A blue water navy: does it matter?” in David S.G. Goodman and Gerald Segal (eds.), *China Rising: Nationalism and Interdependence* (New York: Routledge, 1997), pp. 71–89.

of documents at the U.S. National Archives provides an opportunity to document American policies towards the Diaoyu Islands.

The first section of this article provides an overview of the dispute. The second offers detail on the historical and legal claims of both the Chinese and Japanese. The third section examines the post-Second World War American administration of the Ryūkyū Islands, the linkage of the Diaoyu Islands with the Ryūkyūs and American unwillingness to return the Ryūkyū Islands to Japan. The fourth section discusses the return of the Ryūkyū and Diaoyu Islands to Japan. The final section summarizes the findings and highlights a number of issues that need further inquiry.

A Brief History of the Dispute

In 1968, the Committee for the Co-ordination of Joint Prospecting for Mineral Resources in Asian Offshore Areas, under the auspices of the UN Economic Commission for Asia and the Far East, issued a report indicating that there might be substantial energy deposits under the East China Sea.¹⁷ Thereafter, the People's Republic of China (PRC), often following the lead of the Republic of China on Taiwan (ROC or Taiwan), and Japan made strong and public claims to the Diaoyu Islands.¹⁸ For instance, in July 1970, the Japanese government informed the government of the ROC that Taiwanese bids to explore oil potential around the Diaoyu Islands were not valid. Over the next two months, the ROC planted a flag on one of the disputed islands and ROC parliament members visited the contested islands. By December the PRC was describing the Diaoyu Islands as "sacred territory."¹⁹ In 1971, the Chinese and Japanese again had the opportunity to contest each other's claims when the 1971 U.S.–Japan agreement that returned the Ryūkyū Islands to Japan incorporated a delimitation of the Ryūkyūs that incontrovertibly included the Diaoyu Islands.²⁰ The PRC, in particular, launched bold protests, claiming that Japan had stolen the islands and that China would liberate them

17. Ying-Jeou Ma, "The East Asian seabed controversy revisited," pp. 2–4; and Dzurek, "Effect of the Diaoyu/Senkaku Islands dispute on maritime delimitation," p. 5.

18. As Ma notes, it is fallacious to claim that the dispute began at this time since Chinese and Japanese nationals visited and used the islands after U.S. administration began and both sides claimed the islands as their own. It is more accurate to assert that the discovery of energy "activated" the dispute. "The East Asian seabed controversy revisited," pp. 25–26 n. 80.

19. Deans, "The Diaoyutai/Senkaku dispute."

20. In Article I of the 1971 reversion treaty, the U.S. relinquished all special rights and interests in the Ryūkyūs it acquired pursuant to Article III of the 1951 Treaty of Peace with Japan and returned to Japan full responsibility and authority for the exercise of administration, legislation and jurisdiction over the islands. An agreed minute to the treaty provides the territorial definition of the Ryūkyūs that includes the Diaoyu Islands. The agreement is printed in U.S. Department of State *Bulletin*, Vol. 65, No. 1672, 12 July 1971 (Washington, D.C.: U.S. GPO, 1971), pp. 35, 37.

at a later date.²¹ In the same year, the PRC also began to raise the issue of the Diaoyu Islands in various UN committees.²²

In 1972, the dispute once again entered the international agenda when the PRC and Japan normalized relations. The contested islands proved to be a rallying point for Japanese of all political persuasions, and the Japanese media gave the dispute extensive coverage. The ROC issued a number of public protests and Taiwanese living in the United States also championed ROC claims to the islands. The PRC jumped into the fray, but Zhou Enlai opted to moderate the dispute by calling for it to be shelved, undoubtedly as part of the PRC's strategy of countering the Soviet threat by building good relations with Japan.²³ Six years later, ownership of the Diaoyu Islands became a problematic issue during the course of Sino-Japanese negotiations over a Treaty of Peace and Friendship.²⁴ During this episode, the PRC actually sent an "armada" of 80 armed fishing vessels to the islands to show displeasure with conservative and pro-ROC Japanese Diet (Parliament) members who had raised the controversy over the Diaoyu Islands in an effort to derail peace treaty negotiations. Both sides agreed to shelve the dispute as they had in 1972. Nevertheless, new problems appeared in 1979 when the Japanese decided to construct a heliport, set up instrumentation and deposit a survey team of 31 people (putatively scientists) on the contested islands.²⁵

On 29 September 1990 the Japanese media reported that Japan's Maritime Safety Agency was preparing to recognize a lighthouse, built on the Diaoyu Islands by rightist groups in 1988, as an official navigation marker. The Chinese Foreign Ministry declared that such recognition would represent a violation of Chinese sovereignty, and Japan responded by reaffirming its ownership. On 21 October, the Japanese Maritime Safety Agency repelled two boats filled with ROC activists, which inspired a new round of protests by the PRC government. As matters seemed to be getting out of hand, the Japanese called for shelving the dispute while simultaneously defending their claim. To mollify Chinese concerns, they stated they would move cautiously on the lighthouse

21. Niksch, "Senkaku (Diaoyu) Islands dispute"; Dzurek, "Effect of the Diaoyu/Senkaku Islands dispute on maritime delimitation," p. 6 n. 18; and Lautenschutz, "Japan, China, and the Senkaku Islands," p. 33. In June 1971, the ROC informed the U.S. that the Diaoyu Islands belonged to them by reason of location, geological structure, historical association and use. It asserted that it had continuously informed the U.S. and Japan that the islands belonged to it. Ting Tsz Kao, *The Chinese Frontiers* (Aurora: Chinese Scholarly Publishing Co., 1980), p. 98.

22. United States, Department of the Army, 7th Psychological Operations Group, "Oil in troubled waters: the Senkakus," 22 May 1972, p. SR 8–3.

23. Deans, "The Diaoyu/Senkaku dispute."

24. The 1978 treaty appears in Grenville and Wasserstein, *The Major International Treaties Since 1945*, p. 306. Among other provisions, the accord called for both sides to oppose hegemony in Asia, to develop economic and cultural relations, and to maintain relations on the basis of principles such as respect for each other's sovereignty, territorial integrity and independence.

25. Daniel Tretiak, "The Sino-Japanese Treaty of 1978: the Senkaku incident prelude," *Asian Survey*, Vol. 18, No. 12 (December 1978), pp. 1235–49; Lautenschutz, "Japan, China, and the Senkaku Islands," p. 32; and Deans, "The Diaoyutai/Senkaku dispute."

application and would not dispatch any patrols.²⁶ Two years later, the dispute re-emerged when China passed a law setting out its territorial waters and contiguous zones that included the Diaoyu Islands. Of note, China stated that it reserved the right to use military force to prevent any violations of its waters.²⁷

In July 1996, the dispute flared anew when members of the rightist Japanese Youth Association landed on the disputed islands, built another lighthouse and then requested that the Japanese government recognize it as an official navigational signal. On 18 August, a different Japanese rightist group put a Japanese flag next to the lighthouse. Ten days after this, Japanese Foreign Minister Yukihiko Ikeda reasserted the validity of Japan's claim in an interview with the Hong Kong press. The PRC condemned the Japanese acts and stated that China would not cede any territory. It also asked the Japanese government to remove the lighthouse. There were large-scale protests in Taiwan and Hong Kong as well as successful efforts by activists to plant PRC and ROC flags on the contested islands. In a provocative gesture, the Japanese removed the PRC and ROC flags. Nevertheless, they informed the Chinese that they had no plans to recognize the lighthouse. In March 1997, they also told the Chinese that they would avoid formal delimitation of their EEZ and act to restrain Japanese nationalists. Only two months later, however, a Japanese Diet member visited the Diaoyu Islands, which caused a new round of exchanges among the PRC, Taiwan and Japan. It did not help matters when the Japanese government allowed Japanese rightists to land on the islands in June while blocking Chinese nationalists from doing the same. More recently (June 1998), protesters from Hong Kong and Taiwan attempted to land on the islands, but were prevented from doing so by the Japanese Maritime Safety Agency, which the protestors and the PRC government alleged bore responsibility for the sinking of one of the protest boats.²⁸

26. This draws extensively from Erica Strecker Downs and Phillip C. Saunders, "Legitimacy and the limits of nationalism: China and the Diaoyu Islands," *International Security*, Vol. 23, No. 3 (Winter 1998/99), pp. 127–131.

27. "Law passed claiming Spratly Islands," *Agence-France Presse*, 26 February 1992; Chang Hong, "NPC enacts law on territorial waters," *China Daily*, 26 February 1992, p. 1; and *Xinhua Domestic*, 25 February 1992 all in *Foreign Broadcast Service Daily Report – China* (FBIS-CHI)-92-038, 26 February 1992, pp. 19–20. For an analysis of China's view of its maritime rights pursuant to the 1982 U.N. Convention on the Law of the Sea, see Su Dushu, "Lüè tan hanwei woguo haijiang wenti" ("Some notes on problems concerning defence of China's coastal areas and territorial seas"), *Zhongguo bianjiang shi di yanjiu* (*China's Borderland History and Geographic Studies*) No. 1 (1992), pp. 75–81.

28. Daniel Dzurek, "The Senkaku/Diaoyu islands dispute," 18 October 1996, <mailto:admin@mailbase.ac.uk> (a revised and updated version of this paper appears at www-ibru.dur.ac.uk/senkaku.html); Dzurek, "Effect of the Diaoyu/Senkaku Islands dispute on maritime delimitation," pp. 1–4; and Downs and Saunders, "Legitimacy and the limits of nationalism," pp. 131–35.

The Basis for Chinese and Japanese Claims to the Islands

The Chinese trace their claims to the Diaoyu Islands as far back as 1372,²⁹ and, according to Chinese publications, they discovered and named the islands in 1403. The travel records of imperial envoys from both the Ming and Qing courts, Chinese maps, and scholarly works prepared by Chinese, Japanese and Ryūkyūan scholars all evidence China's long-term claim. The Chinese also allege that the Japanese used Chinese names for the islands as late as 1996. In addition, they argue that Japan first "discovered" the islands in 1885 (long after the Chinese did) and stole them in April 1895 as a consequence of the Treaty of Shimonoseki, which ended the Sino-Japanese War of 1894 and ceded Taiwan, the Pescadores and their surrounding islands to Japan.³⁰

Focusing on the Second World War period and thereafter, the Chinese state that the U.S. government did not deem the Diaoyu Islands to be Japanese territory after it occupied Japan. Furthermore, the Cairo and Potsdam declarations obliged the Japanese to renounce *inter alia* their claim to Taiwan as well as all the territories that they had taken by "violence and greed."³¹ In the Chinese view, this meant that the Japanese, who had accepted the Potsdam declaration, promised to return the Diaoyu Islands to China. The 1951 peace treaty with Japan did not change the status of the islands because it did not involve China.³² Similarly, the 1971 reversion treaty had no implications for China's claim to the islands, first because the American administration of the Diaoyu Islands in tandem with its management of the Ryūkyū Islands was improper, and secondly because the United States itself recognized that the treaty did not prejudice any particular claim to the islands.

