

《 講 演 》

South Korea-Japan Relations in Crisis: How to Find a Way Out

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1. Diagnosis of Latest Developments in South Korea-Japan Relations

Since the 2010s, the deterioration of South Korea-Japan relations has been a long-term trend. There are many views that the sharp downturn in bilateral relations could be traced back to 2012. There were three notable events in 2012: first, then-President Lee Myung-bak's visit to the Dokdo islets; second, President Lee's demand for the Japanese Emperor's apology for Japan's colonial rule of Korea; and, third, the South Korean Supreme Court's ruling ordering Japanese companies to provide compensation to Korean victims of Japanese wartime forced labor. At the time, the Japanese people were particularly offended by President Lee's demand for the Japanese Emperor's apology, and also expressed great dissatisfaction with the Supreme Court ruling.

The situation began to deteriorate for the worst after the fall of 2018. On October 30, the Supreme Court in its final judgment upheld its 2012 ruling ordering Japanese companies to provide legal compensation to Korean forced labor victims, to which the Japanese government openly expressed its opposition and dissatisfaction. The following November, the South Korean government decided to unilaterally dissolve the Reconciliation and Healing Foundation, which was established under the 2015 South Korea-Japan agreement to resolve the comfort women issue. In December, there was also controversy surrounding Japanese claims that a South Korean destroyer had carried out a fire control radar lock-on against a Japanese patrol aircraft in the East Sea.

South Korea-Japan relations have only gotten worse in 2019. The Abe government

imposed tighter export restrictions in response to the South Korean government's failure to come up with a plan to resolve the forced labor issue despite repeated calls from Tokyo. That is, Japan put in place restrictions on the exports of three core semiconductor/display components and excluded South Korea from its "whitelist" of trusted trading partners. The South Korean government regarded such Japanese government measures as economic retaliation for the forced labor issue, and responded by removing Japan from South Korea's own "whitelist" of trusted trading partners. Angered by Japan's economic retaliatory actions, the South Korean public has also launched a boycott of Japanese products and a "No Japan" campaign. Further exacerbating tensions, the South Korean government announced on August 22 its decision to terminate its General Security of Military Information Agreement (GSOMIA) with Japan. The following are two notable characteristics in recent South Korea-Japan relations.

Firstly, there are greater hostile public sentiments in both countries toward the other country. Since the 2000s, 50 to 60 percent of the Japanese public had favorable views of South Korea, but since 2012, positive views toward South Korea among the Japanese people have fallen to the 30s percentage rate. Since 2018, favorable views of South Korea among the Japanese public have sharply declined. Such trends show that the conflict between Seoul and Tokyo has not been limited to government-to-government relations, but is also having a negative impact on public sentiments in both countries. In fact, statistics show that half of the South Korean and Japanese people respectively have negative sentiments toward each other.

Observers have widely pointed out that both countries' media have played a large role in instigating national sentiment and aggravating conflict. Japanese media has had the tendency to characterize the current Moon Jae-in administration as a "pro-North Korean anti-Japanese administration." South Korean media, on the other hand, has had the tendency to strongly criticize the Japanese government's lack of historical sensitivity and also criticize Japan's foreign and security policy under the frame of "Abe Demonization." It is interesting to note that despite the deterioration of Seoul-Tokyo rela-

tions, the Japanese younger generation still has interest and affection for South Korean pop culture or the “Korean Wave,” such as K-Pop. This could be interpreted as the Japanese younger generation, namely young Japanese in their teens and 20s, being relatively indifferent or less influenced by political and diplomatic issues between Seoul and Tokyo.

Secondly, in recent years, Japan has taken a more offensive attitude on the comfort women and forced labor issues, while South Korea has been on the defensive. This is in contrast to the past, when South Korea criticized Japan for its provocations on history, and Japan took on a defensive posture toward such criticism. In other words, recent developments in South Korea-Japan relations appear to make it look like the aggressor/victim relationship is now reversed. In the past, bilateral conflict was also exacerbated by historical provocations coming out of Japan related to the Dokdo dispute, the comfort women issue, and provocative remarks on history and visits to the Yasukuni Shrine by Japanese politicians/officials. Recently, however, the bilateral conflict has expanded to all areas including history, economy, diplomacy, and security. For example, the Japanese government adopted economic retaliatory measures by tightening its export controls against South Korea when the South Korean government failed to present a plan related to the Supreme Court ruling on the forced labor issue, and the South Korean government announced its decision to terminate the ROK-Japan GSOMIA as a countermeasure to Japan’s economic retaliation.

