## Japan –South Korea Dispute: Impact on US Asia Pivot Strategy

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### Abstract

East Asia is one of the main regions in new US policy of Asia pivot in order to curtail the Chinese influence in the region, and to achieve the goal the US relies on its allies Japan and South Korea in the region. However, the latest trade dispute between Japan and South Korea has created a destabilizing situation for the US allies. The dispute has a long history stretched to the Japanese occupation of the Korean peninsula in 1910-45, and the claims demanded by the forced Korean labourers, comfort women, and the atomic bomb victims has been the bone of contention between Seoul and Tokyo. The relations have remained very close since the 1965 Treaty of Basic Relations but the current crisis has not only shaken the socio-cultural issues between two states but has threatened to end the 2012 Intelligence Sharing Pact and 2016 The General Security of Military Information Agreement (GSOMIA).

Key Words: US Policy, Security, Agreement, Comfort Women

### Introduction

Japan has remained a major military power of the region during the 19<sup>th</sup> and 20<sup>th</sup> century, and has considered Korean peninsula under its influence since 1876 Japan –Korea treaty, and later in 1905 Korean empire was indirectly ruled by the Resident-general of Korea under the 1905 treaty between Japan and Korea. Finally, the Korean

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peninsula was occupied by the imperial Japan in 1910 and remained under her control until 1945. During that time, they exploited the Korean resources as well as the human force for the forced workers sent to the Korean industries of Nippon and Mitsubishi as well as to the Sakhalin islands, and used the Korean women as sex slaves known as comfort women.

Seoul and Tokyo normalized their relations in 1965 with the signing of the Treaty of the Basic Relations in which the issue of the forced labour was settled and as a result Seoul relinquished its citizen's right of sue which incurred before 15<sup>th</sup> August 1945. The situation changed after the Roh Mooh-hyun when his administration authorized the documents related to the forced labour leading up to the 1965 agreement. These documents have provided the real context and information to the victims for the legal matters as previously they had very little information particularly about the legal documents.

Since the end of the World War-II both the states Japan and South Korea have remained the major US allies in the region, and the US has not only provided them support but has raised concerns over the security issues facing them particularly the Korean nuclear issue. Since the establishment of the US-Japan alliance in 1951, they have been under the US extended nuclear deterrence against the Soviet aggression including Japan's enemies (Noonari & Buriro, 2012, P- ) Whereas Seoul has remained a key partner in the region and Washington has provided them military and financial support since the end of World War II.

The latest crisis between the two allies has raised concern in Washington because the US is already engaged in the trade war with China, and its growing influence in the region, which cannot be curtailed without the help of its allies.

Japan and South Korea are concerned about the Chinese rise due to the Japan-China conflict and South Korea's concern over the Chinese role in North Korea nuclear issue and its support of North Korean regime (Noonari 2017, p.97). Tokyo has increased its role in the region by forging close ties with New Delhi, the other important country that occupies an important place an important place in Washington's Asia pivot strategy. New Delhi's close relations with Tokyo are growing and in 2014, the Japanese Prime Minister Shinzo Abe joined as Chief Guest on the occasion of Indian Republic day, which marked the beginning of New Delhi's role in the Tokyo policy Broader Asia.

## Japan South Korea Latest Dispute

The historical issues between Tokyo and Seoul were resolved under the 1965 treaty, but they resurfaced again in the 1990s, which led the South Korean citizens to raise voices against the imperial role of Japan during the occupation of the Korea. The relations between the Japan and South Korea were normalized in 1965 with the signing of Treaty of Basic Relations. Japan provided hundreds of millions of dollars of aid and loan to South Korea after the 1965 treaty in order to mend ties. The 1965 treaty, which Japan quotes, has relinquished the South Korean power to ask for the citizen rights, which were violated during the Japanese occupation of Korea.

The issues were first brought in 1995 in trial in Japan against the Nippon and Mitsubishi, but the courts of the Japan and South Korea rejected on the grounds of 1965 Treaty between both the states, which surrendered the South Korean rights. The other reason was the lack of evidences presented in the court until the Roo Moh hyun administration, which released thousands of documents until the 1965 treaty. The Committee of Private-Government was set up in 2005 to find out the Japanese claim that they have paid compensation to the victims, but the Committee's findings were drastic for the Japan as it claimed the comfort women, atomic bomb victims and the forced mobilization to Sakhalin were not compensated whereas the some cases of forced labour were

compensated. This led to the South Korean court to conclude that South Korean government's silence is unconstitutional on resolution of the dispute on the compensation issues.

