

Japan-Korea Relations:  
**On Track and Off Course (Again)**

by Victor D. Cha  
Associate Professor  
Director, Project on American Alliances in Asia  
Georgetown University

The big news for the past quarter was the improvements in Seoul-Tokyo ties after months of controversy over history-related issues. While Japan-ROK relations appear to be back on track, Tokyo-Pyongyang relations veered badly off course following failed attempts to jump-start normalization talks; financial scandals involving the pro-DPRK *Chosen Soren* organization in Japan; and an altercation at sea. U.S.-Japan-ROK trilateral coordination proceeded apace with American prosecution of the war against terrorism in Southwest Asia as one of the major topics of discussion.

**Koizumi's Diplomatic Offensive**

Last quarter saw Tokyo working feverishly to mend relations with Seoul after the bad patch experienced over the past six months (see "Questions, Questions, and More Questions..." *Comparative Connections*, Vol. 3, No. 2 and "Quicksand," *Comparative Connections*, Vol. 3, No. 3). At the summit meeting with ROK President Kim Dae-jung in Seoul (Oct. 15), Japanese Prime Minister Koizumi Junichiro's effusive statements of "heartfelt remorse" about South Korean suffering under Japanese colonial rule and commitments to study alternatives to commemorating Japan's war dead helped grease the wheels of reconciliation. At the APEC meetings in Shanghai five days later, the two leaders issued a seven-point accord, which included joint efforts on history and on-going fishing disputes.

While South Korean public sentiment and the political opposition still remained far from placated (Koizumi indeed canceled a scheduled address to the ROK National Assembly amid public demonstrations during the October visit), the net assessment of the trip on relations was arguably still positive. The standard for assessing "normalized" relations is the extent to which the two governments sought to resume regular interaction (disrupted after the history rows) and reinvigorate the spirit of the Kim-Obuchi summit in 1998. In this regard, there was measurable progress.

Regarding the Yasukuni Shrine controversy, Japan's pledge to study alternatives to Yasukuni, though replicating past pledges, was accepted by South Korean officials in a positive manner because, unlike the past, the study would be conducted in the Prime

Minister's Office, which might prove more promising. Even the fisheries row (i.e., Japanese protests over ROK fishing near the Kuril Islands based on quotas the ROK purchased from Russia) was resolved temporarily (Japan purchased the Russian quotas) lending momentum to the more positive atmosphere this quarter. Most significant, in the aftermath of APEC and Seoul summit meetings, ROK and Japanese officials announced the resumption of suspended military exchanges and the reinstatement of market-opening measures for Japanese cultural products.

In their New Years' statements, both Kim and Koizumi also pledged full cooperation in preparing for the World Cup. Sports fans might argue that this last issue was the driver of Koizumi's diplomatic offensive over the past quarter. However, more important than this was general concern throughout foreign policy circles that the two sides could not afford another quarter of such badly deteriorated relations. Consolidating ties with friends in the neighborhood was also deemed critical as Japan was in the process of venturing into new, uncharted waters (figuratively and literally) in the war against terrorism. In this regard, Japan and the ROK supported each other's contribution to the U.S.-led effort in Southwest Asia, and in particular, Seoul acquiesced to Marine Self-Defense Forces dispatch of logistic support to the Indian Ocean.

Thus, over the range of issues that plagued relations in the past quarter, the two governments appeared to be on firmer ground. Seoul and Tokyo even found themselves capable of handling a mini-crisis involving the misfiring of an ROK ballistic missile (Nov. 15) that landed in the Sea of Japan 300 kilometers west of Kyushu. Aside from initial Japanese concerns about the origin of the missile (i.e., DPRK) and Seoul's failure to notify Tokyo in advance, the incident was handled in professional and non-inflammatory manner (and the ROK tested successfully a second missile a week later). Counterfactuals provide one way to determine how significant the quarter's improvement of relations has been – imagine the same event taking place last summer! The two countries would most likely have reacted in a very different (i.e., inflammatory) fashion. In the end, as insiders note, perhaps the best indicator of a return to “normalized” relations was the mood at the APEC Shanghai meetings in October where both Prime Minister Koizumi and President Kim were visibly more relaxed and comfortable with each other.

### **TCOG and Sept. 11**

The Trilateral Coordination and Oversight Group (TCOG) meetings in San Francisco (Nov. 26-27) produced the usual statements on engagement with North Korea and concerns about the North's nuclear weapons program. While the formal agenda at these meetings covered inter-Korean relations and DPRK humanitarian aid, the most pressing issue was the war against terrorism. In this vein, U.S., Japanese, and ROK officials released joint statements welcoming the North's expressed intention to sign two UN anti-terrorism conventions while urging Pyongyang to take further tangible steps in the U.S.-led campaign against terrorism.

