

**JEJU FORUM 2017**  
FOR PEACE & PROSPERITY

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## Sharing a Common Vision for Asia's Future

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아시아의 미래 비전 공유



The Jeju Forum for Peace and Prosperity discusses how multilateral cooperation in the region can promote mutual peace and prosperity on the Korean Peninsula and in East Asia. After being launched in 2001 as the Jeju peace Forum, it was renamed the Jeju Forum for Peace and Prosperity in its sixth session in 2011. Since then, the Forum has been held each May to June. The objective of the event is to contribute to world peace and international cooperation by continuing to create an opportunity for discussing regional peace and cooperation. [www.jejuforum.or.kr](http://www.jejuforum.or.kr)



The Jeju Peace Institute (JPI) is a nonprofit think tank established with funding from the Ministry of Foreign Affairs and Jeju Special Self-Governing Province. The institute's mission is to promote peace and facilitate cooperation on the Korean Peninsula and across East Asia through creative research, education programs and a broad range of exchange activities. JPI's ultimate vision is to contribute to peace and common prosperity throughout the world. In line with this mission, it conducts policy research on peace and cooperation on the peninsula and in East Asia; theoretical research (the Jeju Process) for multilateral cooperation, peace and security; and projects to encourage the growth of the research and academic network in Korea and overseas. [www.jpi.or.kr](http://www.jpi.or.kr)

Jeju Forum Secretariat

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# JEJU FORUM 2017

FOR PEACE & PROSPERITY

2017. 5. 31<sup>WED</sup> - 6.2<sup>FRI</sup>

ICC Jeju

<b>Host</b>	Jeju Special Self-Governing Province, International Peace Foundation, East Asia Foundation, JoongAng Ilbo
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[ Congratulatory Video Message ]

MOON Jae-in President of the Republic of Korea



Ripe for a Miracle of the “Taedong River”

I would like to express my heartfelt congratulations on the holding of the 12th Jeju Forum for Peace and Prosperity and extend a warm welcome to all participants. My special thanks go to the guests who have come to Jeju Island from over 80 countries around the world.

First, I would like to bring your attention to the beautiful nature of Jeju Island. Jeju is a ‘world-renowned environmental treasure-island’ which has been awarded as the UNESCO’s prestigious triple crown - a World Natural Heritage site, a Biosphere Reserve and a Global Geopark. Although your stay may be brief, I hope all of you can fully enjoy this wonderful island. But what makes this island truly beautiful is its people. Since far back in history, people have referred to Jeju Island as an island known for three things you will not find here – no thieves, no beggars and no front gates. No matter how tough life was, people on this island never coveted what belongs to others nor begged. Instead, they trusted and depended on each other. This is a beautiful community that is quite rare in our world and an example of a ‘community of peaceful coexistence’ which humanity should aspire toward. I hope that you may also fully experience the charm of the lovely people of Jeju Island.

69 years ago, this peaceful and beautiful island suffered a terrible tragedy. Tens of thousands of innocent residents who did not even know what ideology meant were sacrificed in its name. This was an ordeal suffered on the front lines of the Cold War that ravaged the world. However, the Republic of Korea and Jeju Island have now moved beyond the suffering of the past and are opening the way toward peace and reconciliation. In 2006, the Korean President himself acknowledged the responsibility of the state and made an official apology on behalf of the nation. My new administration will continue to carry out its remaining responsibility in finding the truth and restoring the honor of the victims and their families.

I am especially delighted that a session on the April 3 Incident is to be held for the first time in this forum. With the 70th anniversary of the April 3 Incident next year, I hope the session will be an opportunity to heal the remaining pain and scars of the people of Jeju. Now Jeju Island is healing the remaining vestiges of confrontation and conflict, and opening a new age of peace and coexistence. This is the spirit of the Jeju Forum - “seeking peace and common prosperity of Northeast Asia.”

The new government of the Republic of Korea will fulfill its responsibility and play its part in pursuing “the peace and common prosperity of Northeast Asia.” We will launch an entirely renewed initiative and boldly implement it for lasting peace and prosperity on the Korean Peninsula. To this end, we will work with the international community. In cooperation with relevant countries including the United States and China, we will bring North Korea out to dialogue through persuasion and pressure and achieve the resolution of the North Korean nuclear issue as well as improvements in inter-Korean relations and U.S.-North Korea relations. We will take the lead in dealing with the Korean Peninsula issues without relying on the role of foreign countries.

The recent series of missile launches by North Korea is a serious challenge not only for the Korean Peninsula but indeed for international peace and stability. I will respond resolutely to such provocations together with the international community. Also, in the case North Korea commits an armed provocation, I clearly pledge to preserve the peace by promptly and forcefully retaliating with the defense capabilities of both the



Republic of Korea and the steadfast Korea-U.S. alliance.

On the Korean Peninsula made free from the threat of war, I will ensure that the economy flourishes. An economic community encompassing South and North Korea will bring about the “Miracle on the Korean Peninsula” which will change the global economic map by expanding South Korea’s “Miracle on the Han River” into North Korea’s “Miracle on the Taedong River.” This will also play the role of establishing a lasting peace regime on the Korean Peninsula and in Northeast Asia.

I also take great interest in the session on the human rights situation in North Korea which is scheduled for the second day of the forum. As a human rights lawyer, I have long championed the human rights of the South Korean people. And as human rights are universal values of mankind, I will endeavor to enhance the human rights of the North Korean people without hesitation. In cooperation with the international community, I will urge the North Korean authorities to introduce changes to its policies and institutions.

A peaceful Korean Peninsula is no longer just a dream. Within my term in office, I will create a drastic turning point for peace on the peninsula. I will lead the Republic of Korea to spearhead efforts for peace and common prosperity in Asia. It is my hope that all of you will join me in this grand dream.

### [ Opening Remarks ]

**WON Heeryong** Chairman of the Organizing Committee of the Jeju Forum /  
Governor of Jeju Special Self-Governing Province



## Jeju, a Platform for “Peace Industry”

Peace and prosperity are long-standing tasks for humanity throughout history. Jeju Island went through the Cold War in the 20th century and is therefore well aware of the values of peace, human rights and co-existence. The Jeju Forum was initiated in 2001 to open a new era of peace and prosperity in East Asia based on mutual trust and cooperation. Every one of you here has committed to fulfilling your share of responsibility in addressing various global issues. Your experience and wisdom along with those of other global leaders and world intellectuals have served as a catalyst for the Jeju Forum to push its boundary beyond Asia and toward the whole world with five thousand participants from more than 70 countries. I hope this year’s forum will be a venue for future-oriented discussions, bringing the entire world together under the umbrella of peace where peaceful order in Asia can be further expanded.

This year marks the 12th event of the Jeju Forum with the theme of “Sharing a Common Vision for Asia’s Future.” Complicated and diverse issues and challenges, as characterized by “deglobalization,” have been posing a threat to humanity. Security threats have become more diverse and even more widespread, including not only nuclear but also energy, food and cyber issues. Transnational challenges such as terrorism continue to surface. These kinds of transnational challenges cannot be solved by one single country’s effort. It requires to have a shared vision locally and globally. The Jeju Forum is designed to share a common vision for Asia’s future for more universal hope and better future for humanity by seeking discourse for stronger cooperation among nations in more creative ways.

The world now faces global warming, which is a serious environmental crisis threatening the future of mankind. “An Inconvenient Truth,” as former U.S. Vice President Al Gore put it, has become better known across the world. Not only super powers but also developing countries have been working togeth-

er to solve the climate change. Local governments are also actively involved in the efforts. Jeju Special Self-Governing Province has been pushing ahead with a carbon-free island project using wind and solar power.

The so-called Green Revolution to respond to climate change has gained the most attention globally in the 21st century. The sustainability of the global environment has become a future vision for the world. Recently, the world has been facing “an inconvenient truth” which threatens peace of humanity as a new world order was created centering on strong powers, threatening dreams and futures of small and less powerful countries. Protectionism and hegemony on the part of superpowers have emerged, but no country dares to tell the inconvenient truth. The world seems to be heading back toward a new Cold War era. Peace is not the prerogative of the superpowers. A world with no interest and understanding in small and less powerful countries cannot be regarded as a peaceful one. That appears to be peaceful only on the surface, leading to a “fake peace,” which is another “inconvenient truth” the world faces.

Pursuing a true world peace requires a shared a vision of peace and prosperity for humanity. A “true peace” can be achieved by going toward co-existence and harmony beyond differences in power, race, ideology or religion. It can be accomplished through cooperation among nations and unity among regions, rather than competition and conflicts only for its own national interests. Peace and prosperity in Asia that the Jeju



Forum is pursuing cannot be made possible without cooperation among different countries. And that cooperation should come from sharing a common vision for Asia’s future and for world peace and prosperity. A peaceful world should mean not only the absence of war but also the absence of disorder, discrimination, conflicts and inequality. So communities can be united harmoniously in a vibrant and cooperative way. That is a true peace.

Jeju Special Self-Governing Province is a local government which has promoted peace for more than ten years since it was designated as an island of world peace by the Korean government in 2005. Recently Jeju Special Self-Governing Province has also promoted more actively a new concept of peace going beyond the conventional concept of peace. The new concept of peace in Jeju includes “healing peace” emanating from Jeju’s clean nature, “peace through tolerance” embracing different values and appreciations of each other, and “peace of energy” making peaceful production and consumption of energy. The new concept of peace in Jeju has been trying to put in place does not remain to be only a concept. Economic benefits can be generated through taking root and spreading out of peace, which in turn helps further expand peace. This is the peace industry. The project to turn Jeju Island into a carbon-free island is a good example of the peace industry.

Peace is not just about a topic for discussion or a rhetoric to showcase a desirable state. Peace should be a practical solution to resolve different kinds of issues humanity faces. Peace is a value and vision we run into on the path towards prosperity. Geographical tensions, back to protectionism, decline of liberalism, and spread of populism, all of these make the world all the more uncertain. We need a global platform for peace where future visions can be presented and shared to respond collectively to those issues make our future more insecure. That is the role the Jeju Forum wants to take on.

The Jeju Forum can and will serve as a venue for discussing the new concept of peace and gathering the will to achieve a true peace and as an entrepreneur for peace to boost the peace industry. We will renew our efforts to pave the way for the new concept of peace for our prosperity. I hope this forum will also offer an opportunity to share future visions to new values and build a stable order for peace and prosperity in Asia. I expect the world to hear out the message that Jeju Island has to send. I would like all of you to enjoy the charm of the nature in a peaceful and beautiful island of Jeju during your stay here.

### [ Congratulatory Remarks ]

**AI GORE** Former Vice President of the United States, Nobel Peace Laureate in 2007



## A Common Vision, Key to World Progress

It is an honor to be here at the Jeju Forum for Peace and Prosperity 2017. Governor Won Heeryong, I want to congratulate you on the magnificent speech and on the thoughts that you conveyed to us, and I want to congratulate you and your whole team for organizing this forum for peace and prosperity. The Jeju Forum this year is truly inspiring.

I want to acknowledge the ministers, former ministers, former heads of states and former heads of governments, and all the distinguished guests. And may I particularly express my respect for the message we received from the new President of the Republic of Korea, Moon Jae-in. That was wonderful to hear his comments. I have learned a great deal in preparing for my visit here. And I learned even more since I have been here in this beautiful island. The forum focuses on inspiring message of sharing a common vision for Asia's future. A common vision is often the key to making the kind of progress the world must make now.

There is an old African proverb that says, "If you want to go quickly, go alone. If you want to go far, go together." The essence of our challenges in the year 2017 in our modern world is that we have to go far quickly, which means that we must have a common vision. And with the rising fortunes here in Asia, a common vision for Asia is an absolutely essential and inspiring goal.

In the Paris Agreement December 2015, we saw the emergence of a common vision for the entire world, which can inspire us to go far and quickly. This forum has become over the years a truly exemplary gathering for a multilateral dialogue on peace and prosperity with a focus on diplomacy and its task in providing a space for international collaboration throughout East Asia and Asia on foreign policy, environment, security, and economic issues. It is essential that we harness our ability to follow that common vision to collaborate and cooperate internationally and overcome the greatest challenges of our time, including solving the

climate crisis, which is connected to both peace and prosperity.

On that note, I wish to give special thanks again to Jeju Province not only for graciously hosting this wonderful event but for your commitment to help solving the climate crisis by pledging to become a zero carbon island by 2030. I commend you as well on the smart grid you have been developing since 2009 and for being named a leading city for electric vehicles in 2011. I understand Governor Won drives electric vehicles. I do too in my home country. And you have now committed to switch all the 370,000 currently registered cars to electric vehicles by 2030.

In closing, I want to quote a famous economist named Rudi Dornbusch. He said, "Things take longer to happen than you think they will, and then they happen faster than you thought they would." We have seen that in various technology revolutions. We have seen it in many social and political revolutions. Now we are seeing it in the environmental movement to save the global climate. We have the capacity to do what is necessary to discharge our moral and ethical obligations to all who come after us. When we succeed, as we will, special thanks will be due to Jeju Island.



### [ Introductory Remarks ]

**HAN Sungjoo** Former Minister of Foreign Affairs of the Republic of Korea



## Avoiding the “Thucydides Trap”

I am honored to chair this session under the theme of “Sharing a Common Vision for Asia’s Future.” I think it is appropriate that today we are having this session as Asia has both sources of instability and stable progress. Today we are seeing disruptions and changes in our way of life at an unprecedented rate and at all different levels. Much of this has to do with things that we associate with globalization—free trade, advanced technology, and instantaneous digital communication methods. These developments were facilitated and supported by the post-World War II liberal world order. But, unfortunately, in the aftermath of the Brexit vote, the recent U.S. election, and in the midst of growing nationalist movements around the world, we can also see more clearly that there are large groups of people who feel negatively affected by the changes brought about by globalization, liberal order and multilateralism.

The subject of this session is: “Sharing a Common Vision for Asia’s Future.” There are reasons for being both pessimistic and optimistic. Some people talk about the Thucydides trap,” which explains the likelihood of conflict between a revisionist power and a status quo power. Others talk about the Kindleberger trap, which makes the rising power either unwilling or unable to assume the burden of keeping the region stable. In addition, there is the problem of North Korean threat of nuclear weapons and missiles. There are also problems arising from the rise of nationalism, arms race, and territorial disputes.

But there are also sources of optimism, reasons to have a brighter vision for the future. For the most part, Asian countries are economically vibrant and regional cooperation is making slow but steady progress. There is also a remarkable growth of economic inter-dependence, people-to-people exchanges and cultural cooperation. So, although with our sight, we see with our eyes possible problems and obstacles for Asia’s future; however, in our mind, we can see much brighter and optimistic vision for the future of Asia.