The Japanese point to 1884 as the year that they discovered the Diaoyu Islands. They state that repeated surveys of the islands were made by agencies of Okinawa prefecture and through other methods and that these

29. The Chinese case is made in Su Dushu, "Some notes on problems concerning defence," p. 81; and *Zhongguo zhoubian guanxi yu anquan huanjing* (*China's Relations with Its Neighbours and Its Security Environment*) (Shaanxi: People's Education Press, n.d.) in *Joint Publications Research Service-China* (JPRS-China)-93-037, 8 June 1993, pp. 25–26. For official comments, see "On Diaoyu Islands issue," and "History proves Diaoyu islands are China's territory," both at <http://www.china-embassy.org>. Other important statements of the Chinese positions appear in Kiyoshi Inoue, "Japanese militarism and Diaoyutai (Senkaku) Island – a Japanese historian's view," <http://www.interlog.com/~yuan/diaohist.html>; and Zhong Yan, "China's claim to Diaoyu Island chain indisputable," <http://ss5.ihep.ac.cn/ins/Book/Bjreview/November/96-45-10.html>. The Inoue article originally appeared in *Beijing Review*, Vol. 15, No. 19 (12 May 1972) while the Zhong piece appeared in *Beijing Review*, Vol. 39, No. 45 (4–10 November 1996).

30. A copy of the treaty is included in Fred L. Israel (ed.), *Major Peace Treaties of Modern History, 1648–1967* (New York: Chelsea House and McGraw-Hill, 1967), Vol. II, pp. 1101–10, esp. p. 1102.

31. These declarations appear in Supreme Commander for the Allied Powers (SCAP), Government Section, *Political Reorientation of Japan: September 1945 to September 1948* (Grosse Pointe: Scholarly Press, 1968), pp. 411, 413.

32. Pursuant to Article II of the 1951 Treaty of Peace, Japan renounced all claims to Korea, Formosa, the Pescadores, the Kuriles, part of the Sakhalin peninsula, the Antarctic, the Spratlys and Paracels, and numerous mandated territories. Article III changed the administrative status of various Japanese islands. For the treaty, see Israel, *Major Peace Treaties*, Vol. IV, pp. 2641–56.

surveys revealed that the islands were uninhabited. Japanese investigations did not reveal any traces of Chinese control nor did the Chinese government protest at the activities of the Japanese government. According to the Japanese government, the Diaoyu Islands became part of Okinawa on 14 January 1895 when the Japanese cabinet formally annexed them and erected markers on them. In short, the islands were not transferred to Japan pursuant to the Treaty of Shimonoseki. After annexation until the end of the Second World War, Japanese nationals developed and exploited the islands, constructing docks, reservoirs and warehouses as well as collecting bird feathers and guano.³³

As for the post-war period, the Japanese case is based on several premises. First, the Japanese did not give up sovereignty over the islands as a result of the 1951 peace treaty. Secondly, although the United States administered the Ryūkyū Islands (of which it made the Diaoyu Islands a part), the Japanese government had “residual sovereignty” in them. It is in this context – Japanese claims to the Diaoyu Islands on the basis of their association with the Ryūkyū Islands – that American policy towards the Ryūkyū Islands and Japanese claims to them assume great significance.³⁴ Thirdly, the U.S. government paid rent to the Japanese national who held the lease to the Diaoyu Islands so that it could use some of them for target practice. Finally, the 1971 reversion treaty explicitly allocated the islands back to Japan.

The U.S. Administration of the Diaoyu Islands: The Die is Cast

The United States established its toehold in the Ryūkyū Islands on 1 April 1945 and after a bloody battle assumed full control on 21 June. With the surrender of Japan in September 1945, American forces not only assumed formal control over the Japanese mainland, but many island chains including the Amami, Okinawa, Miyako and Yaeyama Island groups.³⁵ These islands offered proximity to Japan proper and to Taiwan,

33. On Japan's claims, see “The basic view on the sovereignty over the Senkaku Islands,” <http://www.mofa.go.jp/ja/Senkaku.html>. See also Ying-Jeou Ma, “The East Asian seabed controversy revisited,” pp. 31–32; J.R.V. Prescott, *The Maritime Political Boundaries of the World* (London: Methuen, 1985), pp. 244–46; Dzurek, “Effect of the Diaoyu/Senkaku Islands dispute on maritime delimitation,” p. 5; and Ji Guoxing, “Maritime jurisdiction in the three China seas.”

34. On Japan's acquisition of the Ryūkyūs, see Roy Hidemichi Akagi, *Japan's Foreign Relations, 1542–1936: A Short History* (Tokyo: Hokuseido Press, 1936), pp. 58–74; Akio Watanabe, *The Okinawa Problem: A Chapter in Japan-U.S. Relations* (Melbourne: Melbourne University Press, 1970), pp. 4–8; Mark R. Peattie, “The Japanese Colonial Empire, 1895–1945,” in Peter Duus (ed.), *The Cambridge History of Japan: Vol. 6: The Twentieth Century* (Cambridge: Cambridge University Press, 1988) (hereinafter *CHOJ: Vol. 6*), p. 224; Ting Tsz Kao, *The Chinese Frontiers*, pp. 91–98; and Edwin O. Reischauer, *Japan: The Story of a Nation*, 4th ed. (New York: McGraw-Hill Publishing, 1990), p. 127.

35. A SCAP map shows that the Ryūkyū chain is not associated with Japan proper and also that it is not part of Taiwan. At this time, the Joint Chiefs of Staff and SCAP defined “Japan” to include the four main islands of Japan (Hokkaido, Honshū, Kyūshū and Shikoku) and the approximately 1,000 smaller adjacent islands, including the Tsushima Islands and the Ryūkyū (Nansei) Islands south of 30° North latitude (excluding Kuchinoshima Island). “Memorandum for the Imperial Japanese Government from General Headquarters, SCAP,” 29 January 1946, in SCAP, *Political Reorientation of Japan*, p. 477.

China, South Korea and even the Philippines.³⁶ The United States moved quickly to consolidate its control over Japan and the Ryūkyūs. It also moved rapidly to improve its knowledge of the geography of the defeated Japanese Empire. For instance, the Supreme Commander for the Allied Powers (SCAP) General Douglas MacArthur instructed the Japanese military to deliver all nautical and aviation charts and other hydrographic publications covering the main islands of Japan, adjacent islands and the Ryūkyūs as well as topographic maps of all areas.³⁷

In the winter of 1945, the U.S. Naval Military Government of the Ryūkyū Islands commenced survey and reconnaissance operations. Although the Military Government initially confined itself to the area terminating at Kume Island in the west, the commander of the Okinawa Naval Base was instructed by 19 January 1946 on the basis of these surveys “to extend Military Government operations so as to include the Northern Ryūkyūs south of the 30th parallel North and to include Sakishima Guntō [which includes the Diaoyu Islands], which includes *all of the islands of the Ryūkyūs south of Okinawa* (emphasis added).”³⁸

Other official U.S. government publications and maps of this period reinforced this association – that is, the link between the Diaoyu Islands and the Ryūkyū Islands. In April 1947, the U.S. Department of State issued an atlas and gazetteer that clearly associated the Diaoyu Islands with Okinawa ken (prefecture) and, more specifically, Yaeyama Gun (county).³⁹ A SCAP map dated December 1947 also includes the Sakishima group as part of the Ryūkyūs, and clearly excludes them from the China theatre and Taiwan.⁴⁰ The evidence shows, then, that the United States linked the Diaoyu Islands with the Ryūkyū Islands from an early date.

It was not a foregone conclusion, though, that the United States would strip the Ryūkyūs and thus the Diaoyu Islands away from Japan. Although well aware of the strategic location of the islands and their potential for naval and air bases, secret State Department analyses in July

36. Fredrick L. Shiels, *America, Okinawa, and Japan: Case Studies for Foreign Policy Theory* (Washington, D.C.: University Press of America, 1980), pp. 53, 56; and Alvin D. Coox, “The Pacific War,” in *CHOJ: Vol. 6*, p. 367.

37. “Directive No. 2,” 3 September 1945, in SCAP, *Political Reorientation of Japan*, p. 447. See also “GHQ FEC Opns Instns No. 2,” 1 February 1948, which charged SCAP with an extensive programme of mapping and the procurement of terrain intelligence of Korea, Japan and the Ryūkyūs. Reports of General MacArthur, *MacArthur in Japan: The Occupation: Military Phase*, Vol. 1. Supplement (Washington, D.C.: U.S. GPO, 1966), p. 84, n. 16.

38. “Memorandum from the Deputy Commander for Military Government to Commandant, Naval Base, Okinawa, and Chief Military Government Officer, Ryūkyūs,” 1 July 1946, RG 260 (U.S. Civil Administration of the Ryūkyū Islands or USCAR), Records of the Office of the High Commissioner of the Ryūkyū Islands (HCRI), Activity Reports of the U.S. Naval Military Government of the Ryūkyū Islands (April 1945–July 1946), Box 38, National Archives–College Park.

39. U.S. Department of State, *Administrative Subdivisions of Japan: Atlas and Gazetteer, and Appendix*, RG 59 (State Department), Records of the Geographer, Series 007 331/A/08/05, National Archives–College Park.