2. Analysis of the Four Conflicts in South Korea-Japan Relations

The first is the conflict surrounding the 2015 ROK-Japan agreement to resolve the comfort women issue. Since the Moon Jae-in administration came into office in May 2017, South Korea attempted to virtually nullify the December 2015 comfort women agreement. Prime Minister Shinzo Abe called on Seoul to comply and implement the comfort women agreement, while President Moon raised criticism and dissatisfaction with the agreement in South Korea on grounds that comfort women victims and the

South Korean public could not accept the agreement. South Korea's "Task Force to Review the Comfort Women Agreement," which was established after the inauguration of the Moon Jae-in government, concluded in December 2017 that the 2015 agreement was both flawed in its procedure and contents; accordingly, the South Korean government made the decision to unilaterally dissolve the Reconciliation and Healing Foundation, which was established under the 2015 agreement. The Abe government was strongly opposed to Seoul's decision and made repeated protests related to the decision. From Abe's personal standpoint, he appears to have felt deeply betrayed and angered by the new Moon government's attempt to virtually nullify the comfort women agreement despite his efforts to reach a compromise with Seoul in order to maintain friendly relations with South Korea in the face of resistance from Japan's right-wing and conservative forces. This accordingly served to reinforce the Abe government's distrust of South Korea.

However, I think it is important to note that the Moon Jae-in government has also affirmed that it will not seek to nullify or renegotiate the comfort women agreement. In other words, the Moon government has made it clear that it does not plan to nullify or renegotiate the agreement despite flaws in the process or contents of the agreement. Therefore, despite Japan's dissatisfaction, it is more or less clear that the comfort women issue is less likely to emerge as a new source of diplomatic conflict between Seoul and Tokyo.

The second is the conflict surrounding the 2018 Supreme Court ruling on the forced labor issue. For the time being, the forced labor issue could be seen as the greatest issue that could further intensify and deteriorate Seoul-Tokyo relations. Despite the latest Supreme Court judgment, the Japanese government and companies have said they have no intention to pay compensation to Korean forced labor victims, and have rather interpreted the Supreme Court ruling as a violation of the 1965 ROK-Japan Claims Settlement Agreement. Accordingly, Japan strongly opposes the South Korean legal enforcement process including the seizure of assets of Japanese-invested companies in South

Korea, and maintains the strong stance that Japan should take countermeasures against such South Korean actions.

The South Korean government, on the other hand, has adhered to the principled position that Japanese companies should provide compensation to forced labor victims and that there are limitations for South Korean government involvement since the Supreme Court ruling was part of a civil litigation process, as well as on grounds of the principle of the separation of powers (among the executive, legislative, and judicial branches). The government, however, on June 19 of this year, proposed to initiate consultations with Japan under the premise that Japanese companies would fulfill their obligations under the Supreme Court ruling by contributing money to a voluntary fund along with South Korean companies that were beneficiaries of Japanese funds from the 1965 Claims Settlement Agreement. The Japanese government immediately rejected the South Korean proposal. Since then, Seoul and Tokyo have been unable to resume consultations on the issue, and the conflict has remained at a stalemate. It is worrisome that it appears unlikely that the two countries would be able to resolve the issue through negotiations despite the fact that the ROK-Japan conflict over the forced labor issue is likely to continue in the long run, and is also likely to be the greatest issue in the two countries' confrontation. I think that it would thus be difficult for the two countries to improve relations without resolving the forced labor issue.

The third is the conflict between the two countries' Navies. In addition to the forced labor ruling in late 2018, other incidents that resulted in the deterioration of bilateral relations was the Seoul-Tokyo row surrounding the Japanese plan to display the "Rising Sun" flag at an international naval fleet review in Jeju and the radar lock-on issue. At the time, the Japanese side reacted strongly to South Korea's demand to Japan to not display the "Rising Sun" flag on the Japanese Maritime Self-Defense Force destroyer that was set to participate in the international naval fleet review in Jeju. Japan expressed great dissatisfaction with South Korea's sudden refusal to accept the display of the "Rising Sun" flag at the event in light of the fact that South Korea had not made is-

sue of displaying the “Rising Sun” flag for similar events in the past. Japan eventually boycotted the event after South Korea renewed its call to Japan to not fly the “Rising Sun” flag citing domestic sentiments and public opinion.