### [ Keynote Speech I ]

**Megawati SOEKARNOPUTRI** 5th President of Indonesia



## “Pancasila” as a Stepping Stone for Peace and Diversity

This time, my attendance to Jeju Island is shrouded with grief. Only a few days ago, a suicidal bombing in Jakarta, Indonesia, took the lives of several people. This was, however, not the first attack that our country had to bear. Attacks driven by religious bigotry. Similar attacks also took place in Bangkok, Thailand. It is also sad to say that, even until today, the city of Malawi in the Philippines is fighting the attacks and invasion done by a group claiming to be affiliated with the Islamic State of Iraq and Syria (ISIS). In fact, such terrorism has not only spread to Asia, but also in other parts of the world, including England as a victim of recent Manchester bombing.

Is this the modern civilization? Let us make a comparison to the one of the most important events in the 20th century. That is the Asia-Africa Conference held in Bandung, Indonesia. Imagine. It was in 1955, the leaders of Asian and African nations with all their limited access came and convened in Bandung City, Indonesia. They removed the barriers of their various different races, ethnic groups, religions and beliefs. Their presence also represented various political and economic streams that they could use all differences as their power. It was not merely for their nations’ benefit that the differences have been the power to build new civilization that was the independence of African, Asian and even Latin American nations. We live with the event. We think about it. Compare this with various conflicts today. It breaks my heart to see the bloodshed as the impact of different understanding toward religious thought. Allow me to quote from President Soekarno’s speech, which was delivered at the opening of the Asia-Africa Conference on April 18, 1955.

“I know that in Asia and Africa, there is greater diversity of religions, faiths and beliefs than in the other continents of the world. Asia and Africa are the classic birthplaces of faiths and ideas, which have

spread all over the world. There are perhaps more religions here than in other regions of this globe. But must we be divided by the multifariousness of our religious life? It is true, each religion has its own history, its own individuality, its own "raison d'être," its special pride in its own beliefs, its own mission, its special truths which it desires to propagate. But unless we realize that all great religions are one in their message of tolerance and in their insistence on the observance of the principle of "Live and let live," unless the followers of each religion are prepared to give the same consideration to the rights of others everywhere; unless every state does its duty to ensure that the same rights are given to the followers of all faiths; unless these things are done, religion is debased, and its true purpose perverted. Unless Asian-African countries realize their responsibilities in this matter and take steps jointly to fulfill them, the very strength of religious beliefs, which should be a source of unity and a bulwark against foreign interference, will cause its disruption, and may result in destroying the hard-won freedom, which large parts of Asia and Africa have achieved by acting together."

I think the ideas, principles and the ideals of the founding fathers of the Asian nations, members of Asia-Africa Conference should be the basis for the Asian collective, Asian Movement. It includes the response to the growing force of extreme movements in the name of religion. It is the right time to learn from our founding fathers, learn from the history of the Asia-Africa Conference that even the inherent diversity in all living creatures cannot survive, cannot be maintained without a collective effort.

In other words, diversity should be maintained by working together. Globalization has resulted in a seemingly borderless world without dividers. Various problems emerged and are interconnected across countries: Problems of human trafficking, drug trafficking, financial crime, up to terrorism. Which one of those problems, which are not interconnected and involved people across countries? Do not think that those problems only hit the so-called third world countries. Look at the multi-dimension crisis occurring in the developed countries.

In this occasion, with all due respect, I would like to thank the former U.S. Vice President Al Gore, who has tirelessly voiced his opinions on the issue of global climate change and its concomitant impact on our only planet earth and human civilization. I agree with His Excellency Al Gore's stand at the recent Cannes Film Festival. Not even a president can stop the climate movement. Not a single power is capable to stop climate change. However, it does not mean that we just stay still, or being trapped into the commercialization of the climate change issue through carbon trade.

I personally looked at the international agreements of regarding global climate change, one of which is the 2015 Paris Agreement. This agreement changes the structure and carbon emission reduction which was previously regulated by the Kyoto Protocol. It is the time for us to seriously drum up a global effort to achieve the target of the world emission reduction set by the Paris Agreement. I ask all of you to involve and actively participate in the movement of climate justice. We also should raise the awareness of the developed countries, which is indicated to have contributed largely to the destruction of the atmosphere through the decades of long accumulation of greenhouse gases. It is the time for them to solve their emission debt. Despite of this, we should actively push international agreements which consider another method to determine the emission and level the pace of emission per capita with the main principle. Each individual in any part of the earth has the same right to the atmosphere.

72 years ago today, President Soekarno gave a political speech on June 1 in 1945. The speech brought up Pancasila. Pancasila was later established as the fundamental principle of the Republic of Indonesia. Pancasila means five principles.



First, belief in God. All the people should culturally have a belief in God that is void of any religious egoism. A belief in God and being noble character that means respecting each other. Second, a just and civilized humanity. This second principle is wielding nationalism. Nationalism is a freedom movement. An answer to an oppression, and a great inspiration emerging from freedom. Through this principle, Indonesia commits itself to reach justice and prosperity, not only for the Indonesia but also for other nations. We nationalists love our nation and other nations. Third, Indonesian unity. This principle shows the necessity of holding tightly to each other. Because it could thus, also be interpreted as internationalism. There is no conflict between the idea of nationalism and internationalism. Internationalism can only grow and develop in the fertile soil of nationalism. Through the principle of internationalism, every nation respects and guards the right of all nations small or big. Through internationalism, a nation shows itself to be mature and responsible, leaving behind feelings of racial supremacy, shedding of chauvinism and cosmopolitanism. Fourth, discussion and consensus, democracy. Democracy is not the monopoly or the invention of Western social regulations. Democracy is people's genuine condition, although it underwent changes in its implementation to adjust to specific social conditions. Fifth, social justice is interconnected, inseparable to social welfare. That is our Pancasila. Belief in God; nationalism; internationalism; democracy; and social justice. This is the way of life of the Indonesian nation.

Pancasila is a guidance in all the pillars of life: spiritually, politically, economically, socially and culturally which we fight for. Please consider Pancasila has a universal meaning and can be internationally implemented. It could be the spirit and principle to find solution for living together in the 21st century. I am sure and hope it would be our common conviction that we could take common action that chooses peace path for any conflicts and disputes because I believe none of us have the goal to transfer the hatred and conflict to the young generation. I humbly offer you the principle of Pancasila to become the way of life of the Asian nations, as a contribution to the world peace, as a serious endeavor to end poverty and oppression. With the spirit of Pancasila, I am confident that Asia is capable of fighting for justice and social welfare of the world now and in the times to come.

## [ Keynote Speech II ]

Anibal CAVACO SILVA Former President of Portugal



## A Breakthrough for Security and Prosperity in East Asia

We are witnessing times of great uncertainty in the global political and economic order. Signs of trade protectionism have emerged; globalization is at stake. There is a sense of deterioration of the geopolitical environment. Several countries are preparing to increase military expenditures. Cyber threats have increased. Populism is gaining ground in several regions of the world. In this international context, peace, security and prosperity in Asia is a timely subject.

My question is the following: can the reinforcement of the relationship between the European Union and East Asia contribute to security and prosperity in the region? I think so. The European Union is the biggest economic area in the world, ahead of the United States, and it is the world's biggest trading power in terms of exports and imports. The European Union is the biggest export market for more than 100 countries. Not less important than the European Union as a whole is the Euro Zone, the core of Europe. 19 countries with a single Central Bank, sharing a single currency, the Euro, and a single monetary policy. It is a mistake to think that the Euro Zone is going to break up. The consequences for a country that leaves the Euro are so negative that I cannot envisage a government taking such a decision. The United Kingdom belongs to the European Union but not to the Euro Zone. Even so Brexit negotiations are going to be very difficult and the costs will be much higher for Britain than for the other 27 member states.

I am confident that in the future more member states will integrate the Euro Zone. Having been Prime Minister of Portugal during the first ten years of my country's membership in the European Union and having been at the core negotiations of the treaty that created the economic and monetary union, I am well aware how this great achievement is important to the international financial system.

The Euro is already a global payment currency used in parallel with the dollar. It has been clear that China wishes the European Union to be strong and the Euro to be an international currency. I think that it is in the Chinese interest that the European Union is an economic power with a voice on the international scene. It contributes to mitigate the weight of the United States as the western voice in world affairs.

In Europe, it was possible to create a regional order based on a large and coherent set of common interests and values. In Asia, there is not a coherent regional order grouping several countries. Bilateral relations are dominant. The extent of political dialogue and cooperation among East Asian countries is very limited and misunderstandings and friction emerge very often.

The North Korean nuclear question cannot be solved without coordination between the United States and China. Both want North Korea to abandon its nuclear program, but it has been difficult for them to agree on a strategy for cooperation to ensure sustainable security in the region. China has tolerated the provocative actions of the North Korean regime. But I am convinced that China has its own red lines as far as North Korean military provocations are concerned. China does not want its economic and social development and its ambitions of global leadership to be put at stake by a neighbor whose nuclear ambitions are condemned by the whole international community. In this context, it is my firm belief that enhanced cooperation between East Asian countries and the European Union may contribute to security and prosperity in the region.

It would be beneficial to make the European Union an integrated part of the balance of power in the East Asian region, joining the position that is already occupied by the United States. I am convinced that the European Union is a valuable asset to the region. The European Union is strongly committed to peace, freedom and democracy. As the major world producer of goods and services, the European Union has a voice in international politics. The European Union had a crucial role in the negotiations to achieve a nuclear deal with Iran.

The European Union is a defender of multilateral free trade and respects the rules of the World Trade Organization. The European Union is on the front line in supporting the implementation of the Paris Agreement on Climate Change. The European Union is a reliable partner. The economic and political relations between the European Union and the East Asian countries are already intense. The European Union and China have established a strategic partnership and the European Union is China's largest export market. A comprehensive investment agreement between the European Union and China is under negotiation.

The European Union has a strategic partnership and a free trade agreement with South Korea. The European Union is South Korea's third largest export market. In the current political circumstances, a more active role for the European Union in East Asia, apart from the United States, would make it easier for South Korea to have a stronger voice on the issues concerning security in the region. A free trade and strategic partnership agreement between the European Union and Japan are under negotiation. I am convinced that it is possible to do more, strengthening European Union partnership with China, Korea and Japan on major political and global issues and in this way contribute to transforming East Asia into a more cooperative system.



### [ Keynote Speech III ]

PUNSALMAA Ochirbat Former President of Mongolia



## The Silk Road Express Connecting Busan, Mongolia, and Europe

I believe that the theme of the forum, “Sharing a Common Vision for Asia’s Future,” that the global leaders discuss today, helps us to explore the means to achieve our common tasks and goals by defining them more clearly. This is because the 21st century is called the century of Asia and indeed it is so. Asia is playing a greater and more significant role in the progress of the world year after year, as the 48 countries in Asia account for 30 percent of the territories over the world and 60 percent of the world population. The proportion of GDP in Asian countries has sharply rose to one third from one fifth. Countries around the world regard all of this as “the Asian Miracle.”

We have experienced a great deal of difficulties and sufferings. However, we can take pride in what we have achieved without repeating mistakes. I believe it is more effective and meaningful to design a vision for prosperity based on our potential and to explore the concrete means and mechanisms for it. The common vision of Asian countries lies in maintaining peace and prosperity. All of us on earth know that it is impossible to sustain prosperity without peace and to maintain peace without prosperity. Therefore, I acknowledge the relevance of Asia’s future, the theme of this forum, to peace and prosperity.

The Paris Agreement under the United Nations Framework Convention on Climate Change and the 2030 Agenda for Sustainable Development adopted at the United Nations in 2015 are two important accords to establish the basis for the future development of the world. I am pleased to let you know at this forum that Mongolia has ratified the Paris Agreement and has set up its sustainable development plan to be achieved by 2030.

In my opinion, stable peace will be guaranteed by economic stability. To that end, we need a wide range of cooperative efforts. Diversified cooperation and exchanges among Asian countries will help us to share

and distribute knowledge, and expanded cooperation among them, based on technological and financial support, will solidify the basis for Asia’s development. This will lead to peace and prosperity for the world, and I believe this is the core point of the common vision of Asia’s future.

I would like to make a few suggestions about the ways Mongolia can contribute to the better future of Asia with its bilateral and multilateral cooperation with Asian countries. Northeast Asia is a crucial region for Mongolia’s growth. Northeast Asian countries account for 40 percent of foreign investment, 70 percent of trade volume and 80 percent of exports of Mongolia, with Mongolia’s political exchanges with them actively underway now. Thousands of Mongolian people make short term and long term visits to countries in the region which have historical and cultural similarities to Mongolia. The guideline for Mongolia’s foreign policies makes it clear.

“Mongolia should advance bilateral friendly ties with Asian countries, participate in multilateral cooperation in the Asia-Pacific region and support the policies and activities to strengthen strategic security and expand cooperation in security affairs.”

Therefore, Mongolia is willing to suggest a future development model for Northeast Asia and actively participate in the endeavor to that end. I think there are two factors that affect the vision of Northeast Asian development. One is the political and security aspect, and the other is economic integration in the region. Judging on the basis of these, I believe that political and security issues could naturally be resolved if the



countries of the region, first of all, pursue economic integration. I would like to emphasize the Northeast Asian factors for the future of Asia.

Each of the Asian countries has its own tasks, traditions, norms and values. Also, there are common interests of the world and regional community. We gathered here on Jeju Island to suggest common interests and explore solutions to issues. In this respect, the Jeju Forum provides not only a platform to seek peace and prosperity for Asia but also an opportunity to discuss how to implement joint projects of Asian countries for cooperative relations, as Asia contributes more to world peace and prosperity year after year thanks to its enhanced status and role. We need to establish a basis for peaceful coexistence in mutual trust in the region. We need to make more efforts to achieve this task.

One of the global issues of the 21st century is human security. We live in the era when human security is guaranteed by economic growth, not just by military force any longer. Therefore, one of the key measures to guarantee the regional security of Northeast Asia and the entire Asian region is to cooperate for economic development.

I expect that the contents of agreement from “Belt and Road Summit” will play a significant role in this respect. I believe that security is the most important issue for Asia’s future vision. There are globally important issues ranging from climate change, global warming, shortages of potable water and resources imbalance to growing use of electricity. All of them are related to the issue of how to guarantee human security. These issues can be resolved by diversified cooperative exchanges among Asian countries. In my opinion, the Jeju Forum is contributing to the activities to this end.

I would like to suggest a few things for the prosperity of Northeast Asia, a key area of Asia. As you know, Northeast Asia is at the crossroad of three key routes in the world. The Korean Peninsula is in the Northeast Asian region. The peninsula is the eastern end of the Eurasian continent and the starting point of the Silk Road in the east. Given its geological position, economic development and potential, the Korean Peninsula is an important area for intra-regional cooperation, performing the role of a bridge to transport logistics and passengers. If the two railway lines are restored to form a transportation network in the region and connected to the Silk Road, it may become a part of the Silk Road Express that can transport export items from the three eastern provinces of China, Far Eastern region of Russia, Mongolia, Korea and Japan. Mongolia, North Korea and other Northeast Asian countries possess bountiful natural resources. If we utilize the opportunities to the fullest extent, we can mutually benefit each other through supra-regional economic development and exchanges, and finally achieve prosperity for all of Asia.

