

**JAPAN AND KOREA: A FRAGILE
RELATIONSHIP**

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Executive Summary

1. Since 2019, Japan-South Korea relations have dived on spats over history (comfort women and forced labour issues from the colonial era) and trade disputes in the semiconductor sector. The issues culminated in South Korea's refusal to extend GSOMIA or General Security and Military Information Agreement in August 2019.
2. Both North and South Korea have shown a mistrust towards Japan. A North Korean nuclear threat is not enough for Japan and South Korea, two US allies, to share a common sense of security.
3. While history could be the root of the troubles, it obscures the complexity of the regional security environment and the global economy where China-US relations are key.
4. The vicissitudes of Japan-South Korea relations have structural causes that are historical, economic and geopolitical (strategic), and influenced mainly by five other bilateral relationships: China-US, Japan-US, Japan-China, South Korea-China and South Korea-US.
5. Key Northeast Asian countries are now in throes of memory politics: China with its "100 years of humiliation", South Korea revisiting the 1965 agreement with Japan, North Korea agitating for recognition from the United States and Japan with the revisionist denial of history.
6. Japan and Korea may be faces of Asian economic prowess and global competitors in manufactured goods and soft power appeal, but their differences are also great. Their differences are comparable to the difference between the UK and Ireland. Japan's gross domestic product is US\$4.8 trillion, while South Korea's is US\$1.54 trillion, with a heavier reliance on China.
7. South Korea's exports to China amount to US\$149 billion while the figure is US\$69.4 for the United States; Japan exports US\$139 billion to China and US\$135

billion to the United States. This makes South Korea more vulnerable to Chinese interference.

8. Japan-South Korea relations as a bilateral relationship between two major democracies in Asia should now be a global security concern. International attention to the security situation in East Asia needs to improve, especially in light of China's now visibly hostile outlook towards liberal democratic values, as its treatment of Hong Kong demonstrates.
9. The US-led liberal order in Asia has been crumbling for some time while "the West" basked in the economic benefits China was bringing. In the context of China-US tensions, the Japan-Korea axis is a potential fault line that, from a long-term US strategic point of view, could cost its hegemonic position in its maintenance of the liberal order.

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Japan-South Korea Relations: More Complex Than Meets the Eye

- 1.1 Relations between Japan and the Republic of Korea (South Korea), two key US allies in Asia, have been in a free fall since 2019. A series of diplomatic spats over history spilled over to trade disputes in the increasingly security-sensitive semiconductor sector, culminating in South Korea's announcement in August 2019 to cancel the extension of the treaty to share security intelligence (GSOMIA or General Security and Military Information Agreement).
- 1.2 While the worst situation had been narrowly averted at the time, there is still no exit in sight. The latest *Yomiuri Shimbun/Korea Times* poll registered the worst figures since the surveys began in 1995: 84% of Japanese and 91% of Koreans think the bilateral relationship is in bad shape.¹
- 1.3 While history in the context of the post-war settlement is undoubtedly at the core of the troubles, there is more at work and at stake than what a sole focus on “history problem” obscures. The bilateral relationship is as much that for the two countries to control as it is beholden to the regional security environment and the global economy where China–US relations are key. Japan-South Korea relations are not merely a regional problem, but also a global security concern.

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¹ *The Yomiuri Shimbun*, Joint Japan-Korea opinion survey, 9 June 2020. Polls were conducted from 22 to 24 May 2020, <https://www.yomiuri.co.jp/election/yoron-chosa/20200608-OYT1T50203/>, accessed 8 June 2020.

