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## **Pacific Forum CSIS**

Honolulu, Hawaii

Sept. 22, 2016

**Japan-South Korea Relations in 2016: A Return to the Old Normal** by Brad Glosserman and Scott Snyder

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The first nine months of 2016 have been very good for Japan-South Korea relations. In addition to the conclusion of the comfort women agreement at the end of December 2015, the two countries have reached several other bilateral economic and security agreements. This progress and the routinization of Cabinet-level exchanges since last year make clear that their relationship has bottomed out and that pragmatic considerations are prevailing over ideological or political concerns. Credit for that progress goes to constituencies in each country committed to rebuilding the bilateral relationship. Trends in the geopolitical environment have also underscored the advantages of cooperation—and the very real costs of a failure to do so.

Unfortunately, however, both domestic political factors and that same geopolitical context will constrain additional progress for now. It is therefore incumbent on both governments and supporters of closer Japan-Korea ties to safeguard the gains that have been made while working against possibly growing resistance to moving the relationship forward.

Last year ended on a high note when the governments of Japan and South Korea announced agreement to formally resolve the comfort women issue. Japan would offer an apology and acknowledgement of the imperial government's role in the suffering of the comfort women and provide one billion yen (approximately \$9.7 million) to establish a fund that would offer payments to surviving comfort women, their families, and for "projects for recovering the honor and dignity and healing the psychological wounds of all former comfort women." In exchange, Seoul would consider the issue "finally and irreversibly" settled, and both governments pledged to refrain from criticizing each other regarding comfort woman issues in international settings including the United Nations. In addition, Seoul would "strive to resolve" the issue of the comfort woman statue located in front of the permanent site of the embassy of Japan in Seoul by "consulting with related organizations about possible ways of addressing the issue," including the possibility of moving the statue to another location.

Significantly, the agreement has generated a sense of common purpose, however limited, between Seoul and Tokyo. The absence of an agenda for cooperation had hampered cooperation as well as communication between the two governments, especially at the highest levels. As a result of the comfort woman agreement, the Healing and Reconciliation

<u>Foundation</u> has been established, over three-quarters of the surviving comfort women have agreed to receive compensation from the fund, and Japan has sent money to enable the foundation to make payments to victims and their families. This cooperation has lessened but not yet overcome skepticism in South Korea and Japan that the agreement would be fully implemented.

That agreement has been adopted alongside a trilateral information sharing arrangement that allows the three governments to share intelligence related to weapons of mass destruction used by North Korea during a crisis. In addition, the United States, Japan, and South Korea held a trilateral missile defense exercise over the summer. The drill was especially important since it demonstrated a commitment to work together to tackle real security problems in the region—and squarely faced the sensitive and contentious issue of hard security cooperation.

Finally, Tokyo and Seoul agreed to resume discussions on <u>bilateral currency swap arrangements</u> that had been suspended since February of 2015 as a result of the ill will that dominated the relationship. The new mood was evident in photos of Japanese Prime Minister Abe Shinzo and South Korean President Park Geun-hye at <u>their bilateral meeting at the G20 summit</u>: the two looked noticeably more relaxed and comfortable than in any previous encounter.

There are several explanations for this progress. The first driver is North Korea's <u>increasingly belligerent and threatening behavior</u>. Pyongyang's ugly rhetoric and the series of missile and nuclear tests made clear that the two countries' interest in addressing together (and with the United States) the North Korean threat.

The second factor is China. Since taking office, President Park has tried to build a relationship with Beijing that would maximize pressure on North Korea to end its provocations, abandon its nuclear weapons program, and conform to international norms and expectations. Park took considerable risks—and considerable criticism—for that effort. At times, there were fears that Seoul was abandoning its alliance with the US and was drifting into China's orbit.

Ultimately, however, that gambit failed. Beijing proved an unreliable partner, unwilling to squeeze Pyongyang to Seoul's satisfaction. The breaking point came when Xi Jinping failed to call Park following North Korea's January 2016 nuclear test and subsequently criticized South Korea for defending itself against the North Korean threat by agreeing to accept the Terminal High Altitude Air Defense (THAAD) system. Seoul's disillusionment with China has smoothed the way for closer relations with Japan.

The third factor is pressure that the United States applied behind the scenes to push the two countries together.