#### [ Keynote Speech IV ]

LEE Hong-Koo Former Prime Minister of the Republic of Korea



## What History Teaches Us: A Peace Building Approach to the Korean Peninsula

To have a common vision for the future, we need a common understanding of our past, at least the history of last hundred years. The first half of the 20th century was the last part of the age of imperialism and the rise of totalitarianism as well as militarism. South Korea had experienced more than its share of suffering as a colony of Japan(1910-1945) and a division of nation by the Allied Powers(1945-present) which led to a devastating war (1950-1953) as a part of the Cold War.

From the early stage of the independence movement, Koreans sought not only a restoration of an independent nationhood but also a regional or Asian peace as its necessary condition. It perhaps reflected an instinctive perspective based on the peculiarity of a geopolitical setting around the Korean Peninsula. Three immediate neighboring countries such as Russia, China, Japan are the major powers. So is the more recent neighbor, the United States whose presence in the region has sharply increased since the World War II. The two Koreas find themselves today as small or medium sized states surrounded by the four major powers. To discuss the prospect of war and peace in this setting, it is necessary to examine relations among the following three dimensions. First, the domestic political dynamics in the two Korean states. Second, the relations and tensions between South Korea and North Korea. Third, power relations among the four major powers and their impact on the two Korean states.

We might briefly look at the developmental dynamics operating in the Korean Peninsula, particularly in South Korea. From the general election supervised by the United Nations Commission and subsequent inauguration of the Republic of Korean government in 1948, South Korea pursued its national development in accordance with the international norms and main trends. Korean democracy had experienced its ups and downs including military led authoritarian era which achieved a remarkable economic development.

In 1987, joining the wave of democratization coming from the Southern Europe (Portugal, Spain, Greece), South Korea succeeded in a peaceful transition to democracy from the authoritarian era. Newly elected President and National Assembly had not only successfully hosted the 1988 Seoul Olympics, but also formalized a new Unification Formula which recognized the existence of the two Korean states. According to the new formula, the North and South should jointly preserve peace and move towards the unification.

Encouraged by the ending of the Cold War and the German unification in 1990, the North and South Korea had a series of high level meetings and produced three achievements in 1991. First, the two sides signed the Formal Agreement for Reconciliations, Non-aggression, Exchange and Cooperation. Second, two Koreas formally became the members of the United Nations. Third, North and South made the Joint Declaration to keep the Korean Peninsula nuclear free. In the meantime, between 1990 and 1992, South Korea established diplomatic relations with Russia, Hungary, Mongolia and China.

The euphoria we experienced was short indeed. From 1993, North Korea resumed the nuclear weapon development program and the subsequent history of this venture have been closely followed by all the concerned parties, particularly all the media. In fact, it has become one of the regular topics for Jeju Forum including this year. We could offer two suggestions for useful discussions.

Since the inauguration of President Trump of the United States last January, there has been a quick rise of expectation for a possibility of military showdown to resolve the North Korean nuclear and missile threat. At the same time, there has been various signs coming out of Washington and Beijing that some sort of dialogue or negotiation with North Korean is imminent. If a peaceful resolution of the North Korea nuclear crisis come to a negotiation table, we believe that the solution North Korea and South Korea reached in 1991 would be the most likely bases of any future agreement. This time, however, on top of the bilateral agreements between the two Korean governments, an international agreement to guarantee its effective implementation should be added. This could be a significant test for both major powers and directly involved regional parties to resolve the current conflict and to build bases for a regional and global peace.

As for the North Korean nuclear project, perhaps one of the most important items to consider by all the parties, particularly major powers, should be the following: In East Asia, should China remain the sole nuclear armed state, or should there be two nuclear states, China and North Korea? More than a half-century ago, the Cuban Missile Crisis was resolved through a direct communication between Kennedy and Khrushchev. The North Korean case today is quite different from the Cuban case; however, it shows the power and role of major powers in resolving strategic crisis which endangered the peace regionally and globally. This could be an opportune time to see if there is any lesson to be learned from the previous crisis.

### [ Welcome Dinner Speech ]

**LIM Sungnam** First Vice Minister of Foreign Affairs of the Republic of Korea



## Four Major Principles of the New Government's Foreign Diplomacy and Security

The Jeju Forum, which marks its 12th anniversary this year, has evolved into a major international forum, seeking and discussing sustainable peace and prosperity in the region. What began with 350 participants from nine countries in 2001 has grown to draw five thousand people from about 80 countries this year. The forum has also broadened its areas of interest from peace and prosperity of Asia, to issues such as culture and environment.

We are now faced with a number of daunting challenges in Asia which hinder the cooperation and development of the region. On the security front, North Korea's nuclear and missile threats constitute a serious and imminent challenge not only to the Korean Peninsula and the region, but also to the peace and stability of the international community as a whole. There are also challenges with their roots in history as well as those related to changing security landscape. Asia also faces emerging challenges on the economic front. Voices against free trade and globalization are heard in Asia, which make us concerned about the possible return of protectionism. Furthermore, cross-border issues, such as climate change, energy security and international crime, pose a huge threat to our daily lives.

Asia will continue to face challenges. However, a shared vision for the future and the will to translate the vision into reality can bring about changes. In this regard, I would like to draw your attention to the four pillars of the foreign policy of our newly inaugurated President Moon Jae-in. They are Peace, Responsibility, Cooperation, and Democracy, which I believe have no small implications for the region as well.

First and foremost, "Peaceful Asia." For a peaceful Asia, the first vital step is the resolution of the North Korean nuclear issue. We, of course, will respond firmly against North Korea's provocations, but at the same time, efforts would not be spared to persuade North Korea to change its attitude and to come to the right side



of history. In this way, we can lay the foundation for the resolution of the North Korean nuclear problem, and eventually establish a structure of peace and cooperation in Northeast Asia. This calls for the unwavering support and cooperation of all the countries in the region.

Second, “Responsible Asia.” We should not allow short-sightedness to define our national interest. We should not allow the specter of protectionism haunt the spirit of liberal trade order, which has been the backbone of Asia’s rise since the end of the World War II. Free trade, free flow of information and freedom of navigation will strengthen the connectivity in Asia, and reduce the social and economic gaps and differences, bringing an Asia of unity for all.

Third, “Cooperative Asia.” Countries in the region should strengthen cooperation to cope with regional and global challenges such as terrorism and extremism. As we all know, in the era of inter-connectedness, most issues cannot be solved by the efforts of a single country. The complexity of these interwoven challenges calls for concerted efforts.

Lastly, “Democratic Asia.” Democracy, in a nutshell, could be defined as a process of communication. In this regard, the countries in the region should communicate with one another within the framework of international norms on the basis of mutual trust. By working together peacefully and democratically, Asia will eventually be able to progress towards building a harmonious community.

The Republic of Korea is ready to play an active and leading role in sharing this kind of vision for Asia’s future. However, The Republic of Korea alone can do little. Together we can achieve much. In this vein, the Jeju Forum offers a timely opportunity to pool our ideas and visions. Only a dream dreamt together and acted upon together will bring about meaningful changes. Once again, I congratulate the successful opening of the Jeju Forum and let me conclude by encouraging all of you to allow yourself some time off your busy schedule to explore the beautiful nature of this island.

### [ Closing Remarks ]

**SUH Chung-ha** Chairman of the Executive Committee of the Jeju Forum /  
President of Jeju Peace Institute



## Collective Wisdom to Prevail in Uncertainties

It is my pleasure to announce that the Jeju Forum for Peace and Prosperity 2017 is coming to a very successful conclusion. I would like to take this opportunity to thank all those who have contributed to making this year’s forum a great success.

This year’s forum brought together more than 500 speakers in 75 sessions and over 5,500 attendees over the last three days. We have truly benefited from the participation of distinguished speakers from around the world, including those who served their own countries as foreign ministers. I believe their active participation has significantly contributed to further enriching, upgrading and expanding the forum.

This year’s theme, “Sharing a Common Vision for Asia’s Future,” has proved relevant and meaningful in view of the current situation in Asia. As the four world leaders rightly pointed out, we are witnessing rising uncertainties around the world. East Asia is not an exception. Indeed, the geopolitical environment in East Asia is proving to be more volatile and uncertain than ever. Now is the time for us to make concerted efforts to prepare for this uncertain future. In this regard, I believe that this year’s Jeju Forum resulted in a very timely and meaningful platform for mapping out Asia’s future and sharing visions of peace and common prosperity.

Like the Proverb, “as iron sharpens iron, so friends sharpen each other’s faces,” I hope that the solidarity and friendship forged in Jeju will serve to sharpen our collective wisdom for global peace and prosperity. I would like to extend my heart-felt gratitude to Governor of Jeju Special Self-Governing Province Won Heeryong for his dedication to the forum. Please join me in thanking Chairman of the Jeju Development Center Lee Gwang-hee, for his generous support and for hosting tonight’s farewell dinner. I would also like to acknowledge the contributions of the Ministry of Foreign Affairs of the Republic of Korea, the East Asia



Foundation, and Joongang Ilbo to this year's forum.

Let me also pay special tribute to all of our sponsors, partner organizations, and the Jeju Forum Secretariat staff. Without their efforts, this forum could not have been possible. Last, but not least, I would like to express my sincere gratitude to the residents of Jeju Island for their interest and support.

I hope that, despite your busy schedules, you can still find time to enjoy the natural beauty of Jeju, a UNESCO World Heritage site, and one of the world's great treasures. I wish each and every one of you a safe and pleasant trip home. I look forward to seeing you at the Jeju Forum for Peace and Prosperity 2018.

[ Special Lecture ]

Presenter **AL GORE** Former Vice President of the United States / Nobel Peace Laureate in 2007  
 Rapporteur **Darren SOUTHCOTT** Visiting Professor, Jeju National University of Education



## Challenge and Opportunity of Climate Change: Is a Better Growth Possible?

The main dangers facing the international community today are anthropogenic climate change and finding ways to work together to lower carbon emissions. This prompts three key questions. Do we have to change? Can we change? Will we change?

The answer to all three is “Yes, we can.” The transition to renewables is a global emergency, but I urge the audience not to be dispirited by the obstacles ahead. This iconic NASA image of the “blue marble” Earth from the 1968 Apollo mission helped launch the environmental movement. This next image is of the “thin shell” of our atmosphere which is filling with “millions of tons of pollution every day.”

It is a great regret how hyper-globalization has massively increased forest fires and permafrost melting, but emissions have leveled off over the last three years. Nevertheless, 400,000 Hiroshima bombs of energy are still released every day. Due to temperature rise, “extremely hot days” are now commonplace and 16 of the 17 hottest years since records began have been since 2001.

Air temperatures do not tell the whole story as 93 percent of heat energy goes into the oceans. This is creating stronger and more destructive storms such as Typhoon Haiyan in 2016, the most destructive ever, which created 4.1 million climate refugees.

As more water is entering the water cycle through evaporation, there is more rainfall and atmospheric (or “flying”) rivers are forming. Water is then deposited on drought-ridden land, causing tremendous flooding and destruction, as seen in the tragic Sri Lankan mudslides of recent days.

The experts say we can link such extreme weather to climate change as “the environment in which all storms form has changed.” The areas that receive rain are shifting, and long periods of drought are being followed by massive downpours, and then more drought. The impact on food security is acute as the plants



we rely on were domesticated 10,000 years ago and are struggling to adapt.

The example of forest fires shows how climate change is inextricably linked to wider geopolitics. Forest fires in Siberia in 2010 caused the deaths of 55,000 thousand people in Russia and also led both Russia and Ukraine to remove damaged grain from the market. This pushed up prices worldwide and led to food riots in 60 countries. Meanwhile, in Tunisia a food vendor set himself on fire in protest, his last words being “How am I supposed to live?” This was the spark for the Arab Spring across the Middle East and North Africa.

In Syria, drought from 2006 to 2010 destroyed 60 percent of farmland and climate refugees flooded the cities to find work. Politicians warned there would be unrest, and although there were many other factors, climate change was crucial in creating the conditions for civil war.

Stability is also being affected in Europe as states have been destabilized, and the Brexit campaign was dominated by images of refugees trying to enter the European Union. The situation is likely to get worse as parts of the Middle East and North Africa become uninhabitable and the heat index in Iran recently reached 74 degrees which is fatal after six hours. This is why we need to act now.

Temperature increases are also linked to the increasing threat of disease and microbes as natural ecosystems get disrupted. If we look at the spread of the Zika virus, doctors in South and Central America are saying “Do not get pregnant for two years until this is under control” – this should set off alarm bells.

With regards to air pollution, South Korea is now fifth globally in air pollution mortality rates, behind China in first place where life expectancy has dropped by 5.5 years in the northeast. This is why we must all follow Jeju’s example and move to clean renewables and electric vehicles to make our air cleaner.

Greenland is losing one cubic km of ice every day and melt-water lakes are forming on glaciers in Antarctica, contributing to sea-level rise which threatens one million people even if we achieve the two degrees temperature rise we have set.

This is all an existential threat to the global economy, so yes, we must change. Can we change? The progress in wind and solar power suggests we can. Wind capacity projections have been exceeded 16 times and wind power is now cheaper than fossil fuels even without subsidies. The United Kingdom gets more energy from wind than from coal and wind energy can provide 40 times as much energy as the global economy needs. It is a similar story for solar energy, which is dramatically increasing while costs plummet to approach grid parity. Currently solar energy production is 75 times higher than projections 15 years ago.

The key to realizing this is energy storage systems which is going to lead to a dramatic transformation of human civilization. Can this change happen fast enough? If we look at cell phone usage, in 1980, AT&T projected 900,000 sales by the year 2000 but real sales were 120 times higher. Costs dropped, quality improved, and growth was fastest in developing countries. It is the same for renewables and we see solar energy panels on straw huts and even on North Korean apartments.

Germany produced 86 percent of all energy from renewables on one day last year, and Chile is approaching 13.3 gigawatts capacity in renewables, up from just 11 megawatts in 2011. Jobs in renewables are growing at 17 times the rate of the wider economy. Other efforts worldwide include wholesale uptake of LED lighting, increasing electric vehicles sales, and plummeting fall in cost of electric vehicles batteries. In the United States, three quarters of new energy production was from renewables last year and coal plants are being cancelled nationwide. The Paris Agreement was a historic breakthrough and regardless of President Trump’s decision on it, communities, cities and states will continue because people are demanding it and the movement is growing. Just as humanity worked together to end slavery, fight for women’s and civil rights, and end apartheid in South Africa, we will come together to lower carbon emissions today.

It is a simple choice between right and wrong, and it is wrong to pollute this earth and diminish the rights of the children of the future. We do not want them to look back and ask us “What were you thinking? Why did you not save us?” Instead, by following the example of Jeju and finding the political will, I am confident that instead of asking why we did not act, future generations will ask: “How did you find the moral courage to do the right thing?”

### Policy Implications

- International community must urgently work together to implement Paris agreement to meet its targets.
- Governments must treat climate change as a global security threat.
- There must be an increase in systems thinking on how climate change is linked to civil unrest.
- Local communities must be empowered to pursue renewable energy projects to bypass unsupportive governments.
- Governments and international organizations must anticipate an increase in climate refugees.
- International community must cooperate to ensure the effects of climate change do not lead to regional destabilization as seen in Syria and elsewhere.