The other incident was the radar conflict. In December 2018, a South Korean destroyer and a Japanese patrol plane were dispatched to rescue a North Korean ship in distress in the East Sea. Japan claimed that the South Korean Navy vessel had directed its fire control radar at the Japanese patrol plane, while South Korea claimed that the Japanese aircraft had made a threatening flight near the Korean vessel. In the course of the dispute that lasted for several months, both countries’ Defense Ministries issued several releases and held several press conferences to make their respective claims and refute the other country’s position.

Indeed, the perception within South Korea’s Blue House, at the time, was that the Japanese government was repeatedly making the false claims for domestic political purposes, even though the ROK Navy vessel had not aimed its fire control radar at the Japanese patrol plane. On the other hand, the Japanese Prime Minister’s Office had the perception that South Korea had in fact directed the radar at the Japanese aircraft, but was denying related claims. This incident is very interesting by the fact that it had escalated into a serious confrontation between the two sides, though it had started as a happenstance incident between the two countries’ Navies. Moreover, this incident is exceptional in view of the status of exchanges and cooperation between the South Korean Navy and the Japanese Maritime Self- Defense Forces.

It would be reasonable to interpret the incident as leading to the deterioration of South Korea-Japan relations than the deterioration of bilateral relations being the cause for the incident. In other words, the incident could be seen as a coincidental event brought on by the high level of distrust between the two countries. It is very unusual that the dispute was protracted over a period of several months as an issue of diplomatic conflict between the top leadership of both countries, despite the fact that the nature of the issue was one that could have been resolved through sincere working-level dia-

logue.

The fourth is the two countries' differences on their policy toward North Korea. Since coming into office, the Moon administration adopted the approach of promoting dialogue and cooperation in its policy toward North Korea, which eventually resulted in three inter-Korean summits. Furthermore, the Moon administration continued to put forward groundbreaking initiatives related to North Korea, which also led to the three historic meetings between the leaders of the United States and North Korea. In this process, Japan was excluded or neglected, leading to the so-called view of "Japan Passing."

Meanwhile, the Abe government has been skeptical of the Moon administration's approach toward North Korea and denuclearization negotiations. There are strong views in Japan that President Moon Jae-in's policy toward North Korea is naïve due to fundamentally negative perceptions in Japan related to the North Korean regime and the North Korean nuclear issue. Despite the common goal of the two countries to resolve the North Korean nuclear/missile issue, South Korea and Japan still have differences in their perceptions related to the policy approach on North Korea, and there are significant differences between the two countries on the means and methodology related to North Korea policy.

That is, South Korea puts more priority on U.S.-DPRK and inter-Korean dialogue/negotiations as a way to resolve the North Korean nuclear issue, while Japan puts more importance on sanctions and pressure as a way to change North Korea's calculations/actions. The two countries' differences on their North Korea approach is also related to South Korea viewing the North Korea and North Korean nuclear issue as a "Korean" issue, while Japan views the North Korea issue as being related to security, the abductee issue, and as a post-war settlement issue.

3. Structural Background of the Relaxation of South Korea-Japan Relations

Since 2010, there has been a great change in the international political factors that have defined South Korea-Japan relations. This is, of course, a long-term trend since the end of the Cold War in the early 1990s. The international order in East Asia is rapidly being reorganized into a bipolar structure led by the United States and China. In other words, 21st century East Asia is being reshaped centered on the United States -- which remains a superpower -- and China -- which is emerging as a new power. There are three structural backgrounds related to the relaxation of South Korea-Japan relations.

First, since the end of the Cold War, the conflict in South Korea-Japan relations has been amplified. The factor that had strengthened solidarity between the two countries during the Cold War was the anti-Communist solidarity. The United States had pursued a containment strategy against the Communist bloc during the Cold War era based on its close cooperation with South Korea and Japan. Under this international context, bilateral conflict over the Dokdo issue and perceptions of history was suppressed as much as possible. With the collapse of the Cold War system, however, elements of nationalistic conflict, which had remained latent during the Cold War emerged to the surface.

Since 2010, the international order in East Asia has changed. China has emerged as a superpower, Japan has seen a relative decline in its power, and South Korea has emerged as a middle power. The emergence of the Sino-U.S. bipolar system in East Asia also had a significant impact on changing the nature of South Korea-Japan relations. Since 2012, the intense confrontation and friction in ROK-Japan and China-Japan relations have been related to the power transition taking place in East Asia, and the fluid nature in the regional balance of power brought on by the leadership transition that happened simultaneously in South Korea and China.