While the primary responsibility for building a better relationship rests on Japan and South Korea, Washington has been instrumental in creating opportunities for dialogue and reminding the two governments of their shared interests. Deputy Secretary of State Tony Blinken has led a quarterly trilateral vice-ministerial dialogue among the three countries since 2015 and has laid out a rationale for a trilateral relationship that is "strategic in value...complementary in nature...[and] global in scope."

Unfortunately, however, progress is likely to stall. The first reason for pessimism is the advent of the South Korean presidential campaign. With the presidential election scheduled for December 2017, domestic politics will dominate decision-making in Seoul. The comfort women deal may become a political football in the National Assembly in the run-up to the campaign, especially as the opposition Minjoo Party tries to get a foothold by criticizing the Park administration. Although South Korean public opinion toward the comfort women agreement has softened in recent months, the Korean public has not yet been won over. Moreover, some South Korean non-governmental organizations (NGOs) that oppose the agreement continue to seek ways of mobilizing opposition to it, heightening the risk that implementation of the deal could run into political obstacles in Seoul.

The second factor is Japan's geopolitical calculus. It has long appeared that Tokyo considers the bilateral relationship with Seoul vital, but secondary. In practice, this has meant that the Abe Cabinet prioritized relations with China over that with Korea; if Japan could overcome historical and territorial disputes with China, then South Korea would be obliged to follow suit. That appears to have been an accurate assessment.

Now Prime Minister Abe is focused on Russia, hoping to finally resolve the Northern Territories dispute and come up with a final peace treaty to World War II. If he can square relations with Moscow and Beijing, then Seoul's options diminish, and it will be pressed to normalize relations with Tokyo as well.

The third factor is the United States. While Washington has pushed its two allies to cooperate, discussions with experts and officials indicate that both countries value their bilateral relationship, each also believes that the other should take the first steps to reconcile. Both Tokyo and Seoul also seem to believe that it does not have to do the heavy lifting on relationship management because Washington will force the other to step up in a crisis. That could change in the event of a Trump victory in November, but even then, the Korean presidential campaign will dominate policy discussions in Seoul.

The final important variable is the belief among Japanese that the problems that bedevil the relationship with South Korea reflect deep-seated beliefs that cannot be remedied by fixing a particular problem. While a joint Genron NPO Forum/East Asia Institute Poll from July 2016 shows strong improvement in both countries in their attitudes about Japan-South Korea relations, the poll also shows that South Koreans believe progress on specific issues, such as the continuing territorial dispute over Dokdo/Takeshima, history textbooks, or the comfort women is necessary to improve the

relationship, while most Japanese believe that the problems reflect anti-Japan education, anti-Japan media, and South Korean "aggressive anti-Japan acts over historical issues." In other words, there are no discrete "problems" to be solved; there are systemic forces at work against the relationship, a logic that obviates the need for Japanese to take action. Consistent with this outlook is a belief among many Japanese that the best approach is to let the passage of time solve these irritants.

In these circumstances, the most important near-term objective of both governments should be to protect the gains that have been made by continuing to implement existing agreements. There are two remaining issues on the agenda to be dealt with during 2016 and 2017 that will have an impact on prospects for future cooperation. First is the need for a bilateral information sharing agreement between Japan and South Korea. The agreement is primarily symbolic since trilateral information sharing already exists among the three countries but would provide powerful symbolism of the normalization of the Korea-Japan relationship, particularly since the agreement previously failed to secure Korean domestic approval in the waning days of the Lee Myung-bak administration.

Second, the Park administration will have to make a good faith effort to engage South Korean NGOs in a conversation about the relocation of the comfort woman statue. Ultimately, any effort to relocate the statue would be a test of the intensity of South Korean public opinion as well as a test of the South Korean public's pragmatism as it thinks not only of the past, but of the future relationship with Japan. Relocation of the statue to any alternative site should involve a thoughtful process that perpetuates the memory and dignity of the comfort women while demonstrating South Korean willingness to affirm that both neighbors benefit from mutual future-oriented cooperation.

South Korean and Japanese security interests continue to be inextricably linked together and to those of the United States, as they have been since the Korean War. This linkage will become even more important given the common demographic, geostrategic, and economic challenges that both countries face.

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