The Fall Out

- 2.1 A perfect storm has been brewing and threatening to rip apart Japan–South Korea relations in the past decade or so. Since normalisation of ties in 1965, particularly after the democratisation of South Korea in 1987, the two countries had weathered differences over history to reach a relationship that had become one of more equal footing between economic competitors and democratic allies to the United States.
- 2.2 By the 2000s, however, signs of a rift appeared as old structures of confrontation, both World War II and the Cold War, began to surface first with the rapid freeze in Japan-China relations over the Yasukuni controversy in 2001-6 since normalisation in 1972, followed by South Korea’s anti-Japan sentiments over the “comfort women” issue and the Dokto/Takeshima territorial disputes.
- 2.3 The “marginal right-wing” nationalists in Japan, disgruntled with prolonged stagnation and frustrated by being eclipsed by China and South Korea economically, also began to speak up about constitutional revision as perceptions of China and North Korea as a threat grew and talks of declining American hegemony captured the imagination of many.
- 2.4 Neither China nor the two Koreas were signatories to the San Francisco peace treaty of 1952, limiting political and social interaction between Japan, China and South Korea (not to mention North Korea) in the Cold War divide to bring closure to the past.
- 2.5 Inherent mistrust towards Japan was deep and malleable to political manipulation, and countries involved are now in throes of memory politics, chasing historical missions separately: China with its “100 years of humiliation”, South Korea revisiting the 1965 agreement with Japan, North Korea agitating for recognition from the United States and Japan with the revisionist denial of history.
- 2.6 By the time Japanese Prime Minister Abe Shinzo came back to power in 2012, the trouble with Seoul was mounting, especially since Abe ignited the “comfort

women” controversy in his first term (2006-7) when he denied culpability of the Imperial Army in running war-time brothels due to lack of evidence.

2.7 Against the backdrop of the deteriorating security situation over North Korea, Abe and then South Korean President Park Guen-hye were nudged by US President Barack Obama to set aside their disagreements and strengthen the alliance. This resulted in two agreements, one in 2015 to resolve the “comfort women” issue “completely and irreversibly”² and the GSOMIA in 2016 which was due to expire at the end of November 2019 when the trade dispute erupted. In July 2019, Tokyo’s decision to remove South Korea from its “whitelist” of preferred trading countries was a surprise move by the Abe government to restrict export of semiconductor production materials to South Korea.

2.8 Abe’s decision was said to be prompted by actions taken by Park’s successor, President Moon Jae-in who, from Tokyo’s point of view, has been singularly antagonistic towards Japan from the start. Moon not only campaigned to scrap the 2015 agreement but also did so once he assumed office.³

2.9 In October 2018, the Moon government further endorsed Korea’s supreme court order to Japanese companies, Nippon Steel, Sumitomo Metal and Mitsubishi Heavy Industries, to compensate Koreans who suffered forced labour during colonial times. Tokyo’s stance was that the Moon government’s backing of a domestic court ruling is in violation of the 1965 Basic Treaty⁴ where such matters were deemed settled.

2.10 From Seoul’s point of view, Prime Minister Abe has also been singular in his revisionist view on history. Japan’s export restriction was reportedly intended as an

² Under the agreement the two governments set up a foundation with one billion yen contributed by the Japanese government to compensate the “comfort women”.

³ The Moon government dissolved the foundation even though by that time 70% of surviving victims had already received the compensation.

⁴ “The Agreement on the Settlement of Problems concerning Property and Claims and on the Economic Cooperation between Japan and the Republic of Korea” of 1965. The agreement stipulates that Japan shall provide US\$300 million in grants and US\$200 million in loans, sealing all claims between the two countries and their nationals as settled “completely and finally”; the Korean government used the money for economic cooperation and paid compensation to over 8,500 cases.

“alarm”⁵ for Moon to stop abusing the history card by targeting the semiconductor industry where Korean producers relied on Japanese materials. Evidently this elicited a stronger response from Moon than Abe had anticipated, with Koreans boycotting Japanese consumer goods from beer to clothes and cosmetic items, echoing government resolve.

2.11 Although Seoul eventually backtracked on its decision to withdraw from GSOMIA at the 11th hour, ostensibly under pressure from the Washington that was belatedly alarmed by the growing rift between Tokyo and Seoul. The impasse continues nonetheless, even amidst the COVID-19 pandemic: Seoul is preparing to go to the World Trade Organisation (WTO) over the trade restriction and Tokyo’s non-response to Seoul’s gestures to improve export control to destinations deemed sensitive by Tokyo.

2.12 The whole ordeal has thrown the deep mistrust between Tokyo and Seoul into sharp relief and America’s hub-and-spokes security system in Asia into murky waters. There have been security-related incidents since Moon became president that have frustrated the Abe government.