Second, there has been a dramatic change in the dialogue channels and network between politicians and businessmen in Seoul and Tokyo. This phenomenon was further intensified after the 1990s with the frequent changes of administration in both countries and the generational change among politicians. In particular, the informal network of politicians who had played a role under South Korea's authoritarian regime was cut off. Since the establishment of ROK-Japan diplomatic relations in 1965, there were numerous formal and informal channels between Korean and Japanese politicians. Both countries' politicians often attempted to adjust and reach a compromise when there was conflict and friction between the two countries by exchanging views through back-channel communications. However, these personal networks gradually weakened and were no longer in operation after the 2000s. Not only did exchanges and opportunity for contact between the two countries' politicians decrease, but their ability to resolve issues when there was a conflict sharply declined. South Korea-Japan relations were no longer a special relationship, but became a normal bilateral relationship. In addition, bilateral issues of conflict also went beyond the control of the political elite in Seoul and Tokyo. On the other hand, there was an exponential increase in exchanges between the two countries' civil society, local governments and businesses. As such, with the transition in South Korea-Japan relations from a special to a normal relationship, the past political mechanism to resolve and alleviate bilateral conflict is no longer in operation.

Third, relations between Seoul and Tokyo have gradually changed from a vertical relationship to one that is more horizontal; this has, in turn, served as a factor in the relaxation of bilateral relations. Since the normalization of ROK-Japan relations in 1965, South Korea has made the leap to become a developed country through sustained high economic growth. Since the late 1980s, South Korea also achieved political and social democratization. South Korea's accession to the Organisation for Economic Co-operation and Development (OECD) in the 1990s is a symbolic demonstration of South Korea's international status as a developed country. With South Korea achieving both po-

litical democratization and economic growth in a relatively short period of time, there has been greater demand from the South Korean people calling for South Korea to carry out a more assertive diplomacy based on its greater national power. During the authoritarian era, it was rare for historical issues between South Korea and Japan to emerge as an issue of diplomatic debate, but South Korea's attitude toward Japan underwent great change with the expansion of South Korea's national power and democratization. After democratization, the Korean government has actively supported ROK public sentiments toward Japan and, in some cases, also utilized national sentiments to push for a tougher policy on Japan. In particular, the South Korean public has had the tendency to express intense sentiments of nationalism through Internet media, and has led the hardline public opinion toward Japan.

Fourth, domestic factors in Japan cannot be overlooked. Since the late 1990s, Japanese politics have shifted to the right and have become more conservative. In Japan, public opinion related to revising the post-war pacifist Constitution is getting stronger; in fact, there is also de facto public approval on Japan's exercise of its right to collective self-defense. Public criticism on Prime Minister and Cabinet members' visits to the Yasukuni Shrine has also weakened considerably. Public perceptions of history are also gradually changing towards a conservative direction. In short, this trend could be seen as representing Japan's transition from a pacifist state to a normal military state, and demonstrates that the Japanese people have been receptive to this transition with little resistance. Japan's political conservatism has been greatly influenced by the generational change of politicians. Post-war generation politicians are leading the push for hardline diplomatic and security policies centered on the U.S.-Japan alliance. In the process, the relative importance put on Japan's diplomacy with neighbors like South Korea and China has weakened. Post-war Japanese politicians also tend to be free from the burden of history and generally do not have a sense of remorse for Japan's history of colonial rule and aggression in Asia. Therefore, there is a strong tendency among this generation of politicians to make unhindered remarks and actions related to history

or territorial issues.

This trend slowed when the Japanese Democratic Party was in power between 2009 and 2011, but has peaked after the Abe Cabinet came into power in 2012. The Liberal Democratic Party, led by Prime Minister Abe, won a landslide victory in two lower house (House of Representatives) elections and three Upper house (House of Councilor) elections, transforming Japanese politics towards conservatism. The progressive and liberal forces in Japanese politics that had kept the Japanese rightward shift on check are also aging and have weakened, and the Japanese opposition remains fractured. In addition, civil society forces, which had carried out the function of criticizing the move towards political conservatism, have greatly weakened.

4. Direct Causes in the Deterioration of South Korea-Japan Relations

Since 2012, South Korea-Japan relations have deteriorated rapidly, and could be attributed to the lack of communication between the two countries' leaders and the spread of extremist mutual perceptions through both countries' media. In other words, the deterioration of South Korea-Japan relations could be seen as not an ontological issue, but more an epistemological issue. Another problem is that strategic views and thoughts -- which are critical to foreign policy -- are being ignored or gradually losing ground.