40. Reports of General MacArthur, *MacArthur in Japan*, p. 87.

1943 and December 1944 concluded that if Japan lost other key islands including Taiwan and was demilitarized then the strategic value of the islands would be diminished. Hence, the sovereignty of the Ryūkyūs, which included the Sakishima Islands, should not be transferred.⁴¹ Of note, these analyses rejected *in toto* Chinese claims to the Ryūkyūs that had been voiced by ROC foreign minister T.V. Soong in a public statement in October 1944 and by Chiang Kai-Shek in the revised edition of his book *China's Destiny*.⁴² In 1939, Chinese communist leader Mao Zedong had implied a claim to the Ryūkyūs by describing it as one of the many territories and dependencies stripped away from China by the imperialists.⁴³

The U.S. military had a different perspective from the State Department. Even before the end of the Second World War, it had begun to covet a world-wide network of bases. Hence, the war and navy departments as well as the Joint Chiefs of Staff (JCS) made clear their desire to have an unencumbered trusteeship over the Ryūkyū Islands that would not be subject to UN supervision. In other words, they wanted a strategic trusteeship that would give the United States a free hand to build up a substantial military presence in the island chain. Subsequently, the Ryūkyūs would function as part of the United States' growing bulwark against Soviet expansionism.⁴⁴ This is not to say that all the Ryūkyū Islands were equally important in the eyes of U.S. military leaders. They were undoubtedly most concerned about Okinawa, the largest of the islands. Nevertheless, as will be seen, all the Ryūkyūs came to be linked together and American military leaders feared that any division of them, no matter how small, would lead the United States down a slippery slope to a point where its presence on key islands like Okinawa could be endangered.

The debate within the U.S. government over the future of the Ryūkyūs intensified in 1947 as the Americans began to consider different settlement options for Japan.⁴⁵ The JCS told the State Department in August

41. "Liuchiu Islands (Ryūkyū)" (secret), 2 July 1943; and "Japan: territorial problems: Liuchiu (Ryūkyū) Islands" (secret), 14 December 1944, both in RG 59 (State Department), Reports on World War II Topics, Box 1, National Archives–College Park. The state seemed reluctant to recommend losses of territory in other island cases as well. See e.g. "Japan: territorial problems: Bonin and Volcano Islands" (secret), 23 October 1943, pp. 2–3; and "Japan: territorial problems: Bonin and Volcano Islands" (secret), 11 October 1943, pp. 2–3 both in RG 59 (State Department), Japan Mandated Islands and Territorial, Box 1, National Archives–College Park.

42. See Chiang Kai-Shek, *China's Destiny* (New York: Roy Publishers, 1947), p. 36.

43. This is noted in Shiels, *America, Okinawa, and Japan*, p. 57.

44. Frederick S. Dunn, *Peace-Making and the Settlement with Japan* (Princeton: Princeton University Press, 1963), pp. 56–57; and Shiels, *America, Okinawa, and Japan*, pp. 56–63.

45. See, e.g., "Memorandum by the Political Adviser in Japan (Atcheson) to General of the Army Douglas MacArthur," 20 March 1947, in U.S. Department of State, *Foreign Relations of the United States (FRUS), 1947: Vol. VI: The Far East* (Washington, D.C.: U.S. GPO, 1972) (hereinafter *FRUS, 1947: Vol. 6*), p. 452; "The Political Adviser in Japan (Atcheson) to the Secretary of State," 28 July 1947, p. 476; and "Memorandum by the Chief of the Division of Northeast Asian Affairs (Borton) to the Counselor of the Department (Bohlen)," 6 August 1947, p. 478, both in *FRUS, 1947: Vol. 6*.

that it wanted to retain the Nansei Shotō or Ryūkyū Islands south of latitude 29° North, Nanpō Shotō south of Sofu Gan and the Marcus Islands – as did General MacArthur.⁴⁶ The State Department Policy Planning Staff concurred in Policy Planning Study 10 with the JCS request for the Bonin and Volcano Islands (part of Nanpō Shotō) and the Marcus Islands, though it avoided commenting on the Ryūkyūs pending a State-War-Navy-Co-ordinating Committee report.⁴⁷

The next year, the U.S. government gradually moved towards consensus about separating the Ryūkyūs and thus the Diaoyu Islands from Japan. It seems that the United States was driven along this path by the passage of resolutions by the ROC government in April 1948 calling for the return of the Ryūkyūs to China. In addition, the U.S. Central Intelligence Agency (CIA) published a top secret analysis four months later that warned that if the Communists won control of China the return of the Ryūkyūs to China would give the Soviet Union access to these islands and thereby endanger the entire U.S. Pacific base system as well as Japan.⁴⁸ At the highest levels, then, the United States had decided to retain long-term control over Okinawa and other facilities as deemed necessary by the JCS in the Ryūkyū Islands south of 29° North including the Marcus Islands and Nanpō Shotō south of Sofu Gan. Moreover, the United States seemed to be abandoning its interest in promptly obtaining a trusteeship: it would only seek it at an appropriate time and 1948 was hardly an appropriate time.⁴⁹ The Ryūkyūs, with which the Diaoyu Islands were associated, had become an integral part of the American Cold War strategy in the Western Pacific. It would be a long time before this changed.

In 1949, the year China fell to the Communists, leading American military officials were still emphasizing the need to keep the Ryūkyūs south of 29° North latitude since they represented, along with Japan and the Philippines, “another essential link in the offshore islands chain.”⁵⁰

46. “Memorandum by Rear Admiral E.T. Woolridge, Assistant Chief of Naval Operations for Politico-Military Affairs, Navy Department, to the Chief of the Division of Northeast Asian Affairs (Borton),” 18 August 1947, p. 495; and “General of the Army Douglas MacArthur to the Secretary of State,” 1 September 1947, p. 512, both in *FRUS, 1947: Vol. 6*.

47. “Memorandum by the Director of the Policy Planning Staff (Kennan)” (PPS 10), 14 October 1947, in *FRUS, 1947: Vol. 6*, pp. 538–540. The map used in PPS 10 seems to indicate that the Diaoyu Islands are part of Nansei Shotō, but is difficult to read. See p. 539.

48. “The Ambassador in China (Stuart) to the Secretary of State,” 2 June 1948, in U.S. Department of State, *FRUS, 1948: Vol. I: The Far East and Australasia* (Washington, D.C.: U.S. GPO, 1974) (hereinafter *FRUS, 1948: Vol. I*), p. 800; and U.S. Central Intelligence Agency, “The Ryūkyū Islands and their significance,” 6 August 1948, cited in Shiels, *America, Okinawa, and Japan*, pp. 68–69.

49. “Recommendations with respect to the U.S. policy toward Japan,” NSC 13/1, in *FRUS, 1948: Vol. 1*, pp. 877–78; and “Report by the National Security Council on recommendations with respect to United States policy toward Japan,” NSC 13/3 (6 May 1949), in U.S. Department of State, *FRUS, 1949: Vol. VII: The Far East and Australasia, Part 2* (Washington, D.C.: U.S. GPO, 1976) (hereinafter *FRUS, 1949: Vol. 7, Part 2*), p. 731.

50. “The Acting Political Adviser in Japan (Sebald) to the Secretary of State,” 9 September 1949, p. 857; “Memorandum of conversation, by Mr. Robert A. Fearey, of the Office of Northeast Asian Affairs,” 2 November 1949, p. 894; and “Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Johnson),” 22 December 1949, p. 923 all in *FRUS, 1949: Vol. 7, Part 2*.

The communist victory in China only increased the importance of these islands since they occupied a space along the U.S. defence perimeter on which there were “important defence points.”⁵¹ Not surprisingly, the unexpected communist victory and the confrontation with the Soviet Union affected American policy in other areas as well, particularly its thinking about the peace treaty with Japan.⁵²

As the Cold War between East and West intensified, the Ryūkyūs were no longer important just for Pacific defence. They would also be vital for the United States if it faced the Soviets in a war in Europe, since such a war would be global.⁵³ The outbreak of the Korean War, during which time the Ryūkyūs were used as a staging ground for action in South Korea, further strengthened JCS claims that these islands were indispensable to American security plans.⁵⁴

In recognition of continued military demands for “exclusive strategic control of the Ryūkyū Islands south of latitude 29° North, Marcus Islands, and the Nanpō Shotō south of Sofu Gan,” the State Department circulated a draft peace treaty in September 1950 that gave the United States “full powers of administration, legislation, and jurisdiction” over the Ryūkyūs and Diaoyu Islands until such time as a trusteeship was established.⁵⁵ The Soviets objected to these provisions, saying that there had been no agreement to remove the Ryūkyūs or Bonins from Japan at either Cairo or Potsdam. The U.S. response was that Potsdam gave it the authority to decide what minor islands went back to Japan.⁵⁶ In the meantime, the JCS issued a directive (JCS 1231/14) creating the U.S. Civil Administration of the Ryūkyūs. The directive stated that the United States was an “occupying power” until “such time as the ultimate international status of the islands is determined ... It is the policy of the United States to retain the Ryūkyū Islands on a long-term basis by reason of their importance to the security of the United States.”⁵⁷

In November 1950, State Department and SCAP officials became concerned about Japanese reactions to the territorial clauses of the proposed peace treaty. In one representative statement, it was noted that

51. Dean Acheson commented on the role of the Ryūkyūs during his famous/infamous address to the National Press Club on 12 January 1950. U.S. Department of State *Bulletin*, Vol. 22, No. 551 (Washington, D.C.: U.S. GPO, 1950), pp. 115–18.

52. Roger Buckley, *U.S.-Japan Alliance Diplomacy, 1945–1990* (Cambridge: Cambridge University Press, 1992), pp. 29, 37.

53. “Memorandum of Conversation, by the Special Assistant to the Secretary (Howard),” 24 April 1950, in U.S. Department of State, *FRUS, 1950: Volume VI: East Asia and the Pacific* (Washington, D.C.: U.S. GPO, 1976) (hereinafter *FRUS, 1950: Vol. 6*), p. 1181.

54. Shiels, *America, Okinawa, and Japan*, p. 70. For a masterful analysis of the Korean War, see Thomas J. Christensen, *Useful Adversaries: Grand Strategy, Domestic Mobilization, and Sino-American Conflict, 1947–1958* (Princeton: Princeton University Press, 1996).

55. “Memorandum by the Secretary of State to the Ambassador at Large (Jessup),” 22 August 1950, and “Memorandum for the Secretary of Defense,” 22 August 1950, pp. 1278–82, both in *FRUS, 1950: Vol. 6*. For a copy of the relevant provisions in the draft peace treaty, see p. 1298.