2.13 In October 2018 during the International Fleet Review, Japan’s Maritime Self-Defence Forces could not fly its official flag, the rising sun,⁶ even though it had been doing so in the past, in 1998 and 2008. The Korean naval vessel flew the flag of Admiral Yi Sun-sin, the Korean hero who defeated Toyotomi Hideyoshi’s army in the 1592 Japanese invasion of Korea. This was done despite the rule set by Seoul itself that participating vessels can only fly their national flag and the South Korean flag.

2.14 Two months thereafter in December 2018, the Japanese patrol aircraft received a fire control radar “lock-on” by a Korean naval vessel, an incident that sent ripples

⁵ “Tsuyosigita ‘aramu’ [the ‘alarm’ too strong]”, *Mainichi Shinbun*, 4 September 2019 (morning edition).

⁶ There are no doubt questions as to why the post-war Japan’s armed forces could continue to use the flags of Imperial Japan, especially in comparison to Germany where the swastika is banned. The rising sun flag, like Yasukuni, is symbol of Japanese militarism to those who suffered. https://biz-journal.jp/2019/09/post_119327_2.html, accessed 30 May 2020.

to the Japanese defence community. More recently, in August 2019, a “turf squabble” broke out between Japan and South Korea over the right to issue warnings to Chinese and Russian bombers flying over the disputed Dokdo/Takeshima islets.

- 2.15 No less important is North Korea’s recent behaviour that has considerable bearing on Japan-South Korea relations. This is an area where the legacies of Japanese colonisation are shared by both North Korea and South Korea, arguably bringing out the weakest in the bilateral relationship as allies to the United States. For example, the nuclear threat from North Korea is evidently not enough (again without US mediation) for Japan and South Korea to share a common sense of security. There is also no sign that Seoul will join Tokyo to press Pyongyang over the release of the abductees, even though there are many South Koreans abducted by the North.
- 2.16 While Japan has always maintained that it respects the will of the Koreans to reunify and is prepared to assist in the event of reunification, some in Tokyo express fear of a unified Korea under the current situation where North Korea’s nuclear programme cannot be terminated. The domestic and regional political, economic and security contexts in which President Moon is prioritising rapprochement with the Kim regime is drastically different from Presidents Kim Dai-jung and Roh Moo-hyun’s Sunshine Policy towards the North. If there is concrete ground for Moon’s optimism (or missionary zeal) towards reunification, Japan is not seeing it.

Contextualising Japan-Korea Relations

Between the behemoths

- 3.1 The vicissitudes of the bilateral relationship have structural causes that are historical, economic and geopolitical (strategic) informed by mainly five other bilateral relationships: China-US, Japan-US, Japan-China, South Korea-China and South Korea-US. The asymmetry of power and competition among these countries add to the complexity of Northeast Asian international politics. China and the United States are each influential in the domestic politics and international outlook of Japan and Korea, and their roles are significant in shaping how Japan and Korea perceive and treat each other at all levels: economic, political, security and societal levels.

- 3.2 For Korea, China and the United States are top traders, with Japan ranking fourth for export destination and second for origin of import. For Japan, China, the United States and Korea are the top three export destinations as well as origins of import.⁷ In relation to the two behemoths in the Asia-Pacific region, Japan and South Korea are smaller and have less leverage against both. However, their similar positions of weakness vis-à-vis the two giants do not mean that the differences between Japan and South Korea are irrelevant.
- 3.3 In this context, the significance of Japan–ROK relations is perhaps not adequately appreciated outside the region. The international community’s interest in this complex bilateral relationship is cursory at best, informed in the main by disputes over the “comfort women”, forced labour during Japanese rule in the Korean Peninsula (1910-1945) and sovereignty claim of Dokdo/Takeshima islets that frequent international headlines. Otherwise, Japan and Korea are, together with China, faces of Asian economic prowess and global competitors in manufactured goods and soft power appeal.
- 3.4 In this area of global market brand and reputation, Japan, once dominant, has been eclipsed by both South Korea and China in the past two decades. For the millennial generation it is K-pop, Samsung, kimchi and bulgogi that define their Korean experience. While South Korea and China became the new Asian kids on the block, Japan seemed lacklustre as Sony, sushi and shinkansen became passé.
- 3.5 What is often overlooked in this competitive comparison between Japan and South Korea is significantly their differences. The two countries are more comparable to the difference between the UK and Ireland than between the UK and France. Japan is the third largest economy after the United States and China at US\$4.8 trillion, while South Korea is the 11th at US\$1.54 trillion. Japan’s population is 126 million