### [ Special Dialogue ]

**Moderator** **BAK Sangmee** Dean, Graduate School of International and Area Studies, Hankuk University of Foreign Studies  
**Discussant** **WON Heeryong** Governor of Jeju Special Self-Governing Province  
**Jean Vincent PLACÉ** Minister of State for State Reform and Simplification  
**Rapporteur** **Daniel OLLIVIER** Former Director of the French Institute in Seoul



## Democracy in the Digital Era: Seizing Initiatives for More Open and Agile Government

Mr. Placé, a former Minister in the French government headed by President Hollande, reminds the audience that he was born in South Korea, but living in an orphanage he left the country 42 years ago when he was adopted by a French family at the age of seven. For 36 years he never came back to his native country, and never wished to come back. He was educated in France, went to university, started working in finance, then joined the political world as an assistant to the Mayor of La Rochelle, and this is where he was first exposed to the importance of ecological issues. He became a member of the French Senate six years ago and then was appointed Minister for State for Reform and Simplification in February 2016.

In 2011 he came back to Korea for the first time, and has made six trips to his native country since then, with President Holland in 2015, and also with the newly elected President, Emmanuel Macron, in 2014 when he was Minister for Economy.

On the day following the decision by President Trump to withdraw from the Paris Climate agreement, Mr. Placé says the main question to ask Today is: what ambition do we want to have for our planet? What are our objectives? How do we want to achieve peace and prosperity for all the people around the world? Today the world population is over seven billion, it was two billion in 1930, and it will be nine billion in 30 years. The natural resources will not allow us to feed everybody if we do not change our habits. In 1970s and 1980s main development concerns were about food, accommodation, and transportation. Today, the stakes are high for education, health, access to water and sanitation, these are our challenges.

Transparency and morality in politics are also key issues. Corruption scandals concerning politicians at the highest levels of government have been plaguing elections, and voters might turn their backs to democracy if action is not taken quickly. This was the point for the “Open Government Partnership(OGP)”

launched in 2011 by President Obama with 80 countries, in order to provide an international platform for domestic reformers committed to making their governments more open, accountable, and responsive to citizens, and relate to the core values of OGP: Access to Information, Civic Participation, or Public Accountability. South Korea and France have in common that their administrations suffer from too many rules and regulations, and are consequently not very open, but changes have been implemented in the past few years.

Today 12,000 French public and private officials, elected or appointed, have to submit an assets declaration at the beginning and at the end of their mandate. This is the way to increase transparency, to avoid conflicts of interest and to open the way towards a strengthening of participatory democracy. Another example is a consultation in digital economy organized by Mr. Placé: more than 25,000 people were able to propose



amendments, and eight law articles were actually drafted by citizens or associations. Public procurement procedure: all the information regarding the award of public contracts is on line on the government web page, in order to be more transparent, more efficient, and avoid insider trading.

South Korea is ranked as the best digital administration country in the world while France is a proud second. Mr. Placé, was very happy to organize a partnership between the two countries two months ago to promote dematerialization and more efficiency in the administration.

Today's political life is changing, people do not want to vote once and then be left aside for four or five years, they want to be actors, and participate in the decision making. Let us keep in mind that all these changes are necessary, but the digital revolution may leave some of our fellow citizens aside: senior citizens, individuals with mental or physical disability, and we must take care of them too. He urges the younger generation to participate actively in the public debate, this is how you will be useful to your society.

### [ Dialogue ]

— **Won Heeryong** What is your message for today's young generation who enjoys prosperity thanks to their parents' efforts in the past?

— **Jean-Vincent PLACÉ** Education is the first priority. South Korea is known for its excellence in education, and this is most important. Korea is a leading country in economic development and cultural heritage. The young people must go on with their parents' achievements and improve them further. They must travel abroad, mix with other cultures, and be ambassadors for their country. Do not forget, as a proverb says: pessimism lies in intelligence, optimism lies in will power.

— **Won Heeryong** Can you tell us what is the record of French government in regard to simplification of the administration, and what were the challenges you had to face?

— **Jean-Vincent PLACÉ** It was part of President Holland's program to bring more simplification in the French administration. But we have a powerful administration, 5.5 million civil servants, and reforms were not easily carried out, however it had to be done. In fields like security on construction sites, we eliminated a quarter of the regulations. As you know I belong to a Green Party, and environment and nature are my priority. France had so many regulations for wind turbines, it had become next to impossible to install them. After two years of meetings in the regions, with city councils, with the citizens, and on line discussions on social networks, we managed to cut by half the number of procedures. Each of the 18 ministries in the French government had its own independent digital department. In order to bring down expenses and be more efficient, I grouped them in one big department for all the ministries, maintaining the same levels of confidentiality, and security.

— **Won Heeryong** The e-government will make the public sector more practical and more efficient. Regarding the blockchain technology to record transactions between two parties efficiently, how do you think it can be used in e-government?

— **Jean-Vincent PLACÉ** I created a task force to address this issue of modernization in the public sector and also a web platform "France Connect" where people can easily connect to the on line services of all the administrations, national or local, and get all kinds of information about their taxes, social security, driving license. The objective is to simplify citizens' relation with their administration. It is an ambitious project, but it is classical. With the blockchain technology we create a new way to verify transactions, a decentralized network which operates on a user-to-user basis, and thus gives the user the possibility to avoid costly intermediation services. It could prove very useful in renewable energy distribution where people would

organize themselves with blockchain transactions without intermediaries like the one we have Energy Distributor of France(EDF) which controls everything and charges for its services. Blockchain is definitely something to be developed.

— **Won Heeryong** What should we do about the inequality arising from the unequal share of information with the digital revolution? It is a huge step forward for a good part of the population, but it increases the gap between the younger and the older generations less digitally oriented.

— **Jean-Vincent PLACÉ** The digital revolution must not increase the gap between citizens, those who live in big cities, versus those who live in the country. As the digital revolution moves on we must recreate a local public service like we did with La Poste. The French post office has lost a lot of its traditional activities with electronic mails, so we had to reinvent new functions for its employees. Around 1,000 post offices in rural communities have now turned to new activities, pooling services from different administrations; the employees have become public letter writers. We have 35,000 city councils in France, and we have to make a step forward towards senior citizens living in smaller villages. There will be no real efficiency without solidarity.

— **Won Heeryong** What is your opinion about digital technologies which are now opening the way for direct democracy, with on line proposition of policies? How does France face those challenges?

— **Jean-Vincent PLACÉ** France is a country with a long monarchist tradition, the President is very powerful, and the Parliament is not representative of the diversity of the population: women, socially disadvantaged people are underrepresented in the Senate out of 348 senators I am the only non white, there is still a lot to be done to reach a more representative democracy. To evaluate citizens' participation in public administration I created an association of cities with the best web platforms and applications. Direct democracy in the administrative policy making is the new world we have to create for more efficiency, more transparency, better citizens' participation, but it has to be well regulated so that things do not get out of control.

# Chapter ONE

P E A C E

[ ASEAN 50th Anniversary Special Session I ]

## ASEAN Journalist Roundtable: The Future of ASEAN-Korea Cooperation



Moderator	<b>Jay KIM</b> Asia Bureau Chief, The Korea Times
Keynote Speaker	<b>SHIN Yoon Hwan</b> President, Korean Association of Southeast Asian Studies / Professor, Sogang University
Discussant	<b>Ravi VELLOOR</b> Associate Editor, The Straits Times, Singapore <b>Philip GOLINGAI</b> Editor, The Star Online, Malaysia <b>Doreen G. YU</b> Associate Editor, The Philippine STAR, Philippines
Rapporteur	<b>Shawn HO</b> Associate Research Fellow, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore

— **SHIN Yoon Hwan** It is time for regional cooperation between the Republic of Korea(ROK) and the Association of Southeast Asian Nations(ASEAN) to be further expanded beyond economic engagement to include political, security and other aspects. While governments certainly play an important role in facilitating ASEAN-Korean economic cooperation, this cooperation is nonetheless driven by the private sector. The main economic link is in the area of trade and investment. For instance, since 2010, ASEAN has been Korea's second largest trade partner. For ASEAN, Korea has been its sixth largest trading partner.

The Korean Peninsula remains one of the tensest areas in the world due to North Korean threats and provocations. For the past few decades, the two Koreas have had occasional dialogues, but these tended to be temporary. It is now time to look to ASEAN to provide an alternative solution to help build peace on the Korean Peninsula together. For instance, ASEAN can play an active role in promoting peace in the region by emphasizing neutrality and a zone that is free from nuclear weapons. In the past, any type of

military and security cooperation between the ROK and ASEAN could not even have been envisioned. However, after Kim Jong-Un came into power he has ignored international opinion and provoked neighboring countries, inadvertently encouraging unity in the region.

Korea and ASEAN are now strategic partners. In fact, Korea has 19 additional strategic partnerships, however, these strategic partnerships by themselves do not mean much. There is a need to go beyond the current framework for Korea's external relations which are still focused on relations with the U.S., China, Japan, and Russia. Korea and ASEAN can build an equal relationship and a friendship for the common good. Enhancing relations with ASEAN will also increase Korea's bargaining power with the other major powers. Korea needs to break away from its traditional reliance on the U.S. for its security and could consider joining ASEAN as a member.

Despite both Korea and ASEAN recognizing the importance of solidarity, there remain some obstacles which might be difficult to overcome. For instance, there remains a geographical divide between

Southeast Asia and Northeast Asia, with few overlapping interests between these two sub-regions.

There is also much to be gained from greater Korea-ASEAN cooperation in the technology and socio-cultural sectors. Greater cooperation in the technology and socio-cultural sectors between Korea and ASEAN can certainly be further deepened, leading to a win-win outcome for both sides. The technology gap between ASEAN and Korea is just about the optimal amount to allow both sides to complement each other's weaknesses and tap on each other's strengths. For instance, the capital that Korea possesses can be combined with the labor of Southeast Asia to help create more jobs, lower production costs, and promote economic growth. In the socio-cultural sector, there is no doubt that the Korean wave has played an important role in enhancing Korea-ASEAN exchanges. For instance, ASEAN has been the most popular tourist destination for Koreans since 2010 with more than six million Koreans visiting ASEAN countries annually. Additionally, the number of Southeast Asian students studying in Korea ranked number two in the world after the number of Chinese students.

— **Ravi VELLOOR** It is good that the ASEAN Economic Community has gotten off the ground after its launch in 2015. It has been positive so far, but there are still some important things that have yet to be done. The free movement of labor is not an easy thing, but that should not stop attempts to implement it. There is also a need to move things at a sustainable pace that is acceptable to the people of ASEAN.

The prospect and likelihood of Korea joining ASEAN is uncertain. This is because ASEAN likes to put contentious issues aside. If Korea joins ASEAN, it will bring the Korea-Japan historical issue into ASEAN. While ASEAN countries can forgive, but cannot forget what Japan did during its colonization of Southeast Asia during the World War II, Korea adopts a different approach vis-à-vis Japan on this issue.

The perception of Korean products in Southeast Asia differs depending on the industry and time. In

the past, it was generally perceived as inferior to Japanese products. However, the quality of Korean cars nowadays is just as good as Japanese ones, although in terms of branding, Japanese cars still have a slight edge in Southeast Asia. As shown by a Bloomberg index, however, Korea is definitely the leading country in terms of innovation. In light of the Fourth Industrial Revolution, Korea's innovative nature is going to be an important asset.

Korea can do more to be involved in ASEAN and create personal links with Southeast Asian people. For instance, there should be a Korean technology center set up in ASEAN where Korean and ASEAN students can interact and develop networks. Another example is that of the Samsung Innovation Center located outside of Seoul. There are 35,000 engineers employed there, of which 1,400 are foreigners, with a majority of these foreigners coming from India. More Southeast Asian engineers and other types of professionals should be encouraged to work in Korea. In terms of mind space, China and Japan still dominate in Southeast Asia, but Korea can certainly do a lot more in the Southeast Asian region.

It may also be timely for Korea to talk more with ASEAN about strategic issues. In 2010, when former President Lee Myung-bak spoke at the Shangri-la Dialogue in Singapore, he spoke about moving the Korea's focus away from Northeast Asia. However, this did not exactly materialize the continuous demand for the South Korean government to give continued attention on the issues of the Korean Peninsula.

In terms of people-to-people exchanges, while about 12 percent of Korea's population visits ASEAN countries each year, the reverse figure for Southeast Asians visiting Korea is much lower. To increase these numbers, Korea could work on promoting its Buddhist heritage to ASEAN, especially since there is a large Buddhist population in ASEAN and there are many historical Buddhist sites in Korea. More can also be done to improve connectivity between ASEAN cities and Korea. For instance, there is no direct flight between Singapore and Jeju.

Asia is currently going through a period of deep uncertainty and flux. Korea can contribute to the process of keeping the momentum of globalization going, especially given the global trends against it. Korea should work on the Regional Comprehensive Economic Partnership(RCEP) and with a minus one formula if necessary. Last week in Hanoi, there have also been talks about reviving the Trans-Pacific Partnership(TPP) even without the U.S. Korea should look at the TPP and join it, too, in the interests of globalized economies.

In response to Ambassador Lee Sun Jin's question about whether ASEAN can once again play the role of an "honest broker" between North and South Korea, ASEAN was able to do so back then since it had more bandwidth and it was not caught up over the South China Sea disputes yet. Back then, China had yet to get seriously involved in the South China Sea disputes. Nowadays, ASEAN is very caught up in its own issues so there is little energy or interests to go beyond the Southeast Asian region since these issues are already causing divisions within ASEAN.

— **Philip GOLINGAI** Malaysians can sometimes be living in their own "coconut shell" without knowing enough about what is happening in the outside world and about ASEAN "coconut shell" that they are supposed to be living in. From the viewpoint of an average ASEAN citizen, ASEAN only seems to be for the elites who attend the Leaders and Foreign Ministers meetings of ASEAN. There is a lack of awareness and thought to ASEAN integration among normal people in Southeast Asia.

The Korean engineering prowess in Malaysia has declined over the past few decades. For instance, in the 1980s, Hyundai had built the longest bridge in Malaysia and Samsung built one of the Petronas twin towers in Kuala Lumpur. However, in recent times, it feels like Korea has moved away from Malaysia, and instead China has increased its presence in the country. With regard to security issues, Korea can become a security ally of ASEAN to perhaps balance China's power in the region. Sometimes Malaysia is worried about China's behavior in the South

China Sea and it is becoming a big bully in general.

Regarding the Korean Wave, Korean dramas are very popular in Malaysia because the themes in Korean dramas about relationships and corporate life are universal. However, it is uncertain how long this Korean Wave will last as it may decline just as the Japanese and Hong Kong waves did. The next big thing to look out for is the Chinese Wave.

Regarding the media, both Korea and ASEAN should move away from print media, which belong to yesterday. A focus on online and social media as well as light-hearted stories is the way forward for media in the region.