56. Dunn, *Peace-Making and the Settlement with Japan*, pp. 110–13.

57. “Memorandum approved by the Joint Chiefs of Staff,” 4 October 1950, in *FRUS, 1950: Vol. 6*, p. 1313.

the Japanese public was attaching “extraordinary importance to the dispositions of the Ryūkyū and Kurile Islands” and that Japanese politicians across the political spectrum opposed any treaty that surrendered Japanese sovereignty over the islands. State Department officials feared that U.S.–Japan relations might be damaged if the United States was not careful.⁵⁸ Therefore, the State Department’s Political Adviser in Japan, William Sebald, recommended that the U.S. should “explore the feasibility ... of territorial provisions which, while allowing the retention of effective control over such areas as may be dictated by security considerations, would avoid the appearance of an outright alienation of sovereignty from Japan.” Alternatively, Sebald suggested setting up a temporary trusteeship.⁵⁹

Secretary of State Dean Acheson thought enough of these warnings to propose, in a memo to Secretary of Defense George Marshall, leaving the Ryūkyūs under Japanese sovereignty provided that the United States obtained special basing rights.⁶⁰ The U.S. military, however, presented a united front in opposition to the idea. MacArthur wrote that the Ryūkyūs remained a “vital segment of our lateral defense line” and control should not be surrendered. The JCS reiterated its stance. The United States needed exclusive strategic control over, at a minimum, the Ryūkyūs south of 29° North latitude.⁶¹

Despite opposition in the military, State Department officials continued to highlight the Ryūkyūs as a problem in U.S.–Japan relations and to recommend other options besides the alienation of the Ryūkyūs from Japan.⁶² The Japanese too became more vocal. In late January 1951, an aid to Japanese Prime Minister Shigeru Yoshida told State Department officials in Washington:

It would be a serious mistake, greatly reducing the benefits which may otherwise be derived from a treaty, to transfer title to the Ryūkyūs and Bonins from Japan. Japan is prepared to give the U.S. all required military rights there ... but the Japanese people will not understand why these peacefully acquired islands ... should be taken from them. Such action would be a continual source of bitterness.⁶³

58. “Memorandum by Mr. Robert A. Fearey of the Office of Northeast Asian Affairs to the Deputy Director of that Office (Johnson),” 14 November 1950, pp. 1346–47; and “The Supreme Commander for Allied Powers (MacArthur) to the Department of the Army,” both in *FRUS, 1950: Vol. 6*, pp. 1344–45.

59. “Memorandum by Mr. Robert A. Fearey of the Office of Northeast Asian Affairs to the Deputy Director of that Office (Johnson),” p. 1347.

60. “The Secretary of State to the Secretary of Defense (Marshall),” 13 December 1950, in *FRUS, 1950: Vol. 6*, pp. 1364, 1367.

61. “The Commander in Chief, Far East (MacArthur) to the Department of the Army,” p. 1384; and “Report by the Joint Strategic Survey Committee to the Joint Chiefs of Staff,” 28 December 1950, pp. 1391–92, both in *FRUS, 1950: Vol. 6*.

62. “The United States Political Adviser to SCAP (Sebald) to the Secretary of State,” 6 January 1951, in U.S. Department of State, *FRUS, 1951: Volume VI: Asia and the Pacific, Part 1* (Washington, D.C.: U.S. GPO, 1977) (hereinafter *FRUS, 1951: Vol. 6, Part 1*, p. 786.

63. “Memorandum by Mr. Robert A. Fearey of the Office of Northeast Asian Affairs to the Consultant to the Secretary (Dulles),” 25 January 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 811.

Moreover, on 31 January, Prime Minister Yoshida gave John Foster Dulles, who was touring Japan, a note (described as a private view) which recognized U.S. military needs, but asked that the islands be returned once the need for trusteeship disappeared. More importantly, he requested that the islands be “allowed to retain Japanese nationality” and that Japan “be made a joint authority.”⁶⁴

Dulles completely rejected opening the subject of the Ryūkyūs at the request of the Japanese since the surrender terms gave Japan only the four main islands, many adjacent islands, and other islands *as determined by the Allies*.⁶⁵ Dulles told his staff, however, that the issue might be reopened at American initiative back in Washington.⁶⁶ His basic view was that the United States needed to treat Japan as a potential ally and hence to avoid policies that would alienate the Japanese.⁶⁷ State Department officials were not alone in questioning whether the United States should take the Ryūkyūs from Japan. There were also some doubts in the U.S. Senate about the wisdom of not returning the Ryūkyūs.⁶⁸

Japanese efforts to modify the peace treaty came to naught. The draft peace treaty circulating in March 1951 still called for American control of the Ryūkyūs south of 29° North latitude and noted that until the United States sought trusteeship, it had administrative, legislative and jurisdictional power over the territory and inhabitants of these islands and their territorial waters.⁶⁹ In April and June, the JCS reaffirmed the importance of these provisions.⁷⁰ The Americans proceeded along this course even though the CIA’s National Intelligence Estimate (NIE-19) in April concluded that adherence to the territorial clauses of Cairo and Potsdam would require the return of the Ryūkyūs and Bonins to Japan.⁷¹

The fact that the territorial clauses of the draft peace treaty were not to Japan’s liking did not mean that Japan withdrew from proposing changes that it desired. For instance, the Japanese government told Sebald that it was better to use “Nansei Shotō south of 29° North latitude” than “Ryūkyū Islands south of 29° North latitude.” What is relevant about this

64. “Undated Memorandum by the Prime Minister of Japan (Yoshida),” 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 833.

65. The National Archives, *The End of the War in the Pacific: Surrender Documents in Facsimile* (Washington, D.C.: U.S. GPO, 1945); and the Potsdam declaration of 26 July 1945, in SCAP, *Political Reorientation of Japan: September 1945 to September 1948*, p. 413.

66. “Memorandum by Mr. Robert A. Fearey of the Office of Northeast Asian Affairs,” 31 January 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 836.

67. Buckley, *U.S.–Japan Alliance Diplomacy*, pp. 34–37.

68. “Memorandum by Mr. Robert A. Fearey of the Office of Northeast Asian Affairs,” 19 March 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 933.

69. “Provisional Draft of a Japanese Peace Treaty,” 23 March 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 945. Japanese negotiators hoped that the U.S. would not implement the trusteeship clause. Prime Minister Yoshida and others told the Japanese Diet that the peace treaty did not require Japan to renounce sovereignty over these islands. Watanabe, *The Okinawa Problem*, pp. 24–25.

70. “Memorandum for the Secretary of Defense,” 17 April 1951, p. 991; and “Memorandum for the Secretary of Defense,” 26 June 1951, p. 1157, both in *FRUS, 1951: Vol. 6, Part 1*. The British concurred in this separation. Dunn, *Peace-Making and the Settlement with Japan*, p. 138.

71. “Memorandum by the Central Intelligence Agency” (NIE-19), 20 April 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 999.

is that the Japanese told Sebald that the “Nansei (south-western) Islands include both Satsunan and Ryūkyū groups, that is, *all islands between Kyūshū and Formosa*” (emphasis added). Moreover, Sebald acknowledged in his memo to Acheson that Okinawa prefecture, as used by the Japanese, includes the Okinawa and Sakishima sub-groups, which, in turn, include the Daito and Sentō Islands.⁷² On 18 July, Acheson instructed his diplomatic offices to use Nansei Shotō south of 29° North latitude including the Ryūkyū Islands and the Daito Islands, as opposed to the Ryūkyū Islands south of 29° North latitude.⁷³ Once again, the United States associated the Diaoyu Islands with the Ryūkyū Islands, this time with Japan playing a part.

On 8 September 1951, the United States, the United Kingdom and a number of other states signed the Treaty of Peace with Japan. In Chapter 2 of the Treaty (Territorial Clauses), Japan renounced all right, title and claim to Korea, Formosa, and the Pescadores and Spratly Islands (Article II). Pursuant to Article III of this Chapter:

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 sole administering authority, Nansei Shotō, south of 29° North latitude (including the Ryūkyū and the Daito Islands), Nanpō Shotō south of Sofu Gan (including the Bonin Islands, Rosario Islands 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.⁷⁴

According to later comments by State Department officials, Nansei Shotō south of 29° North latitude was understood at this time to include the Diaoyu Islands.⁷⁵

What, then, were Japan’s rights in Nansei Shotō south of 29° North latitude? At the San Francisco conference for the peace treaty, Dulles had stated that the Japanese had “residual sovereignty” in the Ryūkyū Islands.⁷⁶ He repeated this assessment during the Senate ratification hearings for the 1951 peace treaty.⁷⁷ What did residual sovereignty mean? According to one official analysis prepared by the U.S. Army, it meant “the United States will not transfer its sovereign powers [administrative, legislative, and jurisdiction] over the Ryūkyū Islands to any nation other than Japan.”⁷⁸

72. “The United States Political Adviser to SCAP (Sebald) to the Secretary of State,” 4 April 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 961.

73. “The Secretary of State to Certain Diplomatic Offices,” 18 July 1951, in *FRUS, 1951: Vol. 6, Part 1*, p. 1200.

74. Israel, *Major Peace Treaties*, Vol. IV, pp. 2641–56, esp. pp. 2642–43.

75. United States Senate, *Okinawa Reversion Treaty*, pp. 90, 147.

76. *Conference for the Conclusion and Signature of the Treaty of Peace with Japan: Record of Proceedings* (Washington, D.C.: U.S. GPO, 1951), pp. 88–97.

77. Shiels, *America, Okinawa, and Japan*, p. 127.

78. International and Civil Affairs Directorate, Office of the Deputy Chief of Staff for Military Operations, Department of the Army, “Okinawa Reversion: A Study of the Administrative Aspects” (secret), 1 April 1969, pp. 1–2, RG 260 (USCAR), Records of the HCRI, HICOM Administrative Files 1969–1972, Reversion Agreements to Pre Comm 1971–72, Box 2, National Archives–College Park.

For further clarification of the American position, it is useful to turn to an earlier memo prepared by Dulles for a meeting with Secretary of Defense Marshall (though this memo was not used during the meeting). In it, Dulles remarked that the United States did not want sovereignty because of its January 1942 declaration that it sought “no aggrandizement.” He stated that the U.S. could not have Japan simply renounce sovereignty (as it did with Taiwan) since that might create an opening for either the UN or the Soviets to get involved in the Ryūkyūs. In any event, he observed that the United States could only receive a grant of exclusive administrative, legislative and jurisdiction rights as long as Japan was sovereign. He stated, “exclusive strategic control is entirely compatible with residual sovereignty elsewhere, provided the sovereign grants it.” He added that if Japan renounced its sovereignty to the Ryūkyūs, then it would have nothing to grant.⁷⁹ From this, it can be concluded that the legal basis for American rights in the Ryūkyūs was a grant from Japan *as sovereign*. This interpretation gains support from the fact that the British delegate to the San Francisco conference, Kenneth Younger, announced that the Treaty did not remove the Ryūkyūs or the Bonins from Japanese sovereignty.⁸⁰ If the U.S. was claiming that Japan had sovereignty (albeit residual sovereignty) in the Ryūkyūs, and the Diaoyu Islands were linked with the Ryūkyūs (which it certainly had done), then it is not surprising that the Japanese believed they had residual sovereignty in the Diaoyu Islands too.