⁷ Export and import figures for South Korea and Japan in US dollars. The top export destinations of South Korea are China (149 billion), the United States (69.4 billion), Vietnam (47.7 billion), Hong Kong (34.8 billion) and Japan (26.9 billion). The top import origins are China (98.1 billion), Japan (54.2 billion), the United States (48.7 billion), Germany (19.7 billion) and Other Asia (18 billion). Japan exports mostly to China (\$139 billion), the United States (135 billion), South Korea (51.5 billion), Chinese Taipei (41.1 billion) and Thailand (31.6 billion), and imports mostly from China (155 billion), the United States (73.5 billion), South Korea (30.8 billion), Saudi Arabia (\$29.4 billion) and Australia (27.6 billion). The Observatory of Economic Complexity (OEC), <https://oec.world/en/profile/country/asjpn> and <https://oec.world/en/profile/country/kor/>, accessed 30 May 2020.

and South Korea's is 51 million, though the two are poised to shrink by 40% by 2080; Japan's geographical area is 377,915 km² and South Korea's is 99,720 km².

- 3.6 There were 52 Japanese corporations (22 in manufacturing) in the *Fortune* 500 businesses, while South Korea has 16 (almost the same number as the Netherlands).⁸ There are more than 10 car manufacturers in Japan whereas South Korea has only two, Hyundai and Kia (after Daewoo went bankrupt in 1999).
- 3.7 Comparable figures are per capita GDP and defence budget: Japan's defence expenditure was US\$47.5 billion or 0.9% of GDP in 2019. South Korea's figures were US\$43.9 billion at 2.5% of GDP.⁹ Evidently, South Korea's economic fundamentals are weaker than those of Japan. While China and the United States are top export traders for both, South Korea's economy, rather than Japan's economy, is more dependent on trade with China: South Korean export to China is US\$149 billion while the figure is US\$69.4 for the United States; Japan exports US\$139 billion to China and US\$135 billion to the United States. This makes South Korea vulnerable to Chinese coercive power as was demonstrated in South Korea's deployment of THAAD (Terminal High Altitude Air Defence). Notably, South Korea also faces difficult choices domestically in its policies towards a rogue nuclear state in North Korea in the context of the hub-and-spokes security system.
- 3.8 Moreover, the war on microchips and semiconductors have security implications within intensifying strategic rivalry between China and the United States for hegemonic power. As political economist June Park notes: "Given that the semiconductor industry is closely linked with surveillance, the implications for national security means that tech wars on semiconductors are no longer just about global market share. Indeed, Japan claims that its decision to curb exports of these

⁸ Fortune 500 for 2019. *Fortune*, <https://fortune.com/fortune500/2019/> (accessed 1 June 2020)

⁹ Trends in World Military Expenditure, 2019. SIPRI (https://www.sipri.org/sites/default/files/2020-04/fs_2020_04_milex_0_0.pdf), accessed 20 May 2020; <http://www.koreaherald.com/view.php?ud=20200428000253>, accessed 20 May 2020; Jung H Pak and Ethan Jewell, "South Korea and Japan have more in common than they think", 5 September 2019 (<https://www.brookings.edu/blog/order-from-chaos/2019/09/05/south-korea-and-japan-have-more-in-common-than-they-think/>), accessed 28 May 2020; and Pyon Jinil. "Keizai dewa kankoku wa nihon ni tachiuchi dekinai [South Korea cannot be Japan economically]", 7 July 2019 (<https://news.yahoo.co.jp/byline/pyonjiniru/20190707-00133216/>), accessed 30 May 2020).

strategic materials to South Korea stems from national security concerns over the latter's lack of oversight".¹⁰

