



Bilateral Dialogues Between South Korea, Japan And China

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The recent trilateral summit between China, Japan and South Korea that took place in Seoul after a hiatus of three years also found space for the leaderships to have bilateral dialogues with each other. The Northeast Asian region has been experiencing a multitude of complexities that has grown out of history, geo strategic location, ideological inclinations, economic interdependence, national ambitions and aggressive posturing. First, Japan has been isolated and targeted on the basis of the atrocities that it had committed during the Second World War in Korea and China. Secondly, China ideologically had remained closer to North Korea, a country that has built up a nuclear arsenal targeting both South Korea and Japan. North Korean ambitions had seriously undermined peace and security of the region. Thirdly, the Chinese economic slowdown has also made a significant impact. South Korea, being the largest trading partner with China in the region, needed to rearrange its trading and economic relationship with China, so as to take a lesser blow economically during such slowdown, as well as assist China in bolstering its economic growth. China, on the other hand, wants a bigger economic role in Japan, to counter their economic slowdown. Then remain the issue of East China Sea and the clusters of islands that have multiple claimants. The aggressive posturing that has been done by China has significantly disturbed an already fragile peace that prevailed in the region. In this perspective, the trilateral as well as the bilateral summits between China, South Korea and Japan had generated significant expectations from the trilateral and bilateral summits. Further, these

dialogues might build better confidence building measures in Northeast Asia. The paper tries to make a brief assessment of these bilateral dialogues, which were held in the first week of November 2015.

Japan and South Korea

Japan and South Korea have had unresolved issues that impacted their bilateral relations. Both the present leaders, Japanese Prime Minister, Shinzo Abe and South Korean President, Park Geun-hye, had remained elusive of meeting each other formally. But using the pretext of the trilateral summit, South Korea had the opportunity to strengthen bilateral relations with China as well as restarting dialogue with Japan.

The run-up to the summit had made clear that there were differences between the two sides. Having dropped the resolution of the comfort women issue as a precondition for a bilateral summit, the Park administration tried to coerce its Japanese counterparts to compromise so as to generate a positive summit result, but Japan was not ready to budge. Prime Minister Abe had signalled that Japan's past statements should be regarded as sufficient apology by South Korea and move on towards creating better bilateral understanding between the two nations. President Park responded during that period by saying that while Abe's statement "did not live up to [Korean] expectations," Korea would "take note" of Japan's position that past statements "will remain unshakable into the future."¹

However, both the leaderships pledged to achieve a "swift agreement" on how to effectively address the "comfort women" issue. Though many analysts considered the meet to be a "cold summit" as there were no joint press conference, no joint statement, and no official lunch for Abe was hosted. It reflected the ongoing political differences between South Korea and Japan despite the re-establishment of normalised communication channels in every area of the relationship.²

The discussions between the two leaders mostly were reported to be related to the historical fact of atrocities committed by Japanese military, where they used tens of

thousands of young Korean women as sex slaves before and during the Second World War. “I hope today’s summit will heal the bitter history in a broad sense and be a sincere one and an important opportunity to develop the two countries’ relationship,” Park told Abe at the start of their meeting at the presidential Blue House in the South Korean capital.³

South Korea’s Senior Secretary for Foreign Affairs, Kim Kyou-hyun reported President Park saying that “the comfort women issue is becoming a stumbling block for improving bilateral relations and that it must be resolved swiftly in a way that will be both acceptable to the surviving comfort women and satisfactory to the Korean public.”⁴ However, an official from the Foreign Affairs and Security of South Korea said that the bilateral summit was considered a step to develop the bilateral ties.⁵ Senior Presidential Secretary, Kim Kyou Hyun said, “The two leaders shared the understanding that this summit must serve as an important turning point to improve bilateral relations.”⁶

He further stated, “They agreed to put more efforts into building more forward-looking and mutually beneficial cooperative ties by resolving the pending issues that have obstructed improvement of bilateral relations.”⁷ The two leaders appreciated the fact that bilateral relationship is gradually deepening as a result of efforts to pursue communication between Japan and the ROK, and also shared views to strengthen cooperation between Japan and the ROK in various fields including security, people-to-people exchanges, and the economy. In addition, Prime Minister Abe brought up the current strategic challenges of the region, which included the role of China in the region as well as denuclearisation of North Korea. They also discussed the importance of the Japan-China-ROK Free Trade Area (FTA) and the Regional Comprehensive Economic Partnership (RCEP), and the significance of the Trans-Pacific Partnership (TPP).⁸

Prime Minister Abe stated, “It’s the 50th anniversary of the normalisation of (Japan-South Korea) ties this year. Keeping that in mind, we’ve agreed to accelerate talks for the earliest possible resolution. Regarding the issue of ‘comfort women’, I believe we should not leave behind difficulties for future generations as we try to build a future-oriented cooperative relationship.”⁹

It can be stated here that in 1993, Tokyo issued an apology called the Kono statement that acknowledged that the Japanese military used coercion in operating the brothel system, but he did not admit the government's complicity.¹⁰