First, the cause of the deterioration of bilateral relations lies in contrasting mutual perceptions. South Koreans tend to perceive that the Japan led by Prime Minister Shinzo Abe is on the dangerous path leading towards a rightward shift. During the primaries for the presidency of the Liberal Democratic Party in late 2012, Abe suggested the possibility of retracting the 1993 Kono Statement related to the comfort women issue, and also pledged to revise the 1995 Murayama Statement by issuing a new statement on Japan's past history. In addition, Abe has argued for the need to revise the Japanese Constitution and seek a shift in Japan's security policy, both issues which had been handled cautiously in post-war Japanese politics. Accordingly, Abe has pursued a

series of policies that attempt to separate Japan from the so-called post-war regime. On the other hand, South Korean media have assessed the emergence of the Abe Cabinet as a dangerous sign, and have put out reports leading to an increasing sense of crisis among South Koreans that Japan -- under the leadership of Abe -- is reverting to its militarist past.

The background of such South Korean perceptions toward Japan could largely be attributed to the painful memory of Japan's colonial rule. Based on Korean perceptions of Japan, South Koreans have had the tendency to oversimplify Prime Minister Abe's political DNA as being affiliated with right-wing politics. Based on these assumptions, there is a strong tendency in South Korea to consider Prime Minister Abe's policy related to history, attempts to revise the pacifist Constitution and seek a shift in Japan's security policy, and his territorial policy as a dangerous shift to the right.

On the other hand, there is a problem with Japanese perceptions of South Korea being oversimplified and lacking objectivity. In 2010, then-President Lee Myung-bak's visit to Dokdo and his demand for the Japanese Emperor to make an apology played a decisive role in expanding negative Japanese perceptions of South Korea. In addition, negative Japanese perceptions also spread with South Korean calls for Japan to offer an apology and make reparations following the 2011 South Korean Constitutional Court's decision on the comfort women issue and the 2012 Supreme Court ruling on the forced labor issue. In Japanese society, there is a greater sense of Korean fatigue (or apology fatigue) and anti-Korean sentiments. In addition, the recent rise of South Korea as Japan's competitor in several areas such as the economy, industry, culture, and sports, uncomfortable Japanese sentiments and views of vague fear toward South Korea have surfaced. This could be seen as Japan's maladjustment of its perceptions toward South Korea after Seoul-Tokyo relations have gradually changed from a vertical relationship to one that is more horizontal. In Japanese society, there are also stronger feelings of wariness toward South Korea's emergence as a middle power.

In addition, another cause of negative Japanese perceptions of South Korea could be

related to Seoul's approach or friendly policy toward China. Of course, after the ROK-China conflict surrounding Seoul's decision in 2016 to deploy the Terminal High Altitude Area Defense (THAAD) battery, Japanese feelings of fear regarding South Korea's lean toward China have been diluted. Since the 2010s, Japan's perception of China has more or less been wary. The Japan-China territorial dispute over the Senkaku/Diaoyu islands was decisive in worsening Japanese perceptions of China. Japan perceives China as having many problems such as the socio-economic gap, single-party rule, corruption, ethnic minority problems, and bubble economy, despite Beijing's success in achieving to become an economic power. Japan has the tendency to think that South Korea is not aware of China's contradictions and thinks South Korea has naïve perceptions of China. Furthermore, Japan perceives that South Korea and China are seeking to form an anti-Japan solidarity on history issues. These perceptions have fueled anti-Korean sentiments in Japan. Accordingly, these warped mutual perceptions in both countries have not faded away, and have rather worsened with time.

Second, there are also leadership factors that have contributed to the deterioration of bilateral relations. It goes without saying that summit diplomacy has played an important role in modern diplomacy; this is also the case, when it comes to the role and gravity that summit diplomacy has played in the history of ROK-Japan relations. The deterioration of bilateral relations has made it difficult for the two countries to hold summit talks between their leaders, but the absence of summit diplomacy has also resulted in the greater deterioration of bilateral relations. In fact, the leaders of South Korea and Japan have virtually been unable to hold a proper summit for the past eight years since the 2011 summit meeting between then-President Lee Myung-bak and then-Prime Minister Yoshihiko Noda. In other words, the two countries have essentially avoided holding a summit meeting between the two countries' leaders due to conflict and friction in bilateral relations over the comfort women and forced labor issues, and the Dokdo dispute.