One way to get ASEAN people more interested in ASEAN and Korea is perhaps to have a *Running Man* type program, a popular Korean TV program involving celebrities in ASEAN which features a famous Korean icon who travels across ASEAN.

— **Doreen YU** Regarding the South China Sea disputes, each ASEAN member is looking at it from their own interests and perspective. Therefore, ASEAN has not been able to come up with a common ASEAN statement which the G7 was able to do. ASEAN countries may be competing for Korean investments and grants. Korea's largest investments in ASEAN are currently in Vietnam and Indonesia. Korea's presence in the ten ASEAN countries is different. For instance, Hanjin is very big in the Philippines where it has two large shipyards, whereas its presence in some other ASEAN countries may be smaller.

While China and Japan are huge powers, Korea can offer some things that those two countries cannot. For instance, people in the Philippines are now very suspicious about China, whereas ASEAN might feel more comfortable with Korea. Moreover, Korea can also take the lead in many economic affairs such as the TPP.

Although the shared concerns of Korea and ASEAN are few and far between, there are some areas where there is definitely the need for cooperation in particular in the areas of transnational crime and cybercrime. There is already a great amount of cooper-

ation between the Philippines and Korea in dealing with transnational crime, but this can be further developed.

More can also be done to make it easier for ASEAN citizens to visit Korea. Although ASEAN citizens can access Jeju without a visa, it remains difficult for Indonesians and Filipinos to get visas to go to mainland Korea. There is also still a lack of direct flight from ASEAN countries to Jeju. The media tends to report on stories that capture the attention of readers. When it comes to Korea-related issues, the focus of the media is therefore still on North Korea. As such, a deliberate effort must be made to focus on South Korea-ASEAN relations and the possible areas of cooperation. Admittedly, a lot more can be done in this regard. For the Philippines STAR, there will be a greater push for more coverage on the South Korea-ASEAN relationship, especially since the two countries go a long way back in their bilateral relations. There should be more collaboration in media affairs within ASEAN and between Korea and ASEAN.

#### Keywords

ASEAN, Korea, Journalists, Media, Economic engagement



#### Policy Implications

- Korea and ASEAN should look beyond economic engagement and cooperate more on political, military and security issues.
- Despite being regions that are adjacent to each other, North-east Asia and Southeast Asia lack a deep understanding of each other's region which should be addressed.
- Deliberate efforts need to be made to highlight the South Korea-ASEAN relationship in the media since the focus of the media on the Korean Peninsula issues tends to be first and foremost about North Korea.
- Korea should leverage on the positive image that Southeast Asian people generally have of Korea due to the Korean Wave.
- ASEAN needs to do more to change its image away from an elite-driven one to one that the masses in Southeast Asia can identify with.

[ ASEAN 50th Anniversary Special Session II ]

## ASEAN Think Tank Summit: Korea-ASEAN Cooperation and the Role of Think Tanks in the Region



Chair	<b>SUH Chung-ha</b> President, Jeju Peace Institute <b>Carolina HERNANDEZ</b> Founding President, Institute for Strategic and Development Studies, Philippines
Keynote Speaker	<b>SUH Jeong-in</b> Ambassador of the Republic of Korea to ASEAN
Discussant	<b>Ralf EMMERS</b> Professor, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore <b>NGUYEN Duc Hung</b> Senior Adviser, Diplomatic Academy of Vietnam <b>LEE Sun-jin</b> Former Ambassador of the Republic of Korea to Indonesia <b>TAN See Seng</b> Professor, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore <b>Rahimah ABDULRAHIM</b> Executive Director, Habibie Center, Indonesia
Rapporteur	<b>Shawn HO</b> Associate Research Fellow, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore

— **SUH Chung-ha** The Association of Southeast Asian Nations(ASEAN) is playing a pivotal role in regional politics and economy in East Asia. Particularly, we need to take note of ASEAN centrality in regional bodies such as the East Asia Summit(EAS) and ASEAN Regional Forum(ARF). Likewise, ASEAN is in the center of the multilateral diplomacy in East Asia. Also, we need to take note that ASEAN as a regional association is evolving despite some skeptical views on ASEAN's future. The launching of ASEAN Economic Community epitomizes this progress.

There is a critical view that the Korean government and the Korean people have yet to recognize the importance of ASEAN to Korea. According to this view, the Korean government has not made efforts commensurate with the status of ASEAN. And the Korean people are short of understanding the importance of ASEAN fully.

— **SUH Jeong-in** In the political-security aspect, one of the ASEAN's greatest achievements is that since 1967, Southeast Asia has not witnessed any conven-

tional inter-state wars among its ten member states. Beyond the Southeast Asian region, ASEAN has also been the initiator of diplomatic and security cooperation in the wider Asia-Pacific region by launching the ARF in 1994 and ASEAN Defense Ministers Meeting Plus(ADMM-Plus) in 2010. In terms of achievements in the political-security dimension for Korea-ASEAN relations, Korea was given the status of ASEAN's Sectoral Dialogue Partner in 1989 and then Korea was elevated to a full Dialogue Partner by 1991. In 2010, both agreed to upgrade their cooperative partnership to the Strategic Partnership. Since 1989, Korea has hosted two Korea-ASEAN Commemorative Summits in 2009 and 2014 respectively. In 2012, Korea opened a dedicated diplomatic mission to ASEAN in Jakarta, Indonesia.

In the economic aspect, ASEAN formed the ASEAN Free Trade Area(AFTA) in 1992. By the end of 2015, the ASEAN Economic Community(AEC) was launched. ASEAN is now the sixth largest economy in the world with an estimated GDP of US dollar

\$2.6 trillion. ASEAN has been the main initiator of a broader regional economic integration agreement known as the Regional Comprehensive Economic Partnership(RCEP). As for the economic dimension of the Korea-ASEAN relationship, the Korea-ASEAN Free Trade-in-Goods Agreement was concluded in 2007 and this year will be the tenth year anniversary of this Free Trade Agreement. Furthermore, the ASEAN-Korea Center(AKC) was founded in 2009 to promote trade facilitation and investment between Korea and ASEAN. In addition, there are negotiations to further liberalize the existing Korea-ASEAN Free Trade Agreement.

In the socio-cultural aspect, ASEAN has also made tremendous progress. For instance, one in eight persons in ASEAN are now living under the poverty line of US dollar \$1.25 per day. ASEAN states have also attained literacy rates of more than 90 percent. People-to-People exchanges have significantly increased as well. ASEAN has become the number one foreign destination for Koreans. The number of ASEAN citizens who are living, working, and studying in Korea is the largest among the registered foreigners in Korea. In addition, Korea is planning to open up a dedicated ASEAN Culture House in September 2017 to raise Koreans' awareness of ASEAN's diverse cultures and heritages.

Regarding the future of Korea-ASEAN relations, ASEAN's experiences and knowledge on dialogue and cooperation will be very useful to Korea in maintaining peace and stability on the Korean Peninsula and in Northeast Asia. At the same time, Korea and ASEAN will also be able to enhance their collaboration on non-traditional security challenges. As for economic cooperation, Korea and ASEAN can join hands to establish a global value-chain as a way to grow their economies together. The future-oriented partnership will also help Korea and ASEAN prepare for the widespread technological disruption and the Fourth Industrial Revolution. On the topic of common challenges facing Korea and ASEAN, these include the challenges posed by rapidly aging societies and low birth rates. Looking

ahead, there is also a need to strengthen cultural bonds between the people of Korea and ASEAN and promote greater People-to-People exchanges.

Think tanks in Korea and ASEAN can work together to play a constructive role and contribute to policy-making. The formation of the ASEAN Institutes of Strategic and International Studies(ASEAN-ISIS) is a clear recognition of the important tasks and contributions that think tanks in the region have made so far. As ASEAN strives to reach its goal of becoming a "People-centered, People-oriented" community, it must earnestly reflect on its diverse communities' ideas and opinions. To do so, ASEAN's Track 1 must continue its close working relationship with Track 2 groups like ASEAN-ISIS. Some suggestions for the Track 2 entities of Korea and ASEAN to consider working together on are regarding the future of peace and stability on the Korean Peninsula and Northeast Asia as well as the creation of a Track 2 association for the EAS mechanism.

— **Ralf EMMERS** The major achievement of ASEAN would be conflict avoidance as there has not been an inter-state conflict in Southeast Asia since its founding. Another achievement is ASEAN's unique diplomatic culture of consensus and non-interference in internal affairs of each ASEAN member state as well as the centrality of ASEAN to the wider regional architecture.

As for the challenges, ASEAN has not done well in conflict resolution as it does not have the institutional capacity to resolve any kinds of controversial disputes. Although ASEAN is trying to make some progress in its political-security community, the glass is arguably "half-empty" in this regard. Despite 50 years of collaboration, there is still a significant trust deficit amongst Southeast Asian states. Another challenge is that ASEAN centrality should not be taken for granted as it is facing many challenges from both within and outside of ASEAN.

Regarding the implications of Brexit on the region, there are actually only a few implications for East Asia, especially since the processes of integra-

tion are so different between the EU and ASEAN. It may not be appropriate to compare the EU with ASEAN – the EU is about sharing sovereignty, whereas ASEAN does not involve any sharing of sovereignty. It is also very unlikely for any state in ASEAN to call for an exit from ASEAN despite the supposed momentum brought about in Europe by the United Kingdom(UK)'s exit from the EU. As the EU will be more inward looking over the next few years, this will mean less attention being paid by the EU to Southeast Asia.

— **NGUYEN Duc Hung** There are three opportunities of development that Korea could take advantage of to promote partnership with ASEAN: 1) “world manufacturing” is shifting from China to ASEAN; 2) the potential of ASEAN’s retail market with an expected population of 700 million and a GDP target of US dollar \$9,000 billion by 2030; 3) increasing economic integration of the AEC and the ongoing talks on RCEP which pave the way for new excellent business openings for all states in the region.

Despite there not being a mechanism in ASEAN to solve disputes, there are ways in ASEAN to prevent tensions from escalating. ASEAN centrality should also not be taken for granted. To maintain ASEAN centrality, ASEAN should be more innovative and creative in its approaches to Asia-Pacific issues to prove that it is an irreplaceable mechanism. To do so, it requires a leader and Indonesia should be ASEAN’s leader to better coordinate things.

— **LEE Sun-jin** The regional integration of ASEAN should also be cited as one of its achievements. Laos, despite having a GDP per capita of US dollar \$1700 and being one of the poorest states in ASEAN, had one third of its population across the border into Thailand in 2015 for business, travel, etc. It is also worth pointing out that Korea has invested more in ASEAN than in China since 2009. Korea’s biggest trading partner is China, followed by ASEAN.

Countries should work together and unite against the manipulation by major powers. For instance, there should be an early conclusion of the RCEP – Korea and ASEAN should take the lead in this and

bring other parties into the RCEP. Over ten years ago, ASEAN had played the role of the “honest broker” to bring the two Koreas closer together. Now is the time for ASEAN to renew this role, especially since the current domestic political climate in South Korea does not yet allow for dialogue with North Korea. According to ASEAN Secretariat statistics, intra-ASEAN trade and investment(Foreign Direct Investment and outflows) is increasing. Moreover, there is a much unregistered trade taking place in the border regions between ASEAN countries, only approximately ten percent of trade is registered.

— **TAN See Seng** Some of the advances in connectivity in the region are made due to contributions of ASEAN’s dialogue partners. A more dynamic and innovative ASEAN is required, especially if ASEAN wants to preserve its centrality in the region. Ironically, ASEAN centrality is defined in terms of its interactions with the wider world beyond ASEAN and not based on ASEAN’s own unity. ASEAN has done very well in its interactions with countries and regions outside of ASEAN.

There is a need for ASEAN economies to de-emphasize its trade links with outside powers and instead stress more on intra-ASEAN trade, especially since U.S. President Trump has an “America First” policy. Some questions that should be pondered include: What can ASEAN and Korea do and how can they strengthen ASEAN’s centrality in the face of China’s rise and greater central role in the region? On the other hand, if such Chinese dominance is good, how can Korea and ASEAN ensure that it brings prosperity to the region? Can the emergence of new networks and activities in the region contribute positively to ASEAN regionalism or will they undermine ASEAN in some ways?

— **Carolina HERNANDEZ** What was the role of think tanks in the development of ASEAN?

— **Rahimah ABDULRAHIM** The Habibie Center is not part of the ASEAN-ISIS network. As it is run independently, it is able to do more and push the boundaries to challenge issues such as the ASEAN Way and other sovereignty related issues. Besides Track

2 groups like the Council for Security Cooperation in the Asia Pacific(CSCAP) and the ASEAN-ISIS which have been pushing forward recommendations to governments, new think tanks and networks are also being formed nowadays as various states begin to open up. Implementable recommendations are always welcome by ASEAN.

Since the information is transmitted to the masses in different ways nowadays with the relative decline of the newspaper, think tanks have also gone into new media such as video blogs, YouTube channels, etc. There is therefore a need to look beyond the traditional avenues of organizing roundtables and to look at more targeted and strategic activities to engage with a wider audience. Korea’s interest to enhance Korea-ASEAN relations through the promotion of cultures is commendable. Think tanks also need to join this movement, learn more from Korea about cultural promotion, and do more to promote regional integration. Think tanks need to make themselves more relevant and enhance the awareness of ASEAN even with the ASEAN region – people in the region need to be made aware of what is ASEAN and what ASEAN means for them as an individual.

The emergence of new networks and activities in the region do not actually contribute much to ASEAN regionalism. This is because these think tanks operate outside of the formal ASEAN structure and the ASEAN Secretariat does not allow them to penetrate it.

#### Keywords

ASEAN, Korea, Think Tank



#### Policy Implications

- Think tanks in Korea and ASEAN need to do more to raise awareness of ASEAN and the role that ASEAN plays in the region.
- ASEAN has several achievements over the last 50 years, but it still has to deal with many challenges now and in the years ahead both from within the ASEAN and from external powers.
- ASEAN centrality cannot be taken for granted. ASEAN needs to do more to make itself relevant to the other major powers in the region so that they see the benefits of being involved in ASEAN-led mechanisms such as the East Asia Summit, ASEAN Regional Forum, ASEAN Defense Ministers Meeting Plus etc.
- Korea and ASEAN face similar geopolitical challenges vis-à-vis the great powers. Both parties can learn much from each other if there is more dialogue and effort made by governments and think tanks to enhance this relationship.

[ Global Leaders Session on Diplomacy and Security ]

## Middle Powers' Role for Asia's Future



**Moderator** **PARK Jin** President, Asia Future Institute / Former Chairman of Foreign Affairs, Trade and Unification Committee, Korean National Assembly  
**Discussant** **Marty NATALEGAWA** Former Foreign Minister of Indonesia  
**George YEO** Former Foreign Minister of Singapore  
**Gareth EVANS** Chancellor, Australian National University / Former Foreign Minister of Australia  
**Rapporteur** **Shawn HO** Associate Research Fellow, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore

— **PARK Jin** Following the election of Moon Jae-in as President, there are still many domestic issues that need to be settled and it will take a few weeks for the Korean Cabinet positions to be filled. As Korea considers itself as a middle power, the new Moon administration will continue efforts such as sustainable development (including climate change) and overseas development assistance.