Though not part of the official agenda, one of the issues at the meeting was South Korean and Japanese feeling out of the Americans on the likelihood of the DPRK as a potential target of the war against terrorism. Earlier remarks by top U.S. officials (President George Bush, Defense Secretary Donald Rumsfeld, and Under Secretary for Arms Control and International Security John Bolton) warning against the use of weapons of mass destruction capabilities of rogue states to “terrorize” others intimated to some in Asia a link between the war in Afghanistan and potential new targets in North Korea. Assistant Secretary for East Asian and Pacific Affairs James Kelly explained that such statements by the president merely confirmed an existing U.S. position and did not signify a new one. The larger point to draw from these proceedings is that TCOG, once again, proved its usefulness as an institution for dialogue and policy coordination. In this instance, it helped to clear the air on some ambiguous high-level statements and prevent – what former U.S. Ambassador to South Korea Donald Gregg appropriately termed – the potential for “collateral damage” of Sept. 11 on the Korean Peninsula.

### **Japan-DPRK Relations Gone Badly Awry**

If the quarter saw Seoul-Tokyo relations getting back on track, it also saw Tokyo-Pyongyang relations go badly off course. This was not for lack of effort on the Japanese side. Attempts at the working-level in Beijing to restart the normalization dialogue failed miserably. From there, it was all downhill as relations encountered a sequence of crises. The first was a financial scandal involving the pro-DPRK General Association of Korean Residents in Japan (*Chongryon* or *Chosen Soren*). Police investigations found that the May 1999 collapse of the Chogin Tokyo Credit Union was in part tied to some ¥12.6 billion in shady loans extended to a senior member of *Chongryon* Kang Yong-gwan (former chief financial officer for the association). This revelation raised speculation that the credit union had been funneling money to the North Korean association on a regular basis as the association’s other forms of income had dried up. The upshot was a police raid for the first time of *Chongryon* headquarters, which was strongly condemned by the DPRK.

Following these events, the DPRK unceremoniously dropped its investigation into the alleged kidnappings of Japanese citizens by North Koreans. The DPRK Red Cross’ rationale for their decision was that “Japan is playing up the non-existent ‘kidnap’ issue because it wants to label the DPRK a terrorist state, while also trying to militarize their own nation.”

The DPRK’s actions were clearly a tit-for-tat retaliation against Japanese actions against *Chongryon*. The association serves as the *de facto* embassy for North Korea given the absence of diplomatic relations between Tokyo and Pyongyang, and the raid was almost certainly interpreted as an affront to their sovereignty. Fully aware of the significance of the abduction issue for Japan (i.e., in terms of the domestic politics of moving forward the normalization process), North Korean officials probably sought to fight fire with fire.

Prime Minister Koizumi responded to DPRK actions in unusually strong terms, openly condemning the DPRK’s decision as “deplorable” and “lacking sincerity.” Foreign

Ministry officials later stated that given the circumstances, Japan could not come forth with its food aid commitments for the North through the World Food Program appeal (by contrast, the United States and South Korea will commit some 100,000 tons each). Needless to say, normalization dialogue remains on hold indefinitely at the end of the quarter.

Just when it looked as though Tokyo-Pyongyang relations had hit rock bottom, the quarter ended with a sea altercation involving a Japanese Coast Guard vessel and a suspected North Korean ship that had been operating in and near Japan's 200-nautical mile exclusive economic zone. According to newspaper reports, a six-hour chase culminated in an exchange of fire and the coast guard vessel sinking the intruding ship. An estimated 15 crewmen drowned (two Japanese Coast Guard sailors suffered injuries). Pyongyang denied the ship was North Korean and accused the Japanese of "brutal piracy" acts. Japanese newspaper reports claimed that the vessel might have been part of a DPRK espionage operation or drug smuggling involving several ships.

Could things get any worse? One doubts it. An optimist might argue that when relations between states become so nonexistent, mishaps such as these sometimes provide opportunities to open pragmatic discussions (e.g., on identification of friend/foe procedures in this instance) that could have positive externalities in other areas. And pigs can fly.

## **Outlook**

The year 2002 should hopefully see continued reconciliation on the Seoul-Tokyo front. It could be a big quarter for relations if discussions about another summit between Koizumi and Kim, resuming senior-level bilateral security talks, and implementing some trilateral maritime coordination all pan out. On the Japan-DPRK front? Just pray it does not get any worse.

## **Chronology of Japan-Korea Relations October – December 2001\***

**Oct. 6, 2001:** South Korean lawmakers demand Japanese PM Koizumi apologize for historical distortions in Japan's textbooks and his visit to the Yasukuni Shrine when he visits Seoul.

**Oct. 11, 2001:** Secret fisheries talks between South Korea and Japan held in Tokyo fail.

**Oct. 13, 2001:** Japan considering extending rice aid to North Korea next year, hoping to move ahead in stalled normalization talks.

---

\* Compiled with research assistance from Mayumi Ichino.

**Oct. 15, 2001:** President Kim Dae-jung and PM Koizumi meet at the Cheong Wa Dae; Koizumi offers his “heartfelt apology” for South Korean suffering under Japan’s colonial rule.