There is also a lack of personal trust and dialogue between President Moon Jae-in

and Prime Minister Shinzo Abe. In fact, the dialogue channel between the Blue House and the Prime Minister's Office has virtually remained inoperative. Strategic communication between the two countries' diplomatic authorities has also been significantly lacking compared to before. It could be said that the official dialogue channel between the two governments has weakened due to the uncomfortable relationship between the two countries' top leaders. After President Moon Jae-in came into office, the two countries' leaders have only met on the sidelines of multilateral events such as the G20 Summit in Hamburg, the Eastern Economic Forum in Vladivostok, the ASEAN Plus Three summit and East Asia Summit meetings, and the APEC Summit. In 2018, the two leaders only met on the occasion of multilateral events such as the opening ceremony of the Pyeong Chang Winter Olympic Games and the trilateral ROK-China-Japan summit. There were some instances of the two leaders talking over the phone and sending envoys on occasion of the inter-Korean summits. But there has not been a meaningful summit between the two countries' leaders for over a year since October 2018. In fact, the two countries' leaders have essentially avoided meeting each other on occasion of multilateral meetings since the October 2018 Supreme Court ruling.

Third, the decline in both countries of each other's strategic importance has also played a role in the deterioration of bilateral relations. In fact, both countries do not put as much strategic importance on each other compared to the past. For example, Japan is South Korea's fifth largest trading partner, while South Korea is Japan's third largest trading partner. However, there are views among top officials in the South Korean government that the Abe government could play a spoiler role in the Korean Peninsula peace process rather than make a constructive contribution to the process. In fact, the Moon Jae-in administration is shifting its foreign strategy focus to initiatives to establish a new Korean Peninsula economy, and initiatives like the New Southern and New Northern policies. In other words, South Korea appears to be seeking a strategy aimed at expanding its diplomatic horizons and space, but is putting relatively less importance on its traditional friendship with Japan.

Meanwhile, Japan's perception and strategy toward South Korea have also changed significantly since the Abe government came into office. The Abe government has advocated for the Indo-Pacific Strategic Initiative, and has sought to contain China based on the U.S.-Japan alliance and by strengthening Japan's strategic coalition with key countries in the Indo-Pacific region such as Australia, India, and Southeast Asian countries. In this process, South Korea's relative strategic importance has decreased, and now has an obscure place in Japan's foreign strategy. In other words, Japan is pursuing a core strategy of establishing a so-called maritime alliance that connects the U.S., Australia, India and Southeast Asia.

In Japanese government policy documents such as the "Diplomatic Bluebook" and the "National Defense Program Guidelines" references to South Korea as sharing "values of liberal democracy, and values and norms of a market economy" and a "neighboring country that need strategic cooperation" are gradually disappearing. The reality is that in the discourse of the conservative right in Japan, there is also the expression that South Korea exists outside the so-called "New Acheson Line."

5. Desirable Direction of South Korea's Diplomacy Toward Japan

1) *Importance of Diplomacy Toward Japan*

The Moon Jae-in government should make efforts to rebuild ROK-Japan relations for the remainder of its term. First, we need to think about the strategic importance of ROK-Japan relations in South Korea's foreign policy. It is important to note that ROK-Japan relations are more than just a bilateral relationship, but could be seen as a hidden code of the U.S.-ROK alliance -- which has served as a key pillar to South Korea's diplomacy -- by being deeply linked to ROK-U.S.-Japan cooperative relations. In this respect, Seoul-Tokyo relations have an important role in promoting South Korea's global and regional strategic diplomacy.

In other words, Seoul's close relationship with Tokyo is not only useful in South Korea's diplomatic relations with the United States, China, and Russia, but could also

serve as an asset in South Korea's execution of its policy toward North Korea. ROK-Japan relations could also serve as an important diplomatic asset in the operation of multi-lateral cooperation in Northeast Asia such as in ROK-U.S.-Japan, ROK-Japan-China, and ROK-Japan-Russia relations. It would not be desirable to narrow the scope of South Korea's diplomatic relations with Japan due to an excessive obsession with historical issues. South Korea's regional diplomacy in East Asia and global diplomacy that is based on ROK-Japan cooperation would serve as an open and strategic space for Korean diplomacy. In that sense, the strategic space for South Korea's diplomatic relations with Japan is relatively large.