Post-Cold War East Asian geopolitics and security

- 3.9 There has always existed a significant interest and knowledge gap about the political and security situation in Northeast Asia (or East Asia as a whole including Southeast Asia) in the traditionally Atlantic community-driven discourse on international security. As economic success stories have defined East Asia for decades, starting with Japan, followed by the Asian tigers (South Korea, Singapore, Taiwan and Hong Kong) and now China, the West's (particularly Europe's) interest in the region was primarily economic. Even though the Cold War fault lines have remained in East Asia after the fall of the Berlin Wall in 1989 with a divided Korea and three one-party communist regimes (China, Vietnam and Laos) surviving, none of them posed direct military threat to Europe or the United States to the extent that they feel compelled to worry about East Asia's security situation, including the gravity of North Korea's nuclear ambitions.
- 3.10 The international community's inability to arrest North Korea's still nascent nuclear programme in the 1990s was demonstrative of a weak sense of strategic interest sharing between the Atlantic community and America's Asian allies, compared to the high-profile effort by the United States, Europe, Russia and China in the handling of Iran's nuclear problem more recently. That the EU's strategic outlook towards Asia does not include Russia (regarded as a European issue) even after Beijing and Moscow established the Shanghai Cooperation Organisation in 2001 is another example of an outdated (if not colonial) outlook that obscures them from engaging with the reality of Asia.
- 3.11 The West's approach towards a rising China similarly shows signs of complacency and underestimation of China's intentions beyond the economic realm that have recently become abundantly clear amidst the COVID-19 pandemic.

¹⁰ June Park, "Semiconductor tech war underlies the Japan-South Korea trade dispute", *East Asia Forum*, 24 September 2019 (<https://www.eastasiaforum.org/2019/09/24/semiconductor-tech-war-underlies-the-japan-south-korea-trade-dispute/>, accessed 28 May 2020).

- 3.12 On the other hand, the idea of “econophilia”, where ideological differences in political systems would dissipate and peace would prevail through economic interdependence, had certain resonance at a time when the structure of the political economy in East Asia has undergone rapid change since the 1990s.
- 3.13 As stated earlier, at the end of the Cold War, East Asia had four communist regimes, and ASEAN was still a five-member state organisation, with Cambodia, Laos, Myanmar and Vietnam joining in the course of the decade. Multiple regional fora, from PECC (Pacific Economic Cooperation Council), APEC (Asia Pacific Economic Cooperation) to the ASEAN Post-Ministerial Meetings (APMM), ASEAN Regional Forum (ARF), ASEAN Plus 3 to the East Asian Summit, each served in its particular set-ups in purpose and membership to build layers of regional dialogue to overcome mutual suspicion and pave way for regional cooperation. Of particular note is ASEAN’s role in a larger setting for the three Northeast Asian states of China, Japan, North and South Korea to sit together in the same room.
- 3.14 South Korea and China had only normalised relations in 1992, and the rapid evolution of relations between the three since is in no small part due to ASEAN’s all-round goodwill diplomacy. In this evolving regional landscape, China’s mesmerising economic growth has been a blessing for the region, including Japan and South Korea. The two countries’ economic troubles—Japan from the post-bubble stagnation and South Korea from the Asian financial crisis of 1997—were saved by the growing investment opportunities and trade with China that eventually grew into the East Asian production network. It seemed a win-win situation for the whole region as it benefitted Southeast Asia whose economic development was also ravaged by the 1997 crisis.
- 3.15 However, regional peace through economic interdependence and shared prosperity has not materialised (yet). Rather, the opposite is happening, with China turning out to be a bane for regional stability and the “China threat” theory emerging as a result in the 2000s, particularly in the West. China’s unwillingness to be part of the liberal order (while benefitting from it) and revanchist claims on maritime territories are compounded by North Korea’s nuclear ambitions, giving rise to a confrontational

situation in the region. China's sabre-rattling over territorial claims in the East and South China Seas in the last decade has become difficult to ignore.