Prior to that, the courts of the both states have refrained from granting the reparations to the victims under the 1965 Claims Settlement Agreement until the last year when South Korean court ordered the Nippon to compensate the victims. This move has angered the Japanese as they have proposed to settle the matter through third party arbitration but South Korea refused. The Japanese government feared that if they will compensate South Koreans then the other states like China, the Philippines who were occupied by Japan during the same period, and the South Korean court order will help 220,000 individuals to file suit against Japan worth US \$ 20 billion. The latest dispute has been the yearlong when the higher court of the South Korea has ordered the Japanese steel giant Nippon to pay the compensation to the South Korean forced labour during the WW-II. Tokyo proposed to settle the matter through third party (international court) which Seoul refused.

The legal matter affected the trade relations and initiated trade dispute between the two states and in July 2019, Tokyo restricted exports of raw materials for three vital chemicals used for the production of memory chips and displays for consumer electronic devices citing the national security concerns. Japan also excluded South Korea from the White List of Countries from August 28, 2019, which will delay the 800 strategic materials shipped to South Korea from Japan due to increased additional procedures. To justify the export curbs, Japanese Prime Minister Shinzo Abe said 'with regard to the wartime-labourers issues, it has become clear that South Korea does not abide by international commitments. It is natural to assume that it also fails to keep promises on export control'. (Pak, 2019) Seoul responded with similar sanctions, and has excluded Tokyo from its White list, and has threatened to withdraw from the 2016 security agreement with Tokyo, which will end the security

intelligence cooperation between the two states, and create a security threat for the US major allies in the region. The basic reasons of the Japan-South Korea fresh dispute are:

- 1- The comfort women issue, which was used as sex slaves for the Japanese soldiers during the Japanese occupation of the Korea from 1910-45. Although on the issue of the comfort Japan has publically apologized, and has women compensated the victims, but the South Koreans asked for the official apology on the issue and has demanded to pay to all the victims rather than few. Japan and South Korea in 2015 have reached to an agreement in which Japanese apologized, and have agreed to pay further 1 billion yen (US \$ 8.3 million) to the victims of comfort women. However, the issue did not settled there until the 2018 when the South Korean government officially discarded the agreement and closed down the Comfort Women Foundation, which was established by Japan in 2016 to compensate the comfort women in Korea.
- 2- To compensate the forced labour used during the Japanese occupation of the Korea: During the Japanese occupation as many as 450,000 Koreans were sent as forced workers to Japan. The issue has further complicated when in 2018 South Korean court allowed the individuals to file suit against the Japanese companies who used them as forced labour during the occupation era.
- 3- The atomic bomb victims, which numbered to approximately 70,000 in the cities of Hiroshima and Nagasaki at the time of atomic bomb explosions. Japanese government has paid an amount of 4 billion yen and established a humanitarian assistance programme, and has built a welfare centre not as a compensation to the victims. However, Koreans demanded a

4- Japanese restrictions over the exports of chemicals in producing memory chips and displays for electronic devices citing the national security matter. In South Korea's view, Japan is trying to punish it for a 2018 Supreme Court ordering Mitsubishi Heavy decision Industries to compensate South Koreans for wartime labour during Japan's colonial rule of the Korean Peninsula during the first half of the 20th century. Japan contends that the 1965 treaty establishing diplomatic relations -, which included \$500 million in grants and loans to South Korea - resolved all questions related to compensation, while South Korea argues that the treaty does not cover individual claims. (Wha, 2019)

# **US Asia Pivot Strategy**

The US role in the region has not been very active since long time due to the fact that Washington's policy was mainly directed towards the energy rich region of Middle East. With the end of the cold war era and the events of 9/11, 2001 have further turned the US policies towards the Middle East and Afghanistan, which has left a Beijing's rise as an economic power has exerted the vacuum. influence in the region due to its power as a major economic partner of ASEAN, Japan, South Korea, India, Pakistan and other states of the region. With the rise of Chinese influence in the region, the policy makers in Washington have reassessed its policy towards the region. The then President Obama in his address to Australian parliament in 2011 unveiled the US Asia pivot strategy/ Rebalance Asia in 2011 in order to contain the influence of China in the region by forging close alliances with its traditional partners Japan, south Korea, Indonesia and India. The US has not only assured its allies of strengthening of alliances but has reassured its commitment towards the region by announcing the 2012 Strategic Guidance Programme, which directed the 60% of US forces to the region by 2020.