Korea is still concerned about the impact of the Trump administration's "America First" policy. The security situation on the Korean Peninsula remains the immediate concern for South Korea; North Korea has done five nuclear tests and is making progress in their Inter-Continental Ballistic Missile (ICBM) capabilities. The U.S. is also increasingly concerned about the threat posed by North Korea and the Trump administration has created a policy of "maximum pressure and engagement" towards North Korea. The Moon administration will have to coordinate closely with the U.S. in order to deal effectively with the North Korean problem. Although China provides food and energy to North Korea, it is also concerned about North Korea's nuclear program. China, the U.S. and South Korea should work

together to deal with the North Korea problem.

In Northeast Asia, South Korea, China and Japan have been trying to create a sense of community and synergy as the three countries make up about 20 percent of global GDP. The Trilateral Cooperation Secretariat based in Seoul - an international organization established with a vision to promote peace and common prosperity among the three countries - is making a contribution in this regard. That being said, there remain problems between the countries. For instance, there is still the unresolved comfort women issue between Japan and South Korea and the prospect of the agreement between the two governments is being reversed by the new Moon administration.

As for the Association of Southeast Asian Nations (ASEAN) Korea relations, it is at an historic juncture from the Korean perspective. The ASEAN which will commemorate its 50th anniversary this year, is a lifeline to Korea economically, socially and culturally. The extent of the socio-cultural relationship is reflected by that fact that six million Korean tourists go to ASEAN every year. This means that approximately a third of Koreans who go overseas

annually go to ASEAN states. President Moon's decision to appoint a special envoy to ASEAN recently also shows that Korea takes ASEAN very seriously.

— **Marty NATALEGAWA** Power is the ability to effect change. However, power must be viewed in context. There is no league or table of countries that will always occupy their current position in such a league - their positions can get stronger or weaker over time. Since today's challenges are of a transformative nature, all kinds of countries need to embrace this reality and have a 21st century mentality that embraces constant change. The questions that need to be answered are: how can we snapshot something that is constantly changing? What are the currencies and contexts of power? What makes a country able to influence certain outcomes?

Middle powers believe in the efficacy of diplomacy and cooperative partnerships. These are qualities that are particularly important when there is a regression in dialogue and diplomacy. Nowadays, messages are being passed from one capital to another not by words, but via the deployment of military assets. It seems that governments have lost the art of communication with one another. Building bridges are more important than coalition building - middle powers like Indonesia believe that we can influence others most by being bridge builders, building consensus, and achieving cooperative partnerships.

Regarding the South China Sea issue, there have been changes in policies adopted by the Philippines regardless of whether these changes are intended or not. The reality is that the Philippines, through its change in outlook towards China after Duterte became President, has changed the dynamics of the South China Sea issue in the region. Some of the challenges in the region include trust deficits, territorial disputes and geopolitical shifts.

ASEAN has been transformative in changing the Southeast Asian region and intra-Southeast Asia relations. It has changed Southeast Asian countries from pawns in major power conflict to playing a central role in the regional architecture - ASEAN's most recent contribution is to the East Asia Summit (EAS)

process. ASEAN is also increasingly becoming people-centered, although this is still a work in progress. However, if ASEAN does more of the same, this will not be good enough for the next 50 years. ASEAN must continue to put on its thinking cap and constantly be transformative in its outlook. In this 50th year of ASEAN's founding, ASEAN must not be marked by just some ceremonial commemorative event and ASEAN must do more. There are two concrete contributions that ASEAN must promote. ASEAN must promote the non-use of force and the peaceful settlement of disputes in the wider region. ASEAN must also promote the notion of an EAS Treaty of Friendship and Cooperation, which means there will be no use of force among EAS countries. ASEAN should really empower and utilize the EAS; the EAS cannot be just an annual "hello and goodbye process" for its participants. It is therefore timely for the EAS to establish a peace and security council at the ambassadorial level in Jakarta in order for the various representatives to regularly exchange views on regional developments.

The ASEAN Regional Forum (ARF) has been relatively silent in recent times regarding the Korean Peninsula issues. If ASEAN is passive, it will regress and it will also be pulled in different directions by various demands and expectations of other countries. Therefore, ASEAN needs to prove its relevance on this critical issue.

— **George YEO** Singapore is not a middle power, but it is a middle sized city-state. By acting through ASEAN, Singapore has a greater voice on the international stage. In 2007, the then North Korean Foreign Minister Paek Nam Sun visited Singapore. He was diabetic and underwent some dialysis treatment in Singapore. Some bird's nest was given to Mr. Paek then. In the following year in Pyongyang, a North Korean official recalled this gift and said that he had shared a cup of bird's nest with Mr. Paek before the latter's death in November 2007. This episode showed that the North Koreans, like the South Koreans, are sentimental people. The North Koreans had also asked if they could send some of their leaders to

Singapore for treatment for their cardiac problems. They did not go to China for such treatment because they did not always have good experiences there.

When Singapore was the Chair of ASEAN in 2008, it was the last time that the Six Party Talks had convened at the Foreign Ministers level. It has been too long for this type of talks took place among the six parties. North Korea can be seen as a very rational power. It has always wanted to deal directly with the U.S. because it is of the view that this is an issue between them and the U.S. The North Koreans will not give up the nuclear card which they can use repeatedly. Now the only way for them to get the U.S.'s attention is to develop ICBMs. The U.S. over two administrations were of the view that time was against North Korea and if they just continued to maintain the pressure, North Korea would eventually change. Recent North Korean actions and advances in their missile technology capabilities have however made the U.S. pay more attention to them. Now that North Korea is more or less a threshold ICBM power, they find themselves in a new position. The U.S. finds this hard to accept. This may be an occasion to have some very tough negotiations since war should not be an option. China is also aware that if the North Koreans were to strike a peace agreement with the U.S., they will move towards U.S. and away from China.

The only alternative path for North Korea is to follow the Chinese model of development. However, if North Korea were to do so, they will be under greater control of the Chinese and North Korea does not want to be in that position. In a past conversation with a Chinese leader about North Korea, this Chinese leader had said that if North Korea were to open up their country, they would make even better progress than what Vietnam has achieved.

Regarding the Gaeosong Industrial Complex, its closure meant that it would be hard to restart the Complex and South Korea would have lost another deal of control over North Korea.

— **Gareth EVANS** Middle powers are different from great powers because middle powers are not eco-

nomically or militarily strong enough to impose their preferences on anyone else. However, middle powers are sufficiently capable to make an impact. There is also no common definition of what makes a middle power. What matters more is the kind of diplomacy that it practices. Such middle power diplomacy has a characteristic motivation in that there is a belief in the necessity of working cooperatively with others to address international challenges. Coalition building with like-minded countries is also another characteristic.

Middle powers can contribute by setting the agenda and bringing new ideas to the table, whereas bigger players which have too much baggage or who are stuck in their ways may not be able to do so. Middle powers can also build critical masses of support for regional and public goods and to create a rules-based international order.

The degree of effectiveness that middle powers can have depends on its resources. Middle powers need a wide amount of diplomatic posts and officials, which small states may not have. Middle powers also need to be creative: what middle powers lack can be made up with quick diplomatic footwork. This is evident in the new regional architecture. Middle powers also need to be credible and they need to avoid being hypocritical.

There are three areas where middle powers can make a difference: By setting the agenda of the EAS which is becoming the preeminent dialogue and policy making body in the region. Middle powers within the EAS have the capacity to set a substantive agenda if they work cooperatively together with one another. If ASEAN countries could get their act together and more comprehensively respond to the over-reach that China is manifesting in Southeast Asia. For instance, China has been showing very assertive behavior in the South China Sea. China is very content if they can recreate in Southeast Asia a kind of hegemonic relationship in which other countries pay tribute to them as a great regional power. There is therefore a need to push back against Chinese assertiveness in order to achieve longer

term peace and stability in the region. Middle powers (especially the U.S.'s formal allies such as Australia, Korea and Japan) can influence the nuclear agenda.

— **PARK Jin** What is the view from Australia of the decision by the U.S. to withdraw from the Trans-Pacific Partnership (TPP)?

— **Gareth EVANS** The opinion in Australia is divided. The TPP did not generate that many benefits for Australia, but a lot of concessions were made to the U.S. There was something flawed in the TPP's conception since China was never part of the negotiations. Most people in Australia see that the only future of regional trade lies with the Regional Comprehensive Economic Partnership (RCEP).

— **PARK Jin** The role of ASEAN has been very significant in the collective wisdom and middle power diplomacy to contribute to peace and diplomacy in the region. The EAS process has been very important. However, there has been relative silence on the North Korean issue in the ARF. What is the ASEAN perspective towards the Korean Peninsula?

— **Marty NATALEGAWA** ASEAN needs to take its collaboration to the next level. There are a few types of "dynamic equilibrium" that ASEAN used to have in the past. First, ASEAN has lived with and accepted the reality that all ASEAN states have different foreign policy orientations – some are closer to China, whereas some others are closer to the U.S. Yet, ASEAN states have the finesse and calibration to be able to accept that reality. Now ASEAN is beginning to lose that finesse and there are points of divergence within ASEAN. ASEAN must recalibrate and reset the past 50 years of consensus and view the diversity in foreign policy not as a problem but an opportunity. Second, ASEAN cannot be too inward looking and it cannot be concerned only with what is happening within Southeast Asia. It is important for ASEAN to go beyond responding to events and to shape them instead. ASEAN has been effective in bringing about the new dynamics in the Korean Peninsula issue in the past and it must now decide how it can take a lead on this issue. If not, ASEAN will be pulled

in different directions by external powers over this issue.

— **PARK Jin** Should there be an inter-Korea peace treaty before a North Korea-U.S. peace treaty?

— **George YEO** A peace treaty between the two Koreas will come after a North Korea-U.S. treaty. It is not realistic to have a peace treaty between the two Koreas before the issue is settled between major powers. Korean reunification can only occur when the great powers are aligned. What happens in China will always have a profound impact on what happens on the Korean Peninsula. Throughout history, when China was divided, Korea was divided too. Since China today is a pre-eminent power in Asia, from that perspective, the conditions might be good for Korean reunification. However, there are some other factors involved in this 21st century.

— **Marty NATALEGAWA** ASEAN unity is critically important for ASEAN to earn its leadership and relevance in this part of the world. The longer ASEAN is seen as divided, the more it will have a negative impact on ASEAN's credibility. The longer the division within ASEAN, the greater the risk of ASEAN becoming marginalized. It is therefore extremely important for ASEAN to be united and to be seen to be united. All ten ASEAN states must bring something to the table and be willing to make some concessions in their own national interests.

— **Gareth EVANS** ASEAN can get its act together. However, there are lots of leaders around the place, but not much leadership. ASEAN sometimes needs to have a consensus minus one, two or three formulas since Cambodia and Laos are "complete prisoners of China" at the moment. Besides them, the bulk of ASEAN can still achieve some consensus. ASEAN can still make a great difference vis-à-vis China. If there is no push-back against China, it will keep on expanding its influence in the region. China wants to be seen as a responsible stakeholder and to be respected. It does not want to push things to the point of confrontation.

## [ Q &amp; A ]

**Q.** There is a role for American allies to influence the U.S. in nuclear disarmament matters. How can middle powers affect President Trump's thinking?

**A. Gareth EVANS** There is a need to wait Trump out. Trump cannot deal rationally with major powers. People in South Korea are more worried about Trump than North Korea. There is no magic bullet solution on how middle powers in the present context can influence Trump. It is beyond redemption.

**Q.** What can the South Korea do to deal with the human rights situation in Myanmar and Philippines?

**A. George YEO** There is a need to be patient and each country in South Asia would have to accept for what it is. It is not easy for Koreans coming to Southeast Asia to understand deeply the local contradictions. Korea is economically important to ASEAN. If Korea can do more in other areas, it will also be appreciated.

**A. PARK Jin** Korea is committed to human rights and international public goods. President Moon will continue to strengthen the values and the Asian community. President Moon was a human rights lawyer before becoming a politician so he is very cautious about this human rights field.

**Keywords**

Diplomacy, Security, ASEAN, Middle Powers, Asia's Future, North Korea, United States

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**Policy Implications**

- Despite its numerous achievements over the past five decades, ASEAN needs to do more to make itself relevant to the rest of the region.
- ASEAN can possibly make a contribution to the Korean Peninsula issue through the ARF and via its member states' respective bilateral links with North Korea.
- A peace treaty between the two Koreas will only come after a North Korea-U.S. treaty.
- Middle powers need to come together more often to discuss what they can do collectively to shape international affairs.
- Middle powers can push back against China if they are united.

## Trump, Putin, and the Future of the Second Nuclear Age



**Moderator** **Ramesh THAKUR** Professor, Crawford School of Public Policy, Australian National University / Co-Convenor, Asia Pacific Leadership Network  
**Discussant** **Des BROWNE** Vice-Chairman, Nuclear Threat Initiative / Former Secretary of State for Defense of the United Kingdom  
**Gareth EVANS** Chancellor, Australian National University / Former Foreign Minister of Australia  
**KIM Sung-Hwan** Distinguished Professor, Hanyang University / Former Minister of Foreign Affairs and Trade of the Republic of Korea  
**Rapporteur** **CHOI Seung-chul** Former Staff Reporter, The Korea Herald

**Gareth EVANS** The world is closer now to a catastrophic nuclear weapons exchange than it has been at any time since the height of the Cold War. That is not an alarmist view, but now almost a mainstream view. It is a view adopted by the Bulletin of the Atomic Scientists, in this year moving the hands of its Doomsday clock to two and a half minutes to midnight, the closest they have been since the mid-1950s. And it is the view of those hard-headed Cold War realists, and previous staunch defenders of nuclear weapons, George Shultz, Henry Kissinger, Sam Nunn and Bill Perry.