- 3.16 China's hostile outlook towards Western political values, particularly democracy, has become pronounced under Xi Jinping as he has set out to suppress or choke the protests in Hong Kong, isolate Taiwan by coercing states to stop recognising the country, and buying international influence and control through the Belt and Road Initiative. The recent passage of the National Security Law at the National People's Congress to be implemented in Hong Kong has provoked a confrontational reaction from the United States and Europe as they deemed it a direct challenge to democratic freedoms. However, this response is arguably a case of "too little, too late" as the post-war status quo in Asia, that is the US-led liberal order, has been crumbling for some time while "the West" basked in the economic benefits China was bringing.
- 3.17 The creation of an East Asian community has become elusive, while an overarching security architecture that may be comparable at least to OSCE (Organisation of Security Co-operation in Europe), if not NATO, seems even more distant. A vivid reminder of the need for a confidence building framework came in 2017-18 in a region fraught with tension caused by a sudden and rapid flare-up in military tension between the United States and North Korea. It was a surreal moment for Japanese and South Koreans to feel a tangible threat to their physical safety as military action from both sides seemed imminent.
- 3.18 US President Donald Trump only saw North Korea as a theatre to showcase his (and American fire power) supremacy, with almost no regard for the fate of Japan and South Korea, the two likely targets of North Korea missiles.¹¹ Trump upped the ante when *The Washington Post* reported in July 2017 that North Korea had succeeded in developing nuclear warheads that could reach the United States.¹²

¹¹ Although at the time the South Koreans were seemingly less worried than the Japanese as the prevalent view was that the ICBMs would fly over their heads and drop on Japan.

¹² Warrick, Joby. "North Korea now making missile-ready nuclear weapons, U.S. analysts say", *The Washington Post*, 8 August 2017. (https://www.washingtonpost.com/world/national-security/north-korea-now-making-missile-ready-nuclear-weapons-us-analysts-say/2017/08/08/e14b882a-7b6b-11e7-9d08-b79f191668ed_story.html, accessed 28 May 2020).

3.19 This revealed, on the one hand, an inherent fragility of both Japanese and South Korean security in the absence of firm US leadership and commitment for regional security in Asia. On the other hand, it also made it clear that left to their own devices without American mediation, its two Asian allies are now prone to drift apart in animosity, as has become apparent after Obama left office and Trump became president. The cracks in Japan–Korea relations in the context of the US hub-and-spokes system are now harder to ignore, even though the North Korean regime is supposedly a common enemy and China a threat to the three allies of Asia’s liberal order.

Dangerous Games: Memory Politics

4.1 The intertwined and asymmetrical nature of the quadrilateral relationship between China, the United States, Japan and South Korea (that in turn shape Japan–Korea relations) combined with South Korea’s difficult relationship with North Korea makes it extremely difficult to stabilise Northeast Asia’s international politics and security, let alone build peaceful relations based on mutual trust. The five bilateral relations show that a common dynamic is at work: they are led by leaders whose policy priorities are to boost international status and prestige at the expense of each other.

4.2 Currently, none of the bilateral relationships appear rock solid, especially with US President Donald Trump undermining America’s alliances by treating them as burdensome business transactions. As the edifice of the Cold War alliance structures appears to be crumbling away, Northeast Asia’s post-war international relations are informed more than ever by layers of history and memories attached to relations or systems lying underneath it.

4.3 As in the case with China, playing the anti-Japan card can be effective in shoring up popular support or diverting away any Korean president’s critical attention. The usefulness of the history card vis-à-vis Japan or in the context of Korea’s or China’s domestic politics, of course, is also an affirmation of the widely held view that Japan has not confronted or atoned for its Asian past enough to bring closure to all parties victimised by Imperial Japan.