The major dimensions of the strategy are:

- 1- The United States policy under the Trump administration is designed to curb the threats present in the region such as The North Korean nuclear issue, Trade dispute with China, Iran's nuclear programme and US troop's withdrawal from Afghanistan. The United States has developed the offensive War Doctrine in order to crush the threats posed to its vital interests in the region. President Trump has been able to negotiate the peaceful solution of the Korean nuclear issue with the Kim Jong Un several times since taking office. He became the first US president to set foot on the North Korean soil in June 2019. The relations with Pyongyang has been progressing after the Trump's warning to target the North Korea if it did not cooperated with the International Atomic Energy Agency (IAEA). The 2012 Strategic Guidance Programme of the US has indicated that US will shift 60% of forces to the region until 2020, which hinted the Washington's commitment towards the region. President Trump's 2017 National Security Strategy paper further focuses on the US offensive war strategy by declaring the Russia and China as a threat to their interests. Thus enabling Washington to deal with the threats posed to its interests in the region by strengthening its alliances, and increasing its role in the region.
- 2- The US wanted its allies in the region to reassure its commitment in providing assistance and security to its allies. The US commitment in the region was possible because the US has shifted its policy towards the region from the Middle East by withdrawal of forces in Iraq in 2011. US also pursued its policy of engaging Taliban in negotiations on the future of

Afghanistan in order to withdraw its troops from Afghanistan to ensure its commitment towards the region. In order to ensure its allies the Obama announced the Asia Pivot strategy in 2011, and announced the rotational deployment of the troops in Darwin, Australia. The US 2012 Strategic Guidance programme was aimed to assure the US allies in the region for its commitment of its involvement in the region to pursue the shared interests and deal with the threats posed to their security.

Washington's development of its alliances with Japan, South Korea, India, Australia, the Philippines, Indonesia and others is an effort to maintain its presence in the region, and strengthen its alliance against the Chinese threats. The continued presence of thousands of U.S. forces on the Korean Peninsula and a strong and tight U.S.–South Korean military alliance represent a significant potential security threat to Beijing. (Swaine, Deng & Lescure, 2016, p-81)

New Delhi became the central to the Washington's policy to deal with the Beijing since 2001. Washington's Asia Pivot Strategy is designed to deal with the threat posed by rise of China, and New Delhi's hostility towards Beijing has not been new as they were engaged in a war in 1962 over the border issue and Beijing's string of pearls has been the major source of concern for New Delhi. As New Delhi considers Beijing's presence in the name of development of ports in the cities of Hambantota (Sri Lanka), Chittagong (Bangladesh), and Gwadar (Pakistan) which encircles New Delhi. Beijing's support to Islamabad under the China-Pakistan Economic Cooperation (CPEC), and other South Asian neighbours under the BRI project is also viewed with the concern by India. New Delhi considered South Asia as its traditional sphere of influence and Beijing's involvement in the region has ended its dream of dominating the region as it created a balance of power in the region viz-a-viz India. New Delhi's alliance with Tokyo, and its Act East policy is an effort to create the counter balance to the Beijing threat and contribute the great setback to the Beijing's policy in the region.

3- The Chinese policy towards the region has become more assertive since 2008 due to its interests in the region as its trade relations has blossomed with the region. Beijing has become one of the major trading partners of the ASEAN, but also Seoul, Tokyo, and New Delhi, which creates a major challenge for the Washington to contain the influence of the China in the region. Beijing in order to ensure its security and trade relations has adopted the guarded stance towards the US designs in the region since 2009 and it mentioned the encirclement of China in its 2013 White Paper.

The role of Washington in this case has been not easy as its Asia Pivot strategy not only needs its commitment and focus towards the region but also the economic integration with the US economy. The US role in the South China Sea (SCS) disputes and its web of alliances with the regional powers like the Philippines, Indonesia, Japan, South Korea, Australia, and India are considered a major policy direction towards containment of China.

Trump's National Security Strategy of 2017 is another evidence of the US role in curbing the threats posed to its interests globally as it has identified Beijing and Moscow as a threat to the national security of the US. The strategy has also highlighted the need to enhance the US influence globally in order to deal with the threats posed to its interests globally.

4- Establishment of the economic integration in the region through a multilateral economic arrangement, which will bind the US interests particularly its economic interests with

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its allies. Obama in order to achieve the economic integration with the region announced the outlines of the Trans-pacific partnership (TPP) free trade agreement on APEC Summit. The agreement was signed on 4<sup>th</sup> February 2016, but it did not lasted between its allies and the US as the new president Donald Trump by signing an executive order on 23<sup>rd</sup> January 2017 withdrew from the treaty. The TPP was between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam. The countries involved produce 40% of the world's total gross domestic product of \$107.5 trillion. They supply 26% of global trade and 793 million of the world's consumers. (Amadeo, 2019)

Washington's withdrawal from TPP has created a negative impact on the alliance due to the fact that US commitment towards its allies was once again questioned and in order to make the US commitment visible the Trump administration hinted to rejoin the TPP in 2018. But the inconsistency by president trump in carrying his foreign policy is creating trouble to achieve its interests in the region as its allies are vulnerable to unpredictability posed by trump in dealing with its allies.