In early 1952, Sebald reported back to Washington that the Japanese were not happy with the concept of “residual sovereignty.” Not only did the separation of the islands provoke a strong reaction in Japan, but they wanted some concrete assurance that the United States would eventually return the Nansei and Nanpō islands to Japan.⁸¹ Consequently, Sebald specifically asked Acheson to consider giving “formal recognition of the sovereignty of Japan and the Japanese nationality of the inhabitants.”⁸²

The environment seemed somewhat more conducive to revisit the issue at this time. Dulles no longer had to demonstrate American resolve and determination to the world and the Japanese now that the treaty was signed.⁸³ Furthermore, the Far East Command, now headed by General Matthew Ridgway, seemed amenable to different arrangements for the

79. “Memorandum by the Consultant to the Secretary (Dulles),” 27 June 1951, in *FRUS, 1951: Vol. 6, Part 1*, pp. 1152–53.

80. *Conference for the Conclusion and Signature of the Treaty of Peace with Japan*, pp. 88–97. During the Okinawa reversion hearings, Deputy Secretary of Defense David Packard confirmed that the U.S. had not taken sovereignty from Japan. United State Senate, *Okinawa Reversion Treaty*, p. 57.

81. “The United States Political Adviser to SCAP (Sebald) to the Department of State,” 17 January 1952, in U.S. Department of State, *FRUS, 1952–1954: Volume XIV, Part 2* (Washington, D.C.: U.S. GPO, 1985) (hereinafter *FRUS, 1952–1954: Vol. 14, Part 2*), pp. 1089–92.

82. *Ibid.* p. 1092.

83. In 1951, Dulles told the Indian Ambassador to the U.S. that he could not accommodate Japanese demands about the Ryūkyūs for reasons of resolve and determination. “Memorandum of Conversation, by the Officer in Charge of India, Nepal, and Ceylon Affairs (Whitman),” 14 August 1951, in *FRUS, 1951: Vol. 6, Part 1*, pp. 1269–70.

Ryūkyūs. Under Ridgway, it had prepared a study that concluded that the security of the U.S. offshore island defence perimeter was in no way reliant upon American political control. The United States simply needed basing rights. State Department consultant Myron Cowen remarked that the United States was free to follow such a course by Article 3 of the 1951 peace treaty. Moreover, this treaty did not deprive Japan of sovereignty over the Ryūkyūs. In the interest of better U.S.–Japan relations, Cowen recommended finding a way to ensure strategic control without exercising political control.⁸⁴

Leading American policy-makers, however, were unwilling to go beyond internal discussions of the future of the Ryūkyūs. The State Department itself had recommended to the Department of Defense that the issue of the future status of the Ryūkyūs should not be raised at Senate ratification hearings, before the UN General Assembly or with Japan.⁸⁵ Away from the action in Washington, the U.S. Civil Administration of the Ryūkyūs continued to reinforce, in a variety of ways, the link between the Ryūkyūs and the Diaoyu Islands. For example, even publications by its botanists and forestry personnel associated the Diaoyu Islands with the Ryūkyūs.⁸⁶

In April, the JCS began to “fight back.” Although the State Department stressed at a meeting on 2 April the displeasure in Japan that had emerged from the administrative separation of the Ryūkyūs from Japan and the corresponding risk of Japanese irredentism, the JCS persisted in emphasizing its need to have bases and full freedom of their use. In a new twist, it pointed out that the Ryūkyūs were a fallback in the event that the Japanese evicted the U.S. from its bases in Japan. The JCS made clear that the restoration of any islands, no matter how small or militarily inconsequential, was dangerous because it would push the United States down a slippery slope of additional demands. In short, if it returned some islands, it might lose others.⁸⁷

From August onwards, the JCS pressed its case even more strongly. It reiterated that “strategic control of the Nansei Shotō south of 29 degrees North latitude (including the Ryūkyū Islands and the Daitō islands), Nanpō Shotō south of Sofu Gan ... is vital to the security interests of the

84. “Memorandum by Myron M. Cowen, Consultant to the Secretary of State, to the Secretary of State,” 25 January 1952, in *FRUS, 1952–1954: Vol. 14, Part 2*, pp. 1116–20. This plan was communicated to Sebald in February. “The Acting Director of the Office of Northeast Asian Affairs (McClurkin) to the United States Political Adviser to SCAP (Sebald),” 20 February 1952, in *FRUS, 1952–1954: Vol. 14, Part 2*, pp. 1184.

85. “The Assistant Secretary of State for Far Eastern Affairs (Rusk) to the Assistant Secretary of Defense for International Security Affairs (Nash),” 29 October 1951, in *FRUS, 1951: Vol. 6, Part 1*, pp. 1388–89.

86. USCAR, *Ryūkyū Islands: Preliminary Notes on the Use, Distribution, and Adaptability of Native and Introduced Tree Species* (November 1952), RG 260 (USCAR), Records of the HCRI, HICOM Administrative Files, Box 7, National Archives–College Park.

87. “Memorandum of the Substance of Discussion at a Department of State–Joint Chiefs of Staff Meeting,” 2 April 1952, in *FRUS, 1952–1954: Vol. 14, Part 2*, pp. 1224–27. Watanabe believes the importance of the Ryūkyūs as a backup in case of the loss of bases in Japan was greater than their importance as a staging area for the Korean War. *The Okinawa Problem*, p. 27.

United States.” The JCS no longer seemed to see any value in trusteeship, whether strategic or otherwise, given the situation in the Far East: the Korean War was still in process, conditions in South-East Asia were not positive, and the possibility existed that Japan might become a member of the UN. According to the JCS, the United States needed bases that were “not dependent upon the temporary political position of Japan and which are relatively proof against communist invasion.” In short, the status quo – separation – offered “complete military control” and “flexibility” while other options like trusteeship, joint sovereignty or restoration only offered uncertainty.⁸⁸ JCS demands for full control did not however hinder the growth of ties between Japan and the Ryūkyūs. In 1952, for instance, Japan and the Ryūkyūs negotiated a trade and financial pact that treated the Ryūkyūs as if they had quasi-domestic status.⁸⁹ The United States did not object.

In September, the JCS explained at a State-Defense Working Group meeting on the Ryūkyūs why the islands were essential. It reported that the islands were vital for carrying out air (including the bombing of southern Russia if needed), naval and covert operations. In addition, they provided places for the U.S. to set up an early warning radar system, to base ground forces and to deploy troops. Even islands that did not appear to be worth much in and of themselves would endanger the line of communication if they fell into unfriendly hands. State Department officials had difficulty accepting the all-or-nothing stance of the JCS and began to think about whether or not the monolith should be broken. They began to press for the return of certain islands, particularly the Amami Islands,⁹⁰ and even questioned whether the U.S. needed the Bonin Islands.⁹¹ The Diaoyu Islands, though, were not on the agenda.

Defense Department officials would not budge from their position. The reversion of the Ryūkyū Islands was dangerous because Japan might not always be friendly. The military could not even tolerate the idea of a partial restoration (such as of the Amami Islands) since that would weaken the radar warning system and create an opportunity for enemy inroads and hence operations close to Okinawa. A partial reversion was also dangerous because it would “constitute cracks in US psn [position]

88. “The Deputy Secretary of Defense (Foster) to the Secretary of State,” 29 August 1952, in *FRUS, 1952–1954: Vol. 14, Part 2*, pp. 1318–27. To prevent the State Department from exploiting any divisions in the military, the JCS ordered General Mark Clark, who followed Ridgway as head of FEC, not to make any concessions regarding the political control of the islands. “The Ambassador in Japan (Murphy) to the Department of State,” 13 October 1952, in *FRUS, 1952–1954, Vol. 14, Part 2*, p. 1342.

89. Watanabe, *The Okinawa Problem*, pp. 31–33.

90. “Memorandum of conversation, by the Deputy Director of the Office of Northeast Asian Affairs (McClurkin),” 22 September 1952, pp. 1333–35; and “Memorandum by the Director of the Office of Northeast Asian Affairs (Young) to the Assistant Secretary of State for Far Eastern Affairs (Allison),” 12 January 1953, pp. 1376–78 both in *FRUS, 1952–1954: Vol. 14, Part 2*.

91. “Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Allison) to the Secretary of State,” 18 March 1953, in *FRUS 1952–1954: Vol. 14, Part 2*, pp. 1397–1400.

in Ryūkyū Islands.”⁹² The implication was obvious, either the U.S. offshore island edifice hung together as a whole or it would come collapsing down.

In the summer of 1953, the future status of the Ryūkyūs entered on to the agenda of the 151st meeting of the National Security Council (NSC) and thus was brought to the President’s attention. Dulles, now Secretary of State, took the stance that the United States should return the Amami Islands to Japan, though it might not want to do so immediately because of the crisis in Korea. In the meantime, it should allow the Japanese to exercise the maximum possible civilian control over the Ryūkyū Islands, though Okinawa might represent a special case. The JCS retorted that because of U.S. control American bases in the Ryūkyūs were more secure than those in Japan proper were. It would be unacceptable to return the Ryūkyū Islands unless the United States could rest assured that Japan would support it in the long run. President Eisenhower voiced support for returning the Amami Islands. In his view, to fail to do so was to risk long-term Japanese friendship and loyalty for control of a “little group of islands.” Eisenhower, though, remained sympathetic to the Army’s warnings that return of the islands would be a bad precedent. Hence, although it was decided to return the Amamis, this was contingent upon the outcome of a study by the State and Defense departments.⁹³

In early August, the U.S. Ambassador to Japan, John Allison, warned Dulles that the Soviet Union might be planning to move towards peace treaty discussions with Japan. As a counter, he urged that the United States should forego the review of the Amami reversion decision and should promptly state its plan to return the islands to Japan.⁹⁴ The United States publicized its plan shortly thereafter and, as Allison suggested, the announcement was a public relations coup.