The concern has four main components. First, even if no nuclear-armed state ever takes a deliberate decision to initiate a nuclear attack, so long as there are large numbers of nuclear weapons in existence (some 15,400 worldwide), and particularly so long as large numbers of these are actively operationally deployed (some 4,000) with a very large number of these in turn on high-alert launch status (some 2,000), there is a huge risk of a nuclear exchange being initiated by human or system error, accident or miscalculation. Given what we now know about how many times the supposedly very

sophisticated command and control systems of the U.S. and Soviet Union during the Cold War years were strained by mistakes and false alarms, human error and human idiocy; and given also what we both know, and can guess, about how much more sophisticated and capable cyber offence will be of overcoming cyber defense in the years ahead, that we have survived for over seven decades without a nuclear weapons catastrophe is not a matter of inherent system stability or great statesmanship. Second, the reality is that we have more nuclear-armed states than ever before. As bad as the risks were during most of the Cold War years, when there were just two opposing major nuclear powers, they have become dramatically compounded since the proliferation developments produced India, Pakistan and Israel as new nuclear armed states, and more recently North Korea in areas of great regional volatility, a history of violent conflict, and less sophisticated command and control systems. Third, at the very time that the world should be redoubling its efforts to move towards complete nuclear disarmament, and much stronger non-proliferation regimes, we are moving in the opposite direction. Despite all the

efforts of global civil society and the humanitarian impact, with close to 150 states recently supporting the commencement of serious UN negotiations on a nuclear weapons ban treaty, all the present nuclear armed states – and nearly all their partners and allies including, Australia are vigorously opposing event tentative first steps toward disarmament. The U.S. and Russia are dramatically modernizing their arsenals, and everywhere in Asia nuclear weapons numbers are increasing, not diminishing. Fourth, this is the main reason why the pro-disarmament atmosphere has changed so dramatically since the heady days of President Obama's Prague speech in 2009. The world has not had the leadership on this issue that is critically necessary. The problem began with Russia's President Putin, and has dramatically compounded by the election in the U.S.

When Russia annexed Crimea in 2014, Putin has announced his readiness to put Russian nuclear forces on alert, and since then has regularly talked up the usability of nuclear weapons in a language not heard since the Cold War years. He walked away from longstanding cooperative nuclear threat reduction arrangements, boycotted the 2016 Nuclear Security Summit and has ruled out any arms control concessions on tactical nuclear weapons, and Russia has now been seen to be not complying with the Intermediate-Range Nuclear Forces(INF) Treaty for several years.

About the only nuclear arms limitation agreement to which Putin seems to remain committed to is the New Strategic Arms Reduction Treaty(START), negotiated with Obama, which has resulted in significant reductions in deploying strategic weapons. But when Putin proposed to President Trump that the treaty be extended to 2021, Trump said it was a bad deal after asking his aides about the treaty. This was consistent with his tweet in December saying "The U.S. must greatly strengthen and expand its nuclear capability," with a response to MSNBC seeking clarification "Let it be an arms race. We will outmatch them, and outlast them all." This and multiple other similarly extraordinary statements from

Trump have certainly describe him in a speech to the National Press Club in Australia as 'manifestly the most ill-informed, under-prepared, ethically-challenged and psychologically ill-equipped President in U.S. history.' If we had occasion to be worried before about miscalculation, misjudgment, human error and human idiocy in the handling of nuclear weapons, those fears are now even more real.

An article in *Foreign Policy* three weeks ago was headed "South Korea is More Worried about Donald Trump than Kim Jong-Un" and one can easily see why. I have not ranked the situation in North Korea among my main nuclear concerns, notwithstanding its rapidly increasing capability. I continue to believe that Pyongyang's overwhelming interest is in regime survival, and knows well that to be homicidal with whatever nuclear capability it now has been guaranteed to be suicidal. The only available policy response that makes any sense is containment, deterrence and keeping the door open for negotiations. Achieving a reversal of North Korea's program will be hugely difficult, but a freezing of the present situation seems to be conceivable if cooler and more constructive heads.

Similarly, I believe the fear about terrorist groups obtaining and exploding a full scale fission bomb as distinct from a dirty bomb using more readily available radioactive material, tends to be exaggerated. Lone-wolf terrorist attacks that we have seen in Manchester and elsewhere may almost be impossible to counter. However, to assemble and maintain a large team of criminal operatives, scientists and engineers necessary to acquire the components of large weapons, and building and delivering such weapons for a long period would be a formidably difficult undertaking. The real nuclear problem of this age is the obduracy of the nuclear-armed states, and in particular the two largest of them, possessing between them well over 90 of the world's nuclear weapons stockpiles. I am optimistic about many things, but it is hard to be anything but pessimistic about the possibility of real progress toward nuclear disarmament being made anytime soon.

— **KIM Sung-Hwan** Between Presidents Trump and Putin, who do you think will be more challenging for your new president to manage in relation to Korean nuclear issues? While Russia's position on the North Korean nuclear issue is relatively well-known, it is true that there have been a certain amount of confusion regarding the Trump administration's stance on North Korea, given President Trump's conflicting remarks and given the fact that the majority of key decision-makers are still to be nominated. However, the Trump administration, after reviewing its North Korea policy, has made clear that its policy of "strategic patience" is over, and that it will now pursue "maximum pressure and engagement." President Trump himself has said on multiple occasions that the North Korean nuclear and missile threats have become the top priority for U.S. foreign policy, making clear that he will not stand idle against North Korea's repeated provocations. In particular, President Trump has been seen to exert much effort to elicit active cooperation from China, which has a central role to play in the North Korean issue.

While some predict that there will be discord between the newly-elected President Moon Jae-in and President Trump on their North Korean policies, I believe the two sides will nevertheless be able to coordinate closely with each other, given the unprecedented gravity and urgency of the North Korean nuclear and missile threat. Indeed, many experts share the opinion that the Moon administration's North Korean policy will not be simply returning to the Sunshine Policy, but pursuing carrots and sticks at the same time taking into account the current situation on the Korean Peninsula; and that therefore, it will not be fundamentally incompatible with the Trump administration's position. Above all else, it is critical that the leaders of Korea and the U.S. and Russia meet at the earliest possible date to overcome the long vacancy in bilateral Summit diplomacy and to establish a common North Korean strategy.

President Trump has not said much about his ideas for ballistic missile defense, though Russia and China share concerns on the issue. Yet he has made

an executive order to carry out a Ballistic Missile Defense Review "to identify ways of strengthening missile defense capabilities, rebalancing homeland and theater defense priorities, and highlighting priority funding areas." Therefore, it would be too early to predict how the issue will play out until the new Review is out. The new Review would most likely take into account: the threat of North Korea's Intercontinental Ballistic Missile(ICBM) development; the demand by the Congress to expand the scope of Missile Defense(MD); the MD budget cut; and opposition from China and Russia to the expansion of U.S. MD, among others.

Despite the relations between China, Russia and the U.S. being "at an all-time low(according to President Putin), " the U.S. and Russia are maintaining close high-level consultations on the North Korean nuclear issue as one of the top priorities. While there exist differences between the U.S. and Russia on their approach toward North Korea, such as the timing of the resumption of dialogue, in order for meaningful denuclearization talks to take place, it is important for the two sides to leave no daylight in maintaining the current strong, sustained pressure campaign against North Korea. The two sides must implement fully all relevant UN Security Council resolutions, and make clear that they will take "further significant measures, including sanctions," against any further provocations by North Korea, as stated in the UN Security Council Press Statement adopted against North Korea's April. 16 ballistic missile test.

Given that Russia and the U.S. hold over 90 percent of global nuclear warhead stockpiles, what sort of leadership should the rest of us seek to unite the world behind a credible and practical pathway to containing, reducing, and eliminating nuclear threats? Can Trump and Putin morph into Reagan and Gorbachev on this issue? Bilateral reduction efforts by the U.S. and Russia have been critical to reducing global nuclear warheads by 80 percent, from what used to peak at 70,300 warheads in 1986 to around 15,000 today.

However, U.S.-Russia conflicts in recent years around Ukraine and Syria, as well as an alleged Russian intervention in U.S. presidential elections, have led to a stall in nuclear disarmament talks, such as follow-up talks to the New-START. The start of negotiations in the UN on a Nuclear Ban Treaty this year reflects the international community's frustration over the lack of progress in nuclear disarmament. It is important for the U.S. and Russia, which together possess over 90 percent of the global nuclear stockpile, to restart nuclear disarmament negotiations in order to achieve any progress in global nuclear disarmament. It is important for the two sides to discuss as soon as possible regarding the issue of extending by five years the New-START, which is set to terminate in 2021. Furthermore, the two nuclear powers should also defuse any uncertainties about a possible nuclear arms race by establishing and making public their nuclear policies, such as the new Nuclear Postures Review that President Trump ordered. In the long run, it would be important to establish a multilateral nuclear disarmament process in order to strengthen confidence-building and increase transparency. In particular, there needs to be a multilateral nuclear verification regime which involves not only nuclear weapon states, but also non-nuclear weapon states, which is critical to increasing transparency. Finally, potentially at least U.S. allies who shelter under the U.S. nuclear umbrella – non-nuclear North Atlantic Treaty Organization(NATO) allies in Europe and Australia, Japan and the Republic of Korea in this region can bridge the two camps. Instead, they have almost all sided with the nuclear weapons in opposing and boycotting the UN talks to ban the bomb.

The so-called “umbrella states,” including NATO members, Australia, Japan and Korea participated actively in the Open-ended Working Group(OEWG) meetings and sought to reach an understanding on their stance through multiple working papers and discussions. However, it is my understanding that the umbrella states became disappointed and disillusioned as the meetings progressed, which were op-

erated on a majority-vote decision-making process. Given that the proponents of a nuclear ban vastly outnumbered the umbrella states, the latter felt that their views were not sufficiently reflected in the final document and that any future negotiations similarly based on majority-rule would only lead to the same outcome.

It is important to recognize that all nuclear weapon states and umbrella states alike agree on the ultimate goal of abolishing nuclear weapons. However, it is also important to recognize that the abolishment of nuclear weapons is directly related to their security, and therefore, any talks on nuclear disarmament need to take into account their security concerns. In order to defend against the ever-increasing threat of North Korean nuclear and missile programs, Korea has realistically no other choice but to rely on extended deterrence by the U.S. As such, nuclear weapon states and umbrella states have supported progressive nuclear disarmament through diverse measures such as the Comprehensive Nuclear Test Ban Treaty(CTBT), Fissile Material Cutoff Treaty(FMCT), and nuclear disarmament verification. In order to gain their buy-in for meaningful nuclear disarmament, to start with those measures rather than push for a nuclear weapon ban treaty which will never be able to earn the support of nuclear weapons states.

— **Des BROWNE** The quality of U.S. & Russian nuclear decision making is consistent with the theme of this panel. Then what should we expect in European strategic affairs during the Trump–Putin years? The best we can say about any emerging Trump policy on Euro-Atlantic security is that it will be uncertain, undisciplined, and unpredictable.

The two constant viewpoints that Trump has carried from his campaign to his presidency are his professed desire to improve U.S.-Russia relations and emphasis on a greater contribution from NATO allies to defense. However, we have already seen U.S.-Russia bilateral relations further complicated by the handling of the Federal Bureau of Investigation Director, James Comey's dismissal and the

ongoing investigations about Russia's interference in the 2016 U.S. election. The atmosphere in Washington is increasingly toxic, and the future of relations between Washington and Moscow is increasingly uncertain. We should know more following the NATO summit and the first meeting between presidents Trump and Putin, which could take place on the margins of the G20 meeting in Hamburg. Although it would be at least too early, if not a mistake, to try and discern a U.S. policy pattern from either meeting.

With regard to the concerns shared by Russia and China about the ballistic missile defense, we can presume that President Trump's approach will be driven largely by the traditional Republican support for missile defense. The key question is that will be at what cost and who will pay? Even with U.S. support, it is not clear that NATO-Asia allies will support U.S. missile defense priorities, as there are several other considerations and developments in play. This includes the new South Korean president Moon Jae-in who has questioned the deployment of Terminal High Altitude Area Defense(THAAD) and the broader U.S.-China dynamic where missile defense is clearly an issue that could impact China's willingness to cooperate on North Korea.

President Trump clearly believes that Russia can be an asset and has a role to play on the issue of dealing with North Korea as they are moving in opposition to nuclear weaponization by North Korea. Note, the White House statement, which looks to have been dictated by President Trump about North Korea's most recent test being closer to Russia than Japan. However, dealing with North Korea has become wrapped up in the uncertainty of U.S.-Russia relations. It is unclear whether Putin sees North Korea as an important area of U.S.-Russia relations or whether he believes it can be leveraged with other things, in particular given the early phase of the Trump presidency has been so unpredictable. There is no scenario where the U.S. abandons the Iran deal helps with Russia or North Korea. Russia made significant investments to get the Iran deal negotiated

and would act negatively to the U.S. walking away or threatening the survival of the deal. And, how would there be any hope in convincing North Korea to abide by an international deal if the U.S. walks away from such a high profile agreement as with Iran?

The ongoing negotiations for a treaty on the prohibition of nuclear weapons is clearly driven by a sense of frustration from the vast majority of countries around the world about the lack of progress in disarmament. While the nuclear weapon states and their allies view this treaty as contradictory to their national policies and a security-centric approach to disarmament. It does not make sense to me that they are not willing to even acknowledge, let alone observe, the negotiations of the treaty. These countries might not feel they necessarily want to “influence” the negotiations, but the fact that over 120 countries are negotiating this treaty means, whether states like it or not, there will likely be a treaty agreed within a year. A much more constructive approach would be to acknowledge the treaty, observe the negotiations, and be willing to engage.

#### Keywords

Putin, THAAD, NPT, U.S.-Russia relations, leadership



#### Policy Implications

- North Korea's overwhelming interest seems to be in regime survival. Therefore, the only available policy response would be containment, deterrence and keeping the door open for negotiations. Achieving a reversal of North Korea's nuclear program will be hugely difficult.
- U.S.-Russia conflicts in recent years around Ukraine and Syria, as well as an alleged Russian intervention in U.S. presidential elections, have led to a stall in nuclear disarmament talks, which makes it important for the U.S. and Russia. They possess over 90 percent of the global nuclear stockpile, to restart nuclear disarmament negotiations in order to achieve any progress in global nuclear disarmament.

## Identifying Roles of Local Governments in Expanding Peace



Chair **KO Seong Joon** Emeritus Professor, Jeju National University  
 Keynote Speaker **WON Heeryong** Governor, Jeju Special Self-Governing Province  
**Yasuyoshi KOMIZO** Chairperson, Hiroshima Peace Culture Foundation, Japan  
**Marianne GERDES** Executive Director, Ilan-Lael Foundation, United States  
 Rapporteur **LEE Eunjeong** Administrative Coordinator, Jeju Unification Education Center

— **WON Heeryong** Jeju Island, a venue for discussion on peace in Northeast Asia, was designated in 2005 as the Island of World Peace so that it may develop into a buffering zone to prevent and solve international disputes and conflicts. In this spirit, Jeju Island should continue to make efforts to contribute not only to peace on the Korean Peninsula but also in Northeast Asia and the world.

Peace is the ideal and goal for world citizens, but the recent global situation shows the transformation of the world order into one prioritizing national interests amid the rise of protectionism and pursuit of hegemony among the superpowers. The expansion of peace requires cooperation beyond national interests. In this respect, cities can more freely engage in activities free from national interests than state units. To build peace on the Korean Peninsula and expand it to East Asia, an inter-city solidarity to propagate the value of peace is necessary.