**Oct. 16, 2001:** PM Koizumi cancels a proposed trip to the South Korean National Assembly due to threats by the parliamentary opposition to stage a demonstration.

**Oct. 20, 2001:** President Kim and PM Koizumi reach a seven-point accord aimed at resolving disputes between the two nations in Shanghai, including the creation of a joint history research forum and talks to resolve a fishing row. Koizumi promises to seek new ways to pay homage to Japan’s war dead.

**Oct. 23, 2001:** ROK government lifts countermeasures taken against Japanese history textbook and the Yasukuni Shrine visit.

**Oct. 25, 2001:** Delegates from South Korea and Japan meet in Tokyo in an effort to resolve their fishing disputes.

**Oct. 29, 2001:** A senior South Korean official states that the passage of Japan’s anti-terrorism bill should not be allowed to harm peace and stability in Asia.

**Nov. 4, 2001:** North Korea’s official newspaper, *Rodong Shinmun*, criticizes Japan for enacting a law to allow the Self-Defense Forces to provide logistical support to the U.S.-led military operation against terrorism.

**Nov. 5, 2001:** President Kim, Chinese Premier Zhu, and PM Koizumi agree to establish a trilateral forum of economic, foreign, and finance ministers at the ASEAN Plus Three summit in Brunei.

**Nov. 7, 2001:** *Mainichi Shimbun* reports that the Japanese government decided to delay its humanitarian rice aid shipment to the DPRK.

**Nov. 13, 2001:** Japanese government sources state that Japan and South Korea are expected to conclude an extradition treaty by early next year in an effort to enhance judicial and investigative cooperation ahead of the 2002 World Cup soccer finals.

**Nov. 15, 2001:** ROK ballistic missile test misfires, landing without incident about 300 km west of Kyushu.

**Nov. 22, 2001:** South Korea launches a 100 km short-range missile in the Yellow Sea for research purposes.

**Nov. 22, 2001:** South Korea and Japan hold annual working-level defense policy talks in Tokyo.

**Nov. 23, 2001:** *Japan Times* and *Joongang Ilbo* report that Japanese and North Korean officials met at the working-level in early November to explore ways to resume stalled normalization talks.

**Nov. 26-27, 2001:** TCOG meeting in San Francisco.

**Nov. 27, 2001:** Japanese Ambassador to the U.S. Kato Ryozi states that the international community should increase pressure on Iraq and North Korea to accept UN inspections of their alleged programs to develop weapons of mass destruction.

**Nov. 30, 2001:** Japanese police search the headquarters of *Chongryon*, a pro-DPRK association, which has been suspected of embezzlement. The action followed the arrest of a *Chongryon* executive who is said to have ordered the Chogin Tokyo credit union to embezzle ¥830 million of the union's funds.

**Dec. 10, 2001:** A group of Japanese and ROK citizens file a lawsuit over PM Koizumi's Yasukuni visit saying that it violated the Japanese Constitution.

**Dec. 14, 2001:** Japanese and South Korean industry ministers agree in Tokyo to enhance ties in the exploitation of crude oil and natural gas resources.

**Dec. 17, 2001:** Japanese police arrest four former executives of a credit union for illegally lending about ¥340 million to a pro-Pyongyang credit union, despite knowing that the loans would go sour.

**Dec. 17, 2001:** Japan eases visa regulations for South Koreans ahead of 2002 World Cup.

**Dec. 17, 2001:** North Korean Red Cross drops probe into "kidnapped" Japanese, citing Japan's unnecessary playing-up of the issue and defamation of the DPRK.

**Dec. 20, 2001:** Japanese officials state that resumption of normalization talks with North Korea will be delayed because of Pyongyang's decision to suspend the search for missing Japanese.

**Dec. 22, 2001:** Japanese Coast Guard vessel exchanges fire and sinks a suspected DPRK vessel near Japanese territorial waters.

**Dec. 26, 2001:** North Korea's official news agency branded the incident in which an unidentified ship sank on Dec. 22 an act of Japanese "brutal piracy" and "unpardonable terrorism;" denies a link to the ship sunk on Dec. 22.

**Dec. 27, 2001:** Chief Cabinet Secretary Fukuda Yasuo attacks North Korea's response as "regrettable" and "vulgar" given mounting evidence linking the ship to North Korea.

**Dec. 29, 2001:** Japanese officials state that construction work on two light-water reactors in North Korea will be delayed for around six years and will be completed in 2009 at the earliest.

**Dec. 30, 2001:** Bank of Korea states that South Korea's trade deficit with Japan is expected to surpass \$10 billion for 2001, despite the drop in imports.

**Dec. 30, 2001:** *Nihon Keizai Shimbun* reports that the unidentified ship that sank in the East China Sea on Dec. 22 sent messages to an unidentified destination that it would "self-destruct to complete a mission."