While the bilateral talks ended on an amicable note, South Korea's navy plans to hold the second part of a biannual exercise in November, which it carries out around a pair of islets it controls, but which are claimed by Japan. Similar drills in the Sea of Japan around the far-flung rocky outcrops, known as Dokdo in Korean and Takeshima in Japanese, have been held every spring and fall since 1986 by South Korea. Ten warships and several aircrafts are set to participate in the upcoming exercise, along with South Korea's coast guards. The last exercise, held in May, involved destroyers, anti-submarine helicopters, jet fighters and patrol planes. A planned landing drill by marines was cancelled due to bad weather, which also happened during the previous exercise in November 2014.¹¹ In its latest Defense White Paper, South Korea's Defense Ministry stated to "stringently respond to Japan's unjust claims" to the disputed isles, while citing the dispute as being among the "obstacles to the future-oriented development" of bilateral relations.¹² This might once again create tensions between the two countries.

Japan and South Korea will have to traverse many more miles to reach a point of convergence and understanding, leaving the past behind and forging a dynamic future. The past has witnessed both the nations failing to work on a joint growth trajectory that could have benefitted the region as a whole as history has remained as a major obstacle in the growth of such a relationship. However, the present Summit, surely, paved the path for initiating a dialogue, trying to understand and easing out the bottlenecks for having a better relationship in a contentious neighbourhood.

China and South Korea

The dialogue that took place between the two leaders, South Korean President, Park Geun-hye and Chinese Premier, Li Keqiang, had various issues like North Korea, bilateral economic cooperation, on their agenda. While China and South Korea already have strong trade ties, Seoul wants Beijing to exercise its considerable leverage over Pyongyang to curb

the North's nuclear ambitions. Beijing is one of North Korean leader, Kim Jong-un's few allies.¹³

Chinese and Republic of Korea (ROK) companies are set to benefit from an even better business environment as the two countries vowed closer ties during their bilateral talks on the sidelines of the trilateral summit.

President Park visited China during September 2015 to attend the celebration of the 70th anniversary of the end of World War II in honour of China's victory in the Chinese People's War of Resistance against Japanese Aggression.¹⁴ During this visit, China and South Korea agreed to have a free trade agreement, which would open a new horizon for bilateral economic cooperation between the two countries, as it will give birth to a regional economic community valued at around USD 12 trillion. President Park laid out multiple goals for future economic cooperation for the two nations: maximizing the effects of an FTA; diversifying bilateral cooperation; and making concerted responses to global issues. She stated: "A Korea-China free trade agreement would spread opportunities and benefits wider than (what) both Korean and Chinese companies and people have ever enjoyed before... The two nations will do their parts to ratify the FTA as soon as possible, abolish non-tariff barriers and help find distribution channels for businesses."¹⁵

Entering China in 1994, the ROK construction machinery maker, Doosan, is embracing the fresh business opportunities offered by urbanization in China as well as the free trade agreement (FTA) signed on June 1.¹⁶ Under the free trade agreement, ROK will eliminate tariffs on 92 percent of all products from China within 20 years, while China will abolish tariffs on 91 percent of all ROK goods. The FTA, the largest bilateral free trade deal for China in terms of trade volume, covers 17 areas, including investments, trade in goods and services, and trade rules.¹⁷

While stating the need for stronger relations with China and ROK, President Park said, "Looking at the fact that the two nations have developed their economies by mainly tapping into the manufacturing industries, achieving the two goals of economic growth and

reducing greenhouse gases at the same time is not an easy task for anyone. However, by turning such challenges and threats into opportunities instead – to create new energy industries and by converging the strengths of the two nations in technology and capital – the two nations will be able to lead the huge global green industry market around the world.”¹⁸

President Park stated, “Former Chinese Premier Li Peng once commented on our bilateral relations during the signing ceremony creating diplomatic relations between Korea and China in 1992. He said, ‘Water flows and naturally becomes a ditch,’...Our bilateral relations so far have already grown from a ditch into a river and are now heading toward an ocean.”¹⁹ “If we all stand together and gather our collective strength, the two nations will be able to prevail over the ongoing economic crisis and also stand tall at the center of the global economy.”²⁰

China's economic slowdown is feared to have a significant negative impact on the South Korean economy that is highly dependent on the neighbouring country for its exports. As per the Korea Development Institute, “China is moving to adjust excessive investments that have accumulated since the 2008 global financial crisis, which could plunge the economy into a hard landing and have a chilling effect on South Korea.” Given the fact that China is South Korea’s largest trade partner with \$235.4 billion in trade volume in 2014, followed by the United States with \$115.6 billion, a possible one percentage point drop in China’s economic growth will drag down South Korea's growth by up to 0.6 percentage point. The Institute forecasted that China’s economic hard landing is feared to damage South Korea’s aviation, electric equipment, electronics, chemicals and machinery sectors.²¹ To counter such a threat, South Korea plans to issue yuan-denominated foreign exchange stabilization bonds in China to better meet the rising demands for the Chinese currency and help local firms do business in the Chinese market, as Beijing has been moving to open its financial market, and allowing outsiders to issue bonds.²²