From a mid- to long-term perspective, both countries have the need to pursue multi-layered and broad cooperation in the midst of the strategic competition between the U.S. and China. During the Cold War, while the United States and the Soviet Union were engaged in ideological and military confrontation, Western European countries overcame their history of conflict through reconciliation and worked towards creating a community of peace and prosperity. This historical process has many implications for both South Korea and Japan. Most countries in the Asia-Pacific region, including South Korea, Japan, Southeast Asia, India, and Australia, rely on the U.S. for their security and China for their economies. Building horizontal partnerships among these countries would be an important diplomatic task. In this sense, ROK-Japan relations could help lead to such horizontal cooperation.

In a democratic state, public opinion is important, but at the same time, we should not fall into the diplomatic trap of past history with Japan by being engulfed by national and public sentiment. Diplomatic relations between Seoul and Tokyo should be established through an accurate calculation of national interests and strategic thinking, and should be based on an accurate reading of the reality of Japan. I think a pragmatic attitude is what is most required in South Korea's diplomacy toward Japan.

2) *A Detonator in South Korea-Japan Relations: How to Solve the Forced Labor Issue?*

The bilateral conflict surrounding the forced labor issue is not only likely to be protracted, but is also the greatest factor in leading ROK-Japan relations to a confrontation. In fact, it appears difficult to improve ROK-Japan relations without resolving the forced labor issue. At present, it would be important to prevent the further deterioration of bilateral relations and secure enough time to resolve related issues. Therefore, the two countries should seek to come up with a tentative measure to suspend the South Korean legal enforcement process, which is like a time bomb that could result in the collapse in ROK-Japan relations.

The South Korean government should explore ways to temporarily suspend the compulsory enforcement proceedings by the South Korean court through coordination with the victims (and plaintiffs). If the South Korean government is able to come up with such provisional measures, it would be likely that negotiations with Japan could lead to the retraction of Tokyo's economic retaliatory measures against Seoul, and diplomatic negotiations between the two governments could also start related to resolving the forced labor issue.

If a provisional measure is put in place to suspend the process of liquidating seized Japanese corporate assets, and a timeline and roadmap for resolving the forced labor issue is put forward, Japan is likely to take steps to lift its economic retaliatory measures against South Korea. If this takes place, it could be anticipated that the South Korean government could decide to restore the ROK-Japan GSOMIA. Once there is enough time secured to resolve the forced labor issue, South Korea could domestically review and make a final choice on the following three options for resolving the forced labor issue: (1) resolution of the issue through a negotiated agreement to establish a fund; (2) judicial resolution by jointly filing the case with a third-country arbitration panel or the International Court of Justice (ICJ); and, (3) a political resolution of the issue by renouncing the right to seek compensation and instead drawing up domestic remedy

measures for victims.

In order to reach a national consensus and get bipartisan support in reaching a final conclusion, it is advisable for the South Korean government to take related action to address this issue by forming a second public-private joint committee made up of related government agency officials and civilian experts. Buying the time to find a solution to the forced labor issue would be the most effective way to counter Japan's economic retaliation and would be the most effective response measure. I think there are three ways to address details related to the Supreme Court ruling on the forced labor issue, which resulted in Japan's economic retaliatory measures.

One way would be to create a fund to pay compensation to the victims. This method was adopted in the June 19 proposal by the South Korean Ministry of Foreign Affairs to create a voluntary fund involving South Korean and Japanese companies to pay compensation to victims. This proposal, however, was immediately rejected by Japan. A potential plan to create a 1 + 1 + alpha fund that includes the involvement of the South Korean government along with the two countries' companies could be a more complete solution. In this case, prior consultation with the victims' group would be essential. The role of the South Korean government would also be central to the creation of a potential fund since it would be necessary to project the number of victims receiving compensation and estimate the amount of compensation to be given to each victim. The biggest challenge in adopting this option is that this method cannot be a solution to the issue in the absence of comprehensive coordination with all interested parties in the forced labor issue. In other words, in order to adopt this method as a potential solution, it would require thorough deliberation and detailed coordination.