- 4.4 Compared to past presidents, however, President Moon Jae-in may be an exception (or product of circumstance) in playing memory politics to the hilt. While recent Korean presidents have all had their “anti-Japan moment”, they tended to be episodic within the five-year term of the presidency and not necessarily sustained throughout. This is in part because the importance of Japan is secondary to South Korea’s relations with the United States and China.
- 4.5 The same could be said of Japan’s relations with South Korea. For both Japan and South Korea, the two bigger powers are dominant in their foreign relations. While there are positive and indispensable aspects (particularly security cooperation) of the bilateral relationship, they are difficult to be acknowledged publicly when public sentiment is ambivalent at best towards Japan.
- 4.6 While there is much to be said about how Japan deals with its Asian past, from forgetting, eulogising to repenting or adopting the victim narrative, it would be fair to say that it is divided. However, the current leadership appears tone deaf to the fact that memory of past atrocities committed by Imperial Japan still besets Japan’s relations with not only the two Koreas but also China, and to a certain extent Southeast Asian nations.
- 4.7 Moreover, Japan’s traditionally legalistic approach to the post-war settlement has not helped. The Japanese government has habitually resorted to the position that all issues related to the war have been settled with the conclusion of the international treaties it signed with the former enemy or subjugated states, while missing the importance of recognising the moral dimension of its past deeds.
- 4.8 Indeed, the Abe government’s stance on the “comfort women (*ianfu*)” and the latest ordeal over the “forced labourer (*choyo-ko*)” is based on the Basic Treaty that was concluded in 1965 to normalise relations between Japan and South Korea. It is a bane in Japanese diplomacy, tarnishing Japan’s positive image that is largely built on Japanese efforts to financially assist the economic developments of East Asian countries.

- 4.9 The Yushukan Museum in the grounds of Yasukuni Shrine is a prime example of glorifying and justifying the war past. While the intention of the exhibits is to honour the patriotic soldiers who fought and died in the name of the Emperor, as the shrine is dedicated to their spirits, objectively they are brutal reminders of how modern state patriotism is built on collective violence and individual sacrifice and sufferings. When prime ministers and elected officials visit Yasukuni, they are unhelpful because they reinforce the suspicion that the Japanese are unrepentant.
- 4.10 The reality that Japan is divided in a “painful debate”¹³ about how to settle for a narrative of its past that satisfies the Japanese themselves as well as the international community, however, is less known. Reality is that the revisionist view that the war in Asia was a just war that Japan undertook to liberate Asia from Western colonisation co-exists with the recently abdicated Emperor Akihito’s unspoken acknowledgement of past deeds carried out in his father’s name in his efforts to reconcile Japan with its former victims.

All about Chips

- 5.1 In the context of China-US tensions, where the two are locked in a power struggle, the Japan–Korea axis is a potential fault line that, from a long-term US strategic point of view, could cost its hegemonic position to maintain the liberal order. There is more at stake than a trade war or historical grievances between two countries. If anything, this bilateral relationship needs to grow stronger now than ever before as South Korea is in a far more vulnerable position vis-à-vis China and North Korea (than perhaps the average South Koreans are aware of).
- 5.2 On a positive note, the same poll cited earlier shows an interesting picture: the peoples of Japan and Korea may be more prudent than what their political leaders have portrayed. The majority in the two countries think that the United States would be more important than China in the future (Japan: 67% and South Korea: 61%). This is underscored by the high threat perception of China and North Korea in both

¹³ Margret MacMillan, *Dangerous Games: The Uses and Abuses of History* (New York: Modern Library, 2008. reprinted 2010), p. 98.

countries (Japan: 77% for China and 79% for North Korea; South Korea: 51% for China and 63% for North Korea).

- 5.3 While on issues of trust, the figures are predictably low for each other (Japan: 69% and South Korea: 83%). Notably, 60% of the younger generation (aged 18-29) in Japan have a positive image of South Korea, whereas the national average is 37%.¹⁴
- 5.4 In the emerging post-COVID-19 world, there is a likelihood that European and American efforts to roll back China's global influence will intensify. Addressing the over-reliance on the Chinese economy and technology, in particular, would be seen in the interest of protecting the democracies in the liberal order. Donald Trump's forceful policy of shutting out Huawei in the provision of 5G technology is a tip of the iceberg. Meanwhile, the fragile aspects of Japan–South Korea relations would be tested; the next pair of leaders would be tasked to bring closure to the past, this time hopefully irreversibly, with a shared sense of urgency to rescue the liberal order in Asia from imminent unravelling.

¹⁴ *The Yomiuri Shimbun*, Joint Japan-Korea opinion survey, 9 June 2020. Polls were conducted from 22 to 24 May 2020. <https://www.yomiuri.co.jp/election/yoron-chosa/20200608-OYT1T50203/>, accessed 8 June 2020.