It can be noted here as well that the tensions in the South China Sea is also making the political leaders in Seoul very uncomfortable. Public opinion within Seoul is divided between taking a neutral stand or positing a clear stand against China's maritime assertiveness, given its national interests in keeping major shipping lanes out of China's hands.²³ Presently, the ROK government has maintained a cautious stance. It had argued that the issues should be resolved peacefully through dialogue in accordance with the existing international rules.²⁴ In view of the existing international tensions, South Korea and China will hold a fresh round of bilateral talks on the delimitation of sea boundaries in December, as per the Chinese Foreign Ministry, the issue has been a constant source of diplomatic tension between Seoul and Beijing.²⁵

The next meeting among Japan, China and South Korea on a proposed free trade agreement between the three countries will be held in December as per Chinese government officials.²⁶

China and Japan

The Chinese Premier, Li Keqiang met Japanese Prime Minister Shinzo Abe at the request of the Japanese side on November 1, 2015. Topics that were taken up for discussion were Chinese development of natural gas fields and intrusions of each other's territorial waters.²⁷

Prime Minister Shinzo Abe and Chinese Premier Li Keqiang agreed to promote high-level exchanges between the two countries, including the resumption of mutual visits of Foreign Ministers, to foster the strained Japan-China relationships. The two leaders also agreed that the two countries would make efforts on establishing a maritime liaison mechanism, an emergency contact system to prevent accidental clashes between Japanese and Chinese ships and planes, so that that the system can be operated at an early stage. Abe and Li also confirmed that the two countries would seek resumption of talks regarding the joint development of a natural gas field near the Japan-China median line in the East China Sea, which was agreed by Tokyo and Beijing in 2008. They also agreed to restart early next year

a high-level economic dialogue between ministerial-level officials, which has been halted since 2010.²⁸

The two leaders identified that China and Japan should attempt to build “Mutually Beneficial Relationship based on Common Strategic Interests.” That can be achieved by adopting positive policies reciprocally; jointly promoting the improvement of the relationship; addressing issues of concern based on past agreements between Japan and China; moving on a path to concretise the policy of “partners, who cooperate together and are not threats to each other,” which was adopted in a Joint Statement in 2008; and further strengthening exchanges and cooperation in the economic field and other areas.²⁹

However, China also still sees several historical issues as avenues for checking Japan—although Prime Minister Shinzo Abe called for “normalizing the process of cooperation” between the three countries. Japan-China relations have been icy since the Japanese government nationalized the Senkaku Islands in Okinawa Prefecture in September 2012. However, relations between Japan and China have improved since Abe and Chinese President Xi Jinping met in November 2014—the first summit meeting between the nations in about three years. China chose to resume the dialogues because, as Chinese Vice Foreign Minister, Liu Zhenmin said that the Japanese government and leadership showed a desire to improve ties with China.³⁰

The Xi administration’s “anti-Japan” campaign for the 70th anniversary of the end of World War II, which aimed to drum up popular support for the regime, reached its peak with a huge military parade in September 2015. However, China has faced a sharp economic downturn this year, with gross domestic product growth dipping below seven percent for the first time in six and a half years in the July-September quarter. China hopes to bring back Japanese investment, which was down by 38.8 percent in 2014 compared to the previous year, with the initiation of the dialogue.³¹

Leaders of both the countries agreed to hold the Japan-China High-Level Economic Dialogue early next year. Such a dialogue should reinforce mutual efforts to achieve early

commencement of the implementation of the “Maritime and Aerial Communication Mechanism between the Japan-China defense authorities.” Both the governments should aim to resume talks based on the “2008 agreement” on the issue of resources development in the East China Sea while deepening economic and financial cooperation.³²

However, with the passage of time, there doesn't seem to be any resolve of the East China Sea conflict in sight. There have been serious allegations by each other of violating their respective airspaces and territorial waters. China has reacted sharply and stated that “Japan's actions compromise the navigational safety of Chinese ships and aircraft and could easily trigger security risks between China and Japan.”³³

Assessment

China, South Korea and Japan, presently, are going through one of the most challenging strategic phases, when the ambitious national policies of China in the East China Sea region have forced Japan to amend its defence and security policies, bringing in serious changes in its foreign policy making, while putting the entire region in a spree of military modernisation. When added to the situation, the enmity that North Korean leadership nurtures against South Korea and Japan, and the manner in which it is weaponising itself, especially with their missile and nuclear technologies, the situation becomes grave. Premier Li Keqiang attending the Summit which was meant to be attended by the head of states, at a juncture, when President Jinping has been reported to be sidelining Li after multiple economic flaws in national and provincial economic policies in China³⁴, can be a Chinese way of undermining the importance of the Summit.

However, dialogue creating a better understanding between the neighbours, can be the only method of diffusing the situation, which is witnessing US entering the conflictual arena, either to protect or enhance their own interests or to assure their allies. That is why neither the trilateral summit nor the bilateral level talks brought forward any ground breaking agreements, but they were able to thaw relations between themselves, which is noteworthy and commendable.

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 Disclaimer: Views expressed are of author and do not reflect the views of the Council.

Endnotes:

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