Beginning on 13 August, the Americans and the Japanese began to discuss specific arrangements for the return of the Amami Islands. The Director of the Office of Northeast Asian Affairs, Kenneth Young, informed the Japanese Ambassador to the U.S., Eikichi Araki, that the U.S. “was carefully analyzing the exact islands which would fall into these two groups [the Kagoshima prefecture and Okinawa prefecture], the latter not relinquished.”⁹⁵ When the Japanese Ambassador voiced an interest in the return of the remainder of the Ryūkyūs Islands, Dulles cautioned him to avoid raising this demand lest it confirm the suspicions of those who saw the reversion of the Amamis as sparking further

92. “The Commander in Chief, Far East (Clark) to the Department of the Army,” 20 May 1953, in *FRUS, 1952–1954: Vol. 14, Part 2*, pp. 1424–26.

93. “Memorandum of Discussion at the 151st Meeting of the National Security Council,” 25 June 1953, in *FRUS, 1952–1954: Vol. 14, Part 2*, pp. 1440–44. Around this period, there were rising concerns about Japan’s reliability as an ally. Buckley, *U.S.–Japan Alliance Diplomacy*, p. 74.

94. “The Ambassador in Japan (Allison) to the Embassy in Korea,” 4 August 1953, in *FRUS, 1952–1954: Vol. 16, Part 2*, pp. 1468–69.

95. “Memorandum of Conversation, by the Director of the Office of Northeast Asian Affairs (Young),” 13 August 1953, in *FRUS, 1952–1954: Vol. 14, Part 2*, pp. 1481–82.

Japanese demands.⁹⁶ Ironically, the Cold War competition that had led to the creation of the Ryūkyū Islands monolith in the first place was now resulting in its breakdown.

The U.S. military remained gravely concerned about increased Japanese expectations after the reversion of the Amami Islands and wanted the notes exchanged by two sides on the return of the islands to contain a strong declaration to the effect that the rest of the Ryūkyūs would not be returned.⁹⁷ On 23 December, leading U.S. officials discussed this issue at a NSC meeting. Dulles opposed a harshly worded statement on the American intent to retain the Ryūkyūs indefinitely since he felt that would undermine the benefits of returning the islands and make the United States a target for anti-colonial propaganda. The JCS, though, pressed for a strong statement. Eisenhower backed Dulles and by 24 December an agreement was signed.⁹⁸ Dulles announced on the day of the signing that

The United States Government believes that it is essential ... that the United States continue to exercise its present powers and rights in the remaining Ryūkyū Islands and in the other islands specified in Article 3 of the Peace Treaty so long as conditions of threat and tension exist in the Far East.⁹⁹

The Diaoyu Islands would remain under American control.

Around the same period that American policy-makers were arranging for the return of the Amami Islands, the U.S. Civil Administration of the Ryūkyūs was formally specifying its administrative limits. On 25 December 1953 it issued Proclamation Number 27. The Ryūkyūs were a curvilinear chain that consisted of three major islands groups including Okinawa, Miyako and Yaeyama. Their geographical boundaries are 28° North latitude, 124 degrees 40' East longitude; then 24 North latitude, 122 East longitude; then 24 North latitude, 133 East longitude; then 27 North latitude, 131 degrees 50' East longitude; then 27 North 128 degrees 18' East longitude, then 28 degrees North latitude, 128 degrees 18' East longitude thence to the point of origin.¹⁰⁰ By drawing this polygon, the administration incontrovertibly put the Diaoyu Islands in the Ryūkyū Island chain.

The termination of the Korean War did not have a dramatic impact on the American view of the Ryūkyūs. They were still seen in military circles as having "critical strategic importance to the security of the free world." As a result, "pending the establishment of enduring conditions of

96. *Ibid.* p. 1482.

97. "Memorandum by the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Under Secretary of State (Smith)," 29 October 1953, in *FRUS, 1952-1954: Vol. 14, Part 2*, pp. 1543-44.

98. "Memorandum of Discussion at the 177th Meeting of the National Security Council," 23 December 1953, in *FRUS, 1952-1953: Vol. 14, Part 2*, pp. 1568-71.

99. U.S. Department of State *Bulletin*, 2 January 1954, quoted in Watanabe, *The Okinawa Problem*, p. 34.

100. See USCAR Facts Notebook (various years), RG 260 (USCAR), Records of the HCRI, HICOM Administrative Files, Boxes 8, 16, National Archives-College Park. In my view, this was done because the Amami reversion required that the U.S. and Japan decide where the Amami Islands end and the Ryūkyūs began and ended.

peace and stability in the Far East, the United States plans to maintain the degree of control and authority now exercised with respect to the Ryūkyū Islands.”¹⁰¹ The U.S. reaffirmed this policy in NSC 5516/1 in April 1955, though it called for greater toleration of links between Japan and the islands.¹⁰² Eisenhower’s new defence policy that called for highly mobile, air and amphibious forces able to respond to crises in Asia after the removal of ground forces from Korea did not augur well for an immediate return of the Ryūkyūs to Japan.¹⁰³

In 1955, the Japanese escalated their campaign for the return of the Ryūkyūs and the Bonins at meetings with State Department officials first in Washington and then in Tōkyō. State Department analysts, working on position papers for the visit of the Japanese Foreign Minister, Mamoru Shigemitsu, in late August, advised senior American policy-makers not to raise the issue of the Ryūkyūs and argued that the U.S. position should remain that it needed full control while the situation in the Far East continued to be tense. It was acceptable, however, to recognize that Japan had residual sovereignty and “that the inhabitants of these islands are on this basis Japanese nationals.” One position paper specifically recommended that the United States not give any assurances about the future disposition of the islands because of their “strategic importance” nor should it “give any more explicit definition of the rights intended by Japan’s ‘residual sovereignty’.”¹⁰⁴

At his meeting with Shigemitsu, Dulles stuck by this script, only affirming that “he was prepared as Secretary of State to stand by his statement on residual sovereignty as Delegate of the U.S. to the Peace Conference at San Francisco.”¹⁰⁵ Nevertheless, he indirectly affirmed that residual sovereignty meant sovereignty when he told the Japanese, who were negotiating a peace treaty with the Soviets in August, that if they granted sovereignty over the Kuriles to the USSR, that the U.S. would insist on sovereignty over the Ryūkyūs.¹⁰⁶ The implication was that sovereignty over the Ryūkyūs and the Diaoyu Islands had not been transferred pursuant to the 1951 peace treaty.

By 1957, Japan had largely recovered from the economic devastation

101. “Draft Directive for the United States Civil Administration of the Ryūkyū Islands,” 11 January 1954, in *FRUS, 1952–1954: Vol. 14, Part 2*, p. 1586.

102. “U.S. Policy toward Japan” (NSC 5516/1), 9 April 1955, in U.S. Department of State, *FRUS, 1955–1957: Volume XXIII, Part 1, Japan* (Washington, D.C.: U.S. GPO, 1991) (hereinafter *FRUS, 1955–1957: Vol. 23, Part 1*, p. 60.

103. Watanabe, *The Okinawa Problem*, p. 35.

104. “A position paper on Ryūkyū and Bonin Islands,” (secret), 22 August 1955, RG 59 (State Department), General Records of the State Department Executive Secretariat Conference Files 1949–1963, Box 82, National Archives–College Park. Yet in a report from the State Department’s Division of Research for the Far East, it was noted that Japan would drift away from the West unless it was treated equally and the Ryūkyūs and Bonins were returned. Buckley, *U.S.–Japan Alliance Diplomacy*, pp. 76–77.

105. “Memorandum of a Conversation, Department of State,” 31 August 1955, in *FRUS, 1955–1957: Vol. 23, Part 1*, pp. 115–16.

106. “Memorandum of a Conversation between Secretary of State Dulles and Foreign Minister Shigemitsu, Ambassador Aldrich’s Residence,” 19 August 1956, in *FRUS, 1955–1957: Vol. 23, Part 1*, pp. 202–203.

caused by the Second World War and its post-war isolation. It had enjoyed significant rates of economic growth over the past decade and had become a member of leading international institutions like the International Monetary Fund, World Bank, General Agreement on Tariffs and Trade, and the International Atomic Energy Agency.¹⁰⁷ High-ranking State Department officials were aware of this and its ramifications for Japanese foreign policy – that is, that Japan's prosperity and reappearance on the world stage meant that it would act more independently on a wide range of issues. They recommended that the United States take preventive measures to avoid a deterioration of U.S.–Japan relations over the issue of military bases and the Ryūkyū Islands.¹⁰⁸ This message resonated with Dulles who contacted the Defense Department shortly thereafter to highlight the damage that was being done to this precious bilateral relationship as a result of the stance of U.S. military officials. He proposed a joint working committee to review the administration of the Ryūkyūs. His proposal, however, fell on deaf ears. The military liked the status quo.¹⁰⁹

In June 1957, the Japanese Prime Minister, Nobusuke Kishi, came to the United States. Dulles recommended to Eisenhower in a briefing memo prior to the meeting that the U.S. should not “relinquish administrative rights over these islands so long as the threat and tension in the Far East continue.”¹¹⁰ Lest the President misunderstood the value of the islands, the JCS informed him that all American-held islands near Japan are “an integral part of our base system in the Pacific. This applies particularly to the Ryūkyū and Bonin Islands groups.”¹¹¹ In spite of the views of the military, Eisenhower actually seemed willing to entertain making a promise to withdraw from the Ryūkyūs within a specified period of time.¹¹²

At a meeting with Dulles, Kishi asked for the return of the Ryūkyū Islands. Dulles emphasized that the U.S. could not accept these requests in the present situation, though it would reconsider it when circumstances changed.¹¹³ The Japanese proved unwilling to capitulate in the face of

107. Wolf Mendl, *Japan's Asia Policy* (London: Routledge, 1995), pp. 30–31. For a discussion of U.S. economic relations (and frictions) around this time, see, Michael Schaller, *Altered States: The United States and Japan Since the Occupation* (New York: Oxford University Press, 1997), ch. 6.

108. “Memorandum from the Assistant Secretary of State for Far Eastern Affairs (Robertson) to the Secretary of State,” 7 January 1957, in *FRUS, 1955–1957: Vol. 28, Part 1*, pp. 240–43.

109. “Letter from the Secretary of State to the Secretary of Defense (Wilson),” 8 January 1957, in *FRUS, 1955–1957: Vol. 23, Part 1*, pp. 244–45 and pp. 245 n. 2.