The second option would be to seek a judicial resolution to the forced labor issue. In other words, the two countries could jointly file the case with the International Court of Justice (ICJ). The biggest advantage of this option is that it could be an effective way to suspend the ongoing South Korean legal enforcement process and thus be a way to get Japan to lift its economic retaliatory measures against South Korea. If the two

countries agree to jointly file the case with the ICJ, it is estimated to take at least three to four years before the ICJ reaches a final conclusion. It could also be a reasonable solution to seek the ICJ's judgment on issues related to drawing up remedy measures for victims and potential methods for such measures. This is because the top courts of both countries have offered a completely different solution to the same issue of redressing forced labor victims. The bilateral dispute brought about by the conflicting legal interpretation by the two countries' top courts could be entrusted to the judgment of a third party like the ICJ, which is an internationally reputable United Nations (UN) agency.

If the forced labor issue is referred to the ICJ, the final result is likely to be a partial victory or a partial loss for both countries. In light of the fact that it is an established legal principle that it is difficult for an agreement between two countries to extinct the individual rights of victims, it seems unlikely that South Korea will lose in the case. Of course, there is still the possibility of reconciliation between the two countries before the final ICJ judgment comes out. Ironically, the possibility for negotiations with Japan on the issue could open by referring the forced labor case to the ICJ.

The third option is for the two governments to negotiate an agreement that would include Japan reaffirming the illegality of its colonial rule of Korea and offering an apology, as well as an expression of remorse for its colonial rule, in return for South Korea renouncing all claims for financial compensation. The option is aimed to adopt a diplomatic solution that focuses on South Korea's moral superiority in the issue by giving up South Korea's demands for financial compensation and instead South Korea drawing up its own domestic remedy measures for victims. This method was adopted by China in its post-war settlement with Japan. South Korean President Kim Young-sam also declared this approach in 1993 as his diplomatic approach toward Japan for addressing the comfort women issue. In other words, this method focuses on asking the Japanese government to uncover the truth and offer an apology/expression of remorse, and take responsibility for educating future generations on history, while South Korea takes re-

sponsibility for compensating victims. This method could be a win-win solution for both countries in that it could bring a dramatic change in bilateral relations.

If the South Korean government leaves the current situation as it is by arguing that the government respects the Supreme Court ruling and cannot intervene in the process since the ruling was part of a civil litigation process, ROK-Japan relations are likely to get worse. It is clear that both countries will see significant damages and losses if both sides clash and engage in an economic war. But related damages are likely to be asymmetrical since there is still a large technological gap between South Korea and Japan related to parts, materials, and equipment, which are essential for high value-added industries.

3) The Korean Peninsula Peace Process and the Constructive Role of Japan

South Korea needs to make efforts so that Japan could play a constructive role in promoting the peace process on the Korean Peninsula, and also actively contribute to North Korea's denuclearization and the establishment of a peace regime on the Korean Peninsula. Japan is obliged to pay more than USD 10 billion in claims to North Korea. This money could be essential in the construction of social overhead capital (SOC) in North Korea. The Abe government has recently proposed to have an unconditional summit with North Korea, and is actively seeking to negotiate with North Korea. It would be thus desirable for South Korea to support Japan's negotiations with North Korea and to cooperate with Japan on promoting its relations with North Korea.

In the long run, South Korea should seek to establish its relations with Japan with the North Korea issue and unification issue in mind. In the face of China's rapid rise and the relative decline in the U.S. hegemony, Japan's status and role in the region should not be underestimated. From a historical and geopolitical/geoeconomic point of view, the Korean Peninsula was always a key issue of concern for Japan. Since the Meiji Restoration, the Korean Peninsula was perceived as a vital area for Japan's security. Therefore, it would be a very important task for South Korea to manage the Japan

variable in the process of seeking Korean unification. Even now, Japan has a common interest with South Korea with regards to the North Korean nuclear issue and the threat of weapons of mass destruction (WMD).

The more than USD 10 billion that Japan could provide to North Korea to settle post-war claims could be critical in rebuilding North Korea's economy and infrastructure. After the normalization of diplomatic relations between South Korea and Japan in 1965, Japanese capital and technology played a major role in South Korea's industrialization and economic growth. In light of this, Japanese funds to settle claims could greatly contribute to the reconstruction of North Korea's economy and infrastructure. It will also play a decisive role in saving South Korea's unification costs. In this regard, it would be desirable that Japan's economic cooperation with North Korea be carried out through close dialogue and cooperation with South Korea. In the long run, there is no disagreement between South Korea and Japan in that Korean unification should be led by South Korea and should guarantee liberal democracy, a market economy, human rights and the rule of law. There is also no disagreement between the two countries that the unification process should be achieved through peaceful means and not through the use of force.

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