## Impact of Japan-Korea on US Policy

Seoul and Tokyo are the two major powers of the region and their strategic partnership with Washington makes them key allies in the region. Seoul's partnership began in 1950-53 Korean War, whereas the Tokyo began its alliance with Washington by signing 1952 Mutual security Assistance package, which was further strengthened through 1960 treaty of mutual Cooperation and Security. The US forces presence in both the states shows the Washington's commitment towards its allies in dealing with the threats posed to their security.

The latest row between the two US allies has greatly influenced the Washington's policies in the region and created the following impact on the US Asia Pivot strategy:

- 1- Security threats to the two US major partners as both the states are engaged in nationalistic political sentiments and has provoked the people of both states against each other in order to gain the political advantages in coming elections. The Seoul's threat to withdraw from the 2016 GSOMIA pact can create a security issue for the two close allies of the Washington in the region.
- 2- The trade dispute can trigger a new economic crisis in the region as Japan's ban to export the raw material to South Korea can lead to the bad effects on the smart phone industry as South Korean mobile giant Samsung can face the shortages of the chemicals to manufacture memory chips. Japan's trade and diplomatic dispute with South Korea has escalated sharply. Seoul terminated its intelligence-sharing pact with Tokyo and went ahead to postpone two-day military drills around the Dokdo islands, known in Japan as Takeshima that are controlled by Seoul but claimed by Japan. Analysts remain sceptical that the standoff can be resolved quickly and a further escalation could disrupt global supply chains as the world wrestles with the intensifying US-China trade war (Jung & Inagaki, 2019).
- 3- China can emerge as the new player between both the states, as it has asked for the role of a mediator between Japan and South Korea in August 2019 in order to settle the dispute between two nations. The South Korean withdrawal from the 2016 pact has led serious concern in Washington as both Japan and South Korea are the main allies and can play an important role in US Asia Pivot strategy in the region. The impact of the dispute between two nations will be

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catastrophe for the US led alliance as it will divide the two states against each other, and will provide an opportunity for the Chinese to create a strong influence in the region particularly South Korea. To ensure its engagement with South Korea, Beijing has increased its economic cooperation and has become the major trading partner of Seoul not only that but Beijing continues to maintain its cooperation and has offered to provide raw materials to Seoul in order to face the ban imposed from Tokyo. South Korea in order to neutralize the effects of Tokyo's sanctions has secured the components for the tech giants has imported the components for its industry outside Japan, which also includes China.

Washington is bashful about describing China plainly as a geopolitical threat to American hegemony; there is little doubt that the US policymakers recognize many of the dangers inhering in this possibility. Shorn of all subtlety, China's rise poses a problem for the United States in particular because Beijing's growing power has now generated new threats to the US primacy in Asia and could eventually result in a consequential challenge to American pre-eminence globally (Ashley & Mohan 2015, p.19).

### Conclusion

US commitment has been questioned from time due to the fact that its primary interests lie somewhere away from the region, and its historical policy of giving up the region's smaller states once the interests have achieved has raised concerns among the states of the region to meet the challenges in future. Since the 1997-98 financial crisis in East Asia, and then the 2008 Asian financial crisis China has emerged one of the major power centres of the region, which has rescued its allies/partners in crises. South Korean economy is heavily relying on the Japanese raw materials and components not only that but its security is also bound with the cooperation with Japan and the US, and it cannot face North Korea alone. The current crisis has not been new due to the fact that Japan has been imperial power and colonized the Korean peninsula during 1910-45, and during its occupation created its issues of comfort women, forced labour. The nationalist sentiments aroused by the leadership on both the sides in order to gain the political advantage has further raised tension among both the states and US has been unable to stop both the states from creating hostile environment. The tensions between both the states have raised concerns in the Washington due to the fact that both the states are the integral part of the US Asia Pivot strategy. They can play vital role in containing the influence of China in the region, but having the tensions between both the sides. China has emerged one of the major player in the region and has taken advantage of the situation by not only offering the role of mediator between two parties, but has also proposed to replace Japan as a major raw material supplier to the Korean tech giants. The World War -II inherited dispute that had led both states into a trade War and if the US did not ease the tensions between both the states. The US ambition to contain China in the region will fail as Beijing already has emerged as one of the major trading partners of the region, and continues to increase influence in the absence of a balancer in the region.

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