110. Memorandum from the Secretary of State to the President,” 12 June 1957, in *FRUS, 1955–1957: Vol. 23, Part 1*, pp. 346–48. Rather than being unsympathetic to Japanese demands, Dulles feared that if anything was renegotiated there was a risk of precipitating such a rash of demands that the entire security treaty arrangement would be endangered. Buckley, *U.S.–Japan Alliance Diplomacy*, pp. 81–85.

111. “Memorandum from the Joint Chiefs of Staff to the Secretary of Defense (Wilson),” 13 June 1957, in *FRUS, 1955–1957: Vol. 23, Part 1*, pp. 349–351.

112. “Memorandum of a Conference with the President,” 18 June 1957, in *FRUS, 1955–1957: Vol. 23, Part 1*, p. 359.

113. “Memorandum of a Conversation between Secretary of State Dulles and Prime Minister Kishi,” 20 June 1957, in *FRUS, 1955–1957: Vol. 23, Part 1*, pp. 383–85.

American intransigence and asked, if they could not get the Ryūkyūs back, that the joint communiqué to be issued by the U.S. and Japan state that Japan had “residual *and ultimate* sovereignty” in the Ryūkyū and Bonin Islands.¹¹⁴ Eisenhower concurred in Dulles’s rejection of Kishi’s request. Nevertheless, he did say to the Japanese that residual sovereignty meant “that the United States would exercise its rights for a period, and that *the sovereignty would then return to Japan* (emphasis added).”¹¹⁵ Eisenhower’s unwillingness to say more is not surprising given that he planned to withdraw large numbers of troops including combat forces from Japan. In addition, the Eisenhower administration contemplated stationing Nike Hawks (nuclear missiles) on Okinawa.¹¹⁶

The Turning Point: The 1960 Security Treaty

Debates about the 1960 security treaty between Japan and the United States provided an occasion for extensive demonstrations and even riots in Japan. Emotions were so intense that Eisenhower had to cancel a planned visit to the United States’ most important ally in the Far East. The demonstrations led Japanese and American decision-makers to the conclusion that they needed to take steps to prevent any future political crises. Thereafter, it was imperative that both sides work together to identify common problems and come up with solutions before events spiralled out of control.¹¹⁷

The inauguration of John F. Kennedy in January 1961 seemed to herald new opportunities for the Japanese to make their case for a return of the Ryūkyū Islands.¹¹⁸ American security concerns in East Asia, however, made the Civil Administration of the Ryūkyūs and the U.S. military less than enthusiastic about any reversion, whether full or partial.¹¹⁹ Pending greater receptivity on the part of the Americans to Japan’s call for reversion, Japanese Prime Minister Hayato Ikeda supported a programme of increasing economic aid to the Ryūkyūs as an alternate means of reasserting Japanese sovereignty.¹²⁰ By June, Kennedy and Ikeda had held their first meeting and the Ryūkyūs held a prominent place on the

114. (Emphasis added) “Memorandum of a Conversation,” 21 June 1957, in *FRUS, 1955–1957: Vol. 23, Part 1*, pp. 408–410.

115. “Memorandum of a Conversation,” 21 June 1957, in *FRUS, 1955–1957: Vol. 23, Part 1*, p. 411.

116. Watanabe, *The Okinawa Problem*, p. 39. On the summit as a whole, see Schaller, *Altered States*, pp. 132–35.

117. Buckley, *U.S.–Japan Alliance Diplomacy*, pp. 69–99; and Schaller, *Altered States*, ch. 6.

118. Timothy P. Maga, *Hands Across the Sea? U.S.–Japan Relations, 1961–1981* (Athens: Ohio University Press, 1997), pp. 4–17; and Schaller, *Altered States*, pp. 169, 171.

119. The U.S. confronted problems in Indo-China and was building intermediate range ballistic missile launching sites on Okinawa. Watanabe, *The Okinawa Problem*, pp. 47–48. On USCAR General Paul Caraway’s opposition to reversion or the liberalization of the U.S. administration of the Ryūkyūs, see Watanabe, *The Okinawa Problem*, pp. 51–53; Shiels, *America, Okinawa, and Japan*, p. 178; and Schaller, *Altered States*, pp. 171–72.

120. Watanabe, *The Okinawa Problem*, pp. 46–48.

discussion agenda.¹²¹ The communiqué issued after their meeting contained a provision relating to the Ryūkyūs: “The President and the Prime Minister exchanged views on matters relating to the Ryūkyū and Bonin Islands, which are under U.S. administration but in which Japan retains residual sovereignty.”¹²²

On 19 March 1962 Kennedy issued an Executive Order granting greater autonomy to the local government of the Ryūkyūs.¹²³ In connection with this order, Kennedy said:

I recognize the Ryūkyūs to be a part of the Japanese homeland and look forward to the day when the security interests of the Free World will permit their restoration to full Japanese sovereignty. In the meantime, we face a situation which must be met in a spirit of forbearance and mutual understanding.¹²⁴

The international security situation was not the only factor preventing the United States from accommodating Japanese demands. The U.S. Congress proved reluctant to approve money for military construction on the Ryūkyūs if the islands were going to be returned and hence the U.S. military had an added incentive to argue for full control of the islands.¹²⁵

The next leaders who had to confront the Ryūkyūs problem were Lydon Johnson and Eisako Satō. Presidential advisers McGeorge Bundy and Walt Rostow as well as U.S. Ambassador Edwin O. Reischauer warned newly inaugurated President Johnson that U.S.–Japanese relations were shaky as a result of tensions over issues such as Vietnam, relations with China and trade.¹²⁶ Nevertheless, when Johnson and Satō met in January 1965, they produced a communiqué that made no new promises and only reaffirmed Japan’s residual sovereignty over the islands in addition to expanding the role of the Okinawa joint consultative committee (a joint Japanese–American body). American military leaders continued to oppose the return of the islands even if the U.S. was given maximum use of its military bases since it was feared that the restoration of the islands to full Japanese authority would give them unwanted control over U.S. military activities originating from the islands.¹²⁷ Overall, American interest in the military value of the Ryūkyūs remained strong. During the Vietnam War, Okinawa was used for B-52 raids, the deployment of troops to Vietnam, the refuelling of planes sent from

121. Apparently, Ikeda and his adviser Kiichi Miyazawa did not want to press too hard because they feared it would result in damage to U.S.–Japan economic relations. Maga, *Hands Across the Sea?* p. 17.

122. U.S. Department of State *Bulletin*, Vol. 45, No. 1150 (10 July 1961) (Washington, D.C.: U.S. GPO, 1961), pp. 57–58.

123. According to one source, Kennedy did this not only to improve U.S.–Japan relations, but also to get rid of the “ugly American” image that he thought was damaging U.S. relations with the Third World, a bloc whose support was vital for winning the Cold War. Maga, *Hands Across the Sea?*, pp. 18–20.

124. “Okinawa reversion: a study of the administrative aspects,” enclosure 3.

125. Watanabe, *The Okinawa Problem*, pp. 51–53.

126. Maga, *Hands Across the Sea?*, pp. 62–65; and Schaller, *Altered States*, ch. 11.

127. Watanabe, *The Okinawa Problem*, p. 61; and Schaller, *Altered States*, pp. 189–190.

Guam, the basing of special forces and other missions. The Department of Defense, the head of the U.S. Civil Administration of the Ryūkyūs and the Commander in Chief of the Pacific all took the position that the Vietnam War demonstrated the unique value of U.S. bases in this island chain.¹²⁸

It was impossible, therefore, for the United States to entertain any reversion of the islands to Japan at this time, though it allowed additional contacts between officials from Japan and the Ryūkyūs and gave Japan control of passport operations for the islands.¹²⁹ It also tried to assuage Japanese concerns with favourable words and deeds. For example, in November 1967, Johnson and Satō issued a communiqué stating that the Bonin Islands would be returned to Japan and that the Ryūkyūs would be returned “within a few years.”¹³⁰

Military accidents on the Ryūkyū Islands, concerns about radioactive contamination from American nuclear vessels operating in the area and disgust with the war in Vietnam, coupled with the pre-existing depth of displeasure over American control in the Ryūkyūs, led to serious frictions with the Japanese.¹³¹ In this context, the forthcoming renewal of the 1960 security treaty provided an opening for the Japanese to voice anew their demands for a return of the Ryūkyū Islands. When the Japanese Foreign Minister came to the United States to meet President Richard Nixon, one of his goals was to get an explicit promise for the return of the Ryūkyūs and to get the islands put under the bilateral security treaty. He did not leave disappointed. In November 1969, it was announced that consultations on reversion would begin immediately. By June 1971, U.S. Secretary of State William Rogers and Japanese Foreign Minister Kiichi Aichi had signed an agreement on reversion. Nixon, Kissinger and State Department officials described the agreement, which led to the reversion of the Ryūkyūs in May 1972, as contributing to the rebuilding of damaged U.S.–Japan relations.¹³² Once again, the Cold War that had pushed the United States to take control of the Ryūkyūs in the first place led it to release the islands that it had held since 1945.

128. Watanabe, *The Okinawa Problem*, pp. 62–65; Buckley, *U.S.–Japan Alliance Diplomacy*, p. 117; Maga, *Hands Across the Sea?* pp. 70–72; and Schaller, *Altered States*, p. 196.

129. Shiels, *America, Okinawa, and Japan*, pp. 79, 178–79.

130. *Ibid.* pp. 80–81, 177–181; and Schaller, *Altered States*, pp. 205–206. In August and September, the U.S. contemplated asking Japan for a quid pro quo in exchange for returning the islands to Japan. Buckley, *U.S.–Japan Alliance Diplomacy*, p. 114; and Schaller, *Altered States*, p. 204.

131. Watanabe, *The Okinawa Problem*, pp. 66–68; Shiels, *America, Okinawa, and Japan*, pp. 207–211; and Schaller, *Altered States*, p. 207.

132. See Department of State *Bulletin*, Vol. 65, No. 1686 (17 October 1971) (Washington, D.C.: U.S. GPO, 1971), pp. 431–35; Department of State *Bulletin*, Vol. 65, No. 1690 (15 November 1971) (Washington, D.C.: U.S. GPO, 1971), pp. 565–68; Richard M. Nixon, *RN: The Memoirs of Richard Nixon* (New York: Touchstone, 1990), p. 343; and statements by retired U.S. State Department personnel in “The Okinawa reversion: ending the post-war period,” *Foreign Service Journal*, May 1992, pp. 18–22. For background on Nixon administration debates over the return of the Ryūkyūs, see Shiels, *America, Okinawa, and Japan*, pp. 81–83; Buckley, *U.S.–Japan Alliance Diplomacy*, pp. 115, 118–120; Maga, *Hands Across the Sea?* pp. 78–84; and Schaller, *Altered States*, pp. 211–220.

The 1971 reversion agreement that returned the Ryūkyūs to Japan followed the U.S. Civil Administration's Proclamation 27 in defining those areas that were to be returned to Japan. In other words, it expressly gave Japan control over the Diaoyu Islands by delimiting them, in an agreed minute, as part of the Ryūkyū Island chain.¹³³ Yet what the U.S. was giving to Japan with one hand, it was taking away with the other. During the Senate ratification hearings for the 1971 reversion treaty, Secretary of State William Rogers asserted "we have made it clear that this treaty does not affect the legal status of those islands at all. Whatever the legal status was prior to the treaty is going to be the legal situation after the treaty comes into effect."¹³⁴ Robert Starr, Acting Assistant Legal Adviser for East Asian and Pacific Affairs at the State Department, opined that the reversion treaty did not prejudice anyone's claims to the disputed islands. After all, the U.S. could not "add to the legal rights Japan possessed before it transferred administration of the islands to us nor can the United States by giving back what it received diminish the rights of other claimants."¹³⁵

Conclusion

Few have appreciated the part played by the United States in the ongoing Sino-Japanese controversy over the Diaoyu Islands. For its part, the United States has consistently played down its role, emphasizing that the dispute is a matter for Japan and China to resolve between themselves. As shown by this article, though, the historical record indicates otherwise – that the U.S. has been deeply involved. After it acquired administration of the Nansei Shotō south of 29° North latitude in 1945, it clearly and consistently associated the Diaoyu Islands with the Ryūkyū Islands. U.S. civilian and military maps, U.S. Civil Administration of the Ryūkyūs publications and proclamations, and the remarks of leading American officials all linked the island groups together in both policy and practice. Indeed, in 1971, an agreed minute to the treaty returning the Ryūkyūs to Japan specifically included the Diaoyu Islands in the territorial definition of the islands that would be returned.

Although the U.S. administration of the Ryūkyūs and its linkage of the Diaoyu Islands with an island chain in which it repeatedly told the Japanese they had sovereignty may have no legal import, it certainly has political ones. Specifically, the United States has, for almost 30 years, reinforced or validated Japan's claims to the Diaoyu Islands. Hence, its insistence on remaining on the sidelines is questionable. This is not only because it has a moral obligation to do so, but more importantly because the Japanese government informed the United States that it believes the U.S.–Japan security treaty covers the Diaoyu Islands.¹³⁶ The U.S., there-

133. See n. 20.

134. United States Senate, *Okinawa Reversion Treaty*, p. 11.

135. *Ibid.* p. 91.

136. On 19 June 1971, Japanese Foreign Minister Kiichi Aichi publicly stated that the 1971 reversion accord has settled the issue of the Diaoyu Islands as far as Japan and the U.S. were concerned. United States Senate, *Okinawa Reversion Treaty*, p. 76.

fore, should become more actively involved in trying to encourage a resolution of the dispute or, at a minimum, serious discussions between the Chinese and the Japanese. It is open to question whether the Chinese or the Japanese really would like the United States to become involved in the dispute. Nevertheless, it currently has the authority, at a minimum, to press both sides to explicate their real interests and to promote alternatives for a settlement of the controversy. It certainly has tried to play such a role in the case of the South China Sea dispute.¹³⁷

This article has delved extensively into the history of the U.S. administration of the Ryūkyū Islands because of its relevance for understanding the recent history of the Diaoyu Islands. It has shown that the United States took the Ryūkyūs because of the Cold War and that it also returned them because of the Cold War. This has been well appreciated by scholars, if not completely documented. Unlike other works, however, this article has revealed that the U.S. military was the driving force in the separation and retention of the Ryūkyūs (and Diaoyu Islands) as well as the creation of an “islands monolith” in the area south-west of Japan. It forcefully insisted on grouping *all* islands together and objected to any actions (such as partial reversions) that might endanger this monolith.¹³⁸ The preferences of the U.S. military, then, resulted in the linkage of the Diaoyu Islands with the Ryūkyū Islands and prevented their disassociation from the Ryūkyūs.

There are other issues pertaining to the history of the Diaoyu Islands during this period that warrant future research. For instance, why did the United States “betray” the Japanese in 1971 by explicitly transferring the Diaoyu Islands to them only to dilute the validity of their claim to the islands during the Senate ratification hearings? It is most likely that Cold War rationales were decisive. During the hearings, a number of witnesses made clear that the PRC government was extremely sensitive about the islands, especially since the U.S. and Japan had recently renewed their security treaty (with Japan expressing a security interest in Taiwan and South Korea) and Japan was increasing military spending.¹³⁹ Hence, it is likely that the Nixon administration, which was attuned to Chinese sentiments, probably retreated from the U.S. government’s earlier position on the ownership of the Diaoyu Islands in order to curry favour with the Chinese whom they were seeking as allies against the Soviet Union.¹⁴⁰

137. United States Institute of Peace, “The South China Sea Dispute: prospects for preventive diplomacy,” August 1996, pp. 16–17.

138. One only has to look at the Navy’s obstinate stand with respect to the return of the strategically meaningless Bonin Islands to get a flavour for this thinking. Schaller, *Altered States*, p. 204.

139. United States Senate, *Okinawa Reversion Treaty*, pp. 93, 115, 147. See also Schaller, *Altered States*, pp. 214–15, 229–231.

140. This explanation is suggested *inter alia* by John Welfield, *An Empire in Eclipse, Japan in the Postwar American Alliance System* (London: The Athlone Press, 1988), p. 310; Schaller, *Altered States*, pp. 243–44; and Downs and Saunders, “Legitimacy and the limits of nationalism,” p. 125. Despite the appeal of an explanation based on realpolitik, a conclusive answer must await the declassification and publication of more archival material by the U.S. government.

Another important topic that needs research is the real interests of the Chinese and Japanese in these islands.¹⁴¹ These are not as obvious as they may seem. For one group of researchers, the value of the Diaoyu Islands lies in their material attributes: the rights they convey to energy and rich fishing grounds, the proximity they afford to strategic sea lanes, or their relevance for other territorial disputes.¹⁴² For a second group, the value of the Diaoyu Islands is symbolic: the islands fit into particular views of the national identity or satiate Chinese or Japanese nationalism.¹⁴³ For a third group, the Diaoyu Islands have no real significance. They are simply “an instrument of Chinese pressure.”¹⁴⁴ Finally, some even go so far as to contend that interest in the Diaoyu Islands results from a desire by the Chinese to build man-made islands on the Diaoyu that could serve as forward surveillance outposts and military depots.¹⁴⁵

While the answers to these questions are important in themselves, they are also significant for international relations theorizing on border and territorial disputes.¹⁴⁶ In addition, an improved understanding of China and Japan’s “true” interests in the Diaoyu Islands is essential for researchers attempting to analyse the potential for conflict in the East Asian region.¹⁴⁷ Finally, a proper assessment of Chinese and Japanese interests in the contested islands is critical for third parties that may wish to play a role in developing solutions to this territorial problem that some sources felt might provoke a Sino-Japanese war. To the extent that national identity, sovereignty or military-strategic interests are involved in the

141. For an attempt to conduct analyses of the interests involved in territorial disputes, see Masato Kimura and David A. Welch, “Specifying ‘interests’: Japan’s claim to the northern territories and its implications for international relations theorizing,” *International Studies Quarterly*, Vol. 42, No. 2 (1998), pp. 213–244; and Downs and Saunders, “Legitimacy and the limits of nationalism.”

142. See nn. 5–7.

143. “Trouble in paradise: maritime risks and threats in the Western Pacific,” *Jane’s Intelligence Review – Special Report*, No. 7 (1995), p. 11; and Kristof, “Would you fight for these islands?”

144. Mendl, *Japan’s Asia Policy*, pp. 51, 81.

145. See *East Asian Diplomacy and Defence Review*, No. 2 (1997), <http://www.eecg.toronto.edu/~syxu/kanwa/e9702.html>.

146. Thomas Forsberg, “Explaining territorial disputes: from power politics to normative reasons,” *Journal of Peace Research*, Vol. 33, No. 4 (1996), pp. 433–449; Paul K. Huth, *Standing Your Ground: Territorial Disputes and International Conflict* (Ann Arbor: University of Michigan Press, 1996); Jean-Marc F. Blanchard, “Borders as institutions: a new framework for understanding border disputes,” paper presented the 94th Annual Meeting of the American Political Science Association, Boston, MA, 3–6 September 1998; and Jean-Marc F. Blanchard, “Borders and borderlands: an institutional approach to territorial disputes in the Asia Pacific,” Ph. D. dissertation, University of Pennsylvania, December 1998.

147. See, for example, Avery Goldstein, “Great expectations: interpreting China’s arrival,” *International Security*, Vol. 22, No. 3 (Winter 1997/98), pp. 36–73; and Aaron L. Friedberg, “Ripe for rivalry: prospects for peace in a multipolar Asia,” *International Security*, Vol. 18, No. 3 (Winter 1993/94), pp. 5–33.

dispute over these tiny islands, it becomes questionable whether economic ties alone will be sufficient to constrain the two states from escalating their conflict in the future.¹⁴⁸

148. The view that economic interdependence will constrain East Asian countries is noted in Gerald Segal, "East Asia and the 'constraint' of China," *International Security*, Vol. 20, No. 4 (Spring 1996), p. 107; and Goldstein, "Great Expectations," pp. 69–70. On the limitations of the commercial liberal argument, see Norrin M. Ripsman and Jean-Marc F. Blanchard, "Commercial liberalism under fire: evidence from 1914 and 1936," *Security Studies*, Vol. 6, No. 2 (Winter 1996/97), pp. 4–50. The evidence is also lacking that the level of economic interdependence between China and Japan is really that great. For a conceptual treatment of the topic of measuring economic interdependence, see Jean-Marc F. Blanchard and Norrin M. Ripsman, "Measuring economic interdependence: a geopolitical perspective," *Geopolitics and International Boundaries*, Vol. 1, No. 3 (Winter 1996), pp. 225–246; and Jean-Marc F. Blanchard and Norrin M. Ripsman, "Rethinking sensitivity interdependence: assessing trade, investment, and monetary links between states," paper presented at the 38th Annual Meeting of the International Studies Association, Minneapolis, 17–21 March 1998.