The Alliance of World Peace Cities is an outpost to expand peace on a global level, which was joined by cities that have experienced the atrocities of wars in the past, or host international conferences and organizations. Those who have had direct experience

of violence have a stronger desire for peace. The two atomic bombs dropped onto Hiroshima and Nagasaki devastated the two cities into ashes, and no grass or trees are believed to grow there until 2020. The cities pushed ahead with “Mayors for Peace” to share the experience of the atomic bombing and their wish for peace, and to disseminate this to every corner of the world with the next generation. Starting from 1982, the conference has made efforts to realize the “2020 Vision” that demands all deployed nuclear weapons be dismantled and all nuclear weapons in the world be destroyed by 2020 under the Non-Proliferation Treaty. Jeju Province has officially joined Mayors for Peace recently. It is an organization set up exclusively for peace itself, independent of certain states, cities or political interests. It is one of the best examples of diplomacy of “Peace Cities” delivering to the world peace messages based on their painful experiences.

I would like to emphasize three points. First of all, it should be recognized that activities to practice peace are not appropriated solely by the state. State-organized activities to practice peace have limitations, but track two diplomacy led by the

private sector or city units is relatively free from national interests. Second, solidarity among cities should be more solidified and developed for the purpose of expansion of peace. Alliances and cooperation among cities will give momentum to the activities of local governments to practice peace. The tentatively named “World Peace City Forum,” a platform on which the Peace Cities gather together to share exemplary peace-practicing activities, seek cooperative measures, and formulate joint projects, will be held on a regular basis in close collaboration with the Jeju Forum. Lastly, Jeju Province will push ahead with various peace-practicing activities with cities and the private sector. It also hopes that North Korean cities will join us in expanding peace in the near future.

— **Yasuyoshi KOMIZO** In August 1945, Hiroshima and Nagasaki were ruined by atomic bombs. By the end of the year, a total of 210,000 people lost their precious lives in both cities, and the survivors are still living in agony, suffering from health problems and social discrimination. Though most of them are almost 80 years old, the victims of the atomic air raids are spreading the humanitarian message that nobody should experience the same tragedy they went through. The message has many implications for the young generation.

In full consensus with the idea of Hiroshima and Nagasaki cities, Mayors for Peace, as heads of local governments responsible for the safety and welfare of their citizens, have been engaging in humanitarian and supra-partisan activities to achieve peace without nuclear weapons. So far, 7,355 cities in 162 countries have joined as members, and they are making their best efforts to establish an international system to eradicate all nuclear arms in the world by 2020.

About 15,000 nuclear arms still exist now, and disputes can possibly develop into armed conflicts amid rising exclusiveness and uncertainty in the international arena. Since the end of the 1960s, more than 1,000 nuclear arms accidents have taken place, and there were about ten occasions which could

have led to the Third World War. This indicates the possibility of an outbreak of nuclear war, possibly by accidents. In the face of the reality of nuclear proliferation such as the nuclear development by North Korea, security by means of nuclear deterrence can be maintained just temporarily, and this deterrence by military force is destined to fail in the medium to long term and will eventually end up with armed clashes.

Mayors for Peace emphasizes that a civil movement is necessary for a world free of nuclear weapons. It is trying to lay a solid foundation for nuclear disarmament and sustainable world peace. Especially, it is organizing meetings with the victims of the atomic bombings in Hiroshima and Nagasaki to make public the realities of atomic bombing and pursuing UN treaties to abolish nuclear weapons. It is also engaging in activities to lay a basis for sustainable world peace. They are part of efforts to promote brotherhood by helping people acknowledge their differences and have shared values and goals.

— **Marianne GERDES** While uncertainties prevail in global society, many countries look to the U.S., anticipating peace and stability. But world peace cannot be achieved by the efforts of a single country, and it requires citizens’ efforts as much as that of a government. To achieve peace, it is necessary to recognize and respect the values of the Pacific Rim Park and to tackle problems on the basis of trust. The Pacific Rim Park project, joined by students and architects, promotes exchange and the sharing of culture, arts and future visions. Each park has its own characteristics and provides various educational values.

The Pacific Rim Park project is pursued on three levels. First, students from across the world contribute their creativity, energy and passion. Next, local governments who provide land for the parks and citizens from around the globe play respectively important roles. Students have the experience of becoming citizens of the Pacific Rim and perform a role in bridging the Pacific Rim communities. The parks also enhance the value of host cities. This pro-

cess is making the vision of James Hubbell, founder of the Park Foundation, come true. He built a Pacific Rim Park in Vladivostok, Russia, following the collapse of the communist regime in the Union of Soviet Socialist Republics(USSR). Each park, built through international exchanges, has its own cultural identity and vision.

The conference held for four days in San Diego last May showed the effect of the experience of visiting the parks, and how the power of art moves local communities and expands peace to every corner of the world. There are plans to construct more parks that need the cooperation of member countries of the Pacific Rim Park and cities. The participants in the project are from different regions and countries, and have different opinions, but are trying to expand peace.

At the meeting last month, they decided to have the third meeting of the Pacific Rim Park community at the Jeju Forum next year. Jeju City is emerging as a leader in the Pacific Rim community and is expected to play a main role in expanding peace in the future.

#### Keywords

Peace expansion, Coalition among cities, World Peace City Forum, Peace Mayors conference, Establishment of Pacific Rim Peace Park

### Policy Implications

#### Continuous efforts should be made to contribute to the expansion of world peace to:

- Build a coalition among cities beyond states.
- Hold the World Peace City Forum on a regular basis: The Peace Cities proposed to hold the "World Peace City Forum" jointly with the Jeju Forum to explore cooperative measures.

#### Ties among cities made through the Peace Mayors conference

- To share a wish for peace with the next generation and spread it to the world, the Peace Mayors conference will be pushed forward.
- Diplomacy by Peace Cities led by local governments with a painful history will deliver peace messages to cities all over the world.

#### A project to establish Pacific Rim Peace Parks

- The value of the Pacific Rim will be respected, and problems solved through mutual trust.
- Overcoming the barriers of language and culture, it will study and honor the value of universal humanity.
- Jeju Province is expected to emerge as a leader of the Pacific Rim and play a role in cultural exchanges for the dissemination of peace.

## Why They Suffer: A Reality Report on North Korea's Human Rights



Moderator	<b>OH Joon</b> Professor, Kyung Hee University / Former Ambassador of Republic of Korea to the United Nations
Keynote Speaker	<b>Michael KIRBY</b> Former Chairman of the UN Commission of Inquiry DPRK
Discussant	<b>LEE Junghoon</b> Ambassador-at-large for North Korean Human Rights <b>Anna FIFIELD</b> Tokyo Bureau Chief, The Washington Post <b>PARK Sokeel</b> Director of Research and Strategy, Liberty in North Korea <b>LEE Hyeonsoo</b> North Korean Human Rights Activist
Rapporteur	<b>KIH Jiyun</b> Research Fellow, Jeju Peace Institute

— **OH Joon** In February 2014, the UN's Commission of Inquiry into human rights in North Korea published a report detailing human rights abuses committed by the country's leadership against its own people. This is an important and historic report, through which many people became aware of the seriousness of the North Korean's human rights issue.

— **Michael KIRBY** North Korea is worthy of the attention of all of us because it is a country that has undoubtedly reached a very dangerous moment. From the point of view of peace and security and the future of humanity and its own people it is therefore appropriate that we should examine the preconditions for international peace and security. These include the observance of universal human rights and accountability for crimes against humanity. I am not, and never have been, an expert in military matters. I am not an expert in geopolitical analysis. My expertise relevant to North Korea is the expertise that led to my appointment by the President of the United Nations Human Rights Council (UNHRC) to be the Chair of the Commission of Inquiry (COI) on Human Rights in the Democratic People's Republic

of Korea (DPRK). It is an expertise in international human rights law and an experience in United Nations human rights activities and policy.

The COI was given the task to examine a mandate which had nine headings relating to particular issues which were thought to require examination from the human rights point of view. We were not at large. We were not authorized to examine the geopolitical or security concerns of North Korea for the world. Our focus was narrow and particular. It was the human rights focus. We met as a COI for the first time in July 2013. We had to get our report written by January 2014. The report was completed in just over six months. It was delivered within budget and on time. It was unanimous. It is readable and that was its strength. It recounted the COI's findings on the human rights situation in the DPRK. It identified the human rights violations which amounted to crimes against humanity. These included: the violations of freedom of thought, opinion and religion; the violation of the right to food and widespread starvation despite the development of new weapons; the imposition of a classification of social class that impeded

and restricts human equality; the restrictions on freedom of movement; the arbitrary detention, torture and executions of alleged enemies of the people and their families, the enforced disappearance and abduction of Koreans and foreign nationals – including of many Japanese nationals admitted by DPRK in 2002.

The report created something of a sensation in the UNHRC. It then attracted very strong supportive votes in the UN institutions. Generally, the Human Rights Council is deeply divided about human rights issues and there is often a geopolitical alignment of countries concerning how they should respond. But the votes on the report of the COI on DPRK were extremely strong. They supported the report. They sent it off to the General Assembly(GA) with a proposal that the GA should pick up the COI's suggestion and send the matter to the Security Council. This is a very rare thing to do in the case of human rights concerns because they are inevitably political and divisive. However, the GA voted very strongly to support the recommendations of the COI. There were relatively few twenty negative votes when it came to the proposal for follow up action on the report. It was at that stage that the DPRK at last began to be very concerned about the report. We had recommended, in the report, that the case of North Korea should be referred to a prosecutor at the International Criminal Court(ICC). So far, there has been no resolution placed before the Security Council to secure that end. That is because it has been made reasonably clear that China, and possibly the Russian Federation, would not agree. Therefore, that form of accountability has been effectively vetoed, at least until now.

The failure to secure accountability in this way led to a new recommendation of the Office of the United Nations High Commissioner for Human Rights(OHCHR) to the UNHRC for a new committee of experts to look again at how this could be done. The report by the new committee of experts was delivered to the UNHRC in February 2017. The committee recommended that there should be fur-

ther exploration of the possibility of a special tribunal and of educative means, including amongst the North Korean community in South Korea, to review what has been happening in the DPRK. This was accepted by the UNHRC which has also recommended that the UNHRC field office in South Korea should continue the collection of testimony from people who have suffered in North Korea and should do that in a form that could ultimately become the basis of a brief for a prosecutor, in whatever tribunal the matter may ultimately end up, whether the ICC or some different body. On the presentation the report to the UNHRC in March 2014, the COI's mandate formally finished. However, there have been many occasions to continue my involvement, because the DPRK is a great puzzle that is of deep concern to people in many countries of the world. A puzzle of what can be done in the face of such intransigence on the part of the country concerned. The risks of even greater security dangers and the possible use of weapons will be extremely dangerous for the DPRK itself, and for the Republic of Korea, China and the surrounding countries.

In March 2017 I was invited to attend a meeting in the National Assembly of the Republic of Korea. What was specially interesting at the session of the National Assembly was the response of those people who were present who had links with then Opposition parties in the ROK concerning the question of what should now be done. This could be very important because, as expected, the Opposition parties won the ROK presidential election on May. 9, 2017 to replace former President Park Guen-hye. She had been removed from office following constitutional impeachment. President Moon Jae-in has now assumed office. He has promised a fresh and different approach and greater engagement with the DPRK. The view that was expressed in March 2017 by one of the Opposition supporters at the National Assembly was that the role of South Korea was not to harass North Korea over its human rights record. It was to improve the outlook of human rights in North Korea and to assist North Korea to come to a

realization about human rights for itself. It would be quite wrong for South Korea to do more than that. The problem is that North Korea is a country without access for its nationals to the internet and without access to civil society organizations not controlled by the government. It is therefore very difficult to conceive of how the people of the DPRK could reach their own views except the views that are given to them by the authorities in power. Other things were said at the National Assembly about how the Opposition might approach the issue if elected to government. Still, it is a familiar phenomenon, once people are elected to government they then have the responsibilities of government. The people of DPRK can be expected to react accordingly. When governmental responsibilities descend upon new people, they will trouble to read the report of the UN COI and find out what has happened in North Korea of the UN COI on DPRK. If they do that, they will surely come to the conclusion that leaving things alone is not really a sensible policy. Even from the point of view of security, it is potentially a dangerous policy. Something has to be done to respond to the human rights situation in North Korea.

A difficulty that the COI experienced in dialogue within South Korea, there has been such a strong antipathy between Government and Opposition. This made it difficult, in the past, to persuade members of the Opposition to come along and engage on these issues. However, that is the value of the report. The report collects material. It respects the people who have suffered. It brings their words, recounting their suffering, to the attention of their own government and to the attention of the international community. How we respond to those concerns is going to be a test for our fidelity to the immediate Post-World War II decision that crimes against humanity should always be dealt with and that it is the obligation of the United Nations to do so where the country concerned refuses, or fails, to do so. The UN High Commissioner for Human Rights, Prince Zeid Ra'ad Al Hussein, in his speech at the opening of the most recent session of the UNHRC in February 2017,

pointed out that, in the Charter of the UN, the Preamble contains the three great principles for the formation and work of the United Nations. The first of them is observance of universal human rights, which was important to realize that respect for universal human rights is interconnected with peace and security. That is undoubtedly so. Without protection and accountability for human rights, the dream of peace and security for the Korean Peninsula will remain illusory. The present situation in North Korea is dangerous to the human rights of the people of that country. But it is also dangerous for the peace and security of the region and the world because of the nuclear weapons, missiles and army facilities DPRK can now deploy. That is why the world, in its understandable desire to secure a peaceful resolution of the dangers of North Korea, must not forget the report of the UN inquiry into human rights in that country.

— **LEE Junghoon** The report published by the UN's commission of Inquiry into human rights in North Korea has made tremendous contributions to promoting people's awareness about abuses of human rights in North Korea. They are threatening nuclear attacks. It sounds surreal, but it is escalating. Secondary boycott and sanctions are some of the possible actions that can be taken regarding North Korea. North Korea is no doubt, proceeding with the development of the ICBM. We do not know if it can carry a nuclear warhead, but it is certainly trying. This will be one century of the Kim regime. North Korea is a unique, totalitarian state. Under such circumstances, abuses of human rights in North Korea are still ongoing. These are crimes against humanity. North Korea is violating every single article in the Universal Declaration of Human Rights. Then why do they suffer now? We all know the answer to the question. We need to think about what we can do, rather than what the problem is. Are we doing what needs to be done? Are economic sanctions enough to address the human rights problems? I believe the current level of sanctions imposed on the North Korean regime is not enough. There are many loopholes that can be

found in the current sanctions imposed on the North.

— **LEE Hyeonsoe** Stay and endure a life of privation and oppression or escape and risk being sold into sexual slavery: this is the stark choice facing many women in North Korea. Greater protection is required for North Koreans who manage to flee especially women, many are captured in China and sold into prostitution or end up in forced marriages. All but the lucky few will live the rest of their lives in utter misery. They will be repeatedly raped day in and day out by an endless supply of customers who enrich their captors at their expense. There is no asylum once they reach the other side, they are regarded as illegal migrants and face deportation if caught and then severe punishment in North Korea. The women are in an incredibly vulnerable position. They have little choice but to trust the brokers smuggling them out. But there is no one to turn to if things go wrong. North Korean women and girls run a gauntlet of forced marriage, and sexual abuse, in China as a de facto requirement to escape to a third country.

— **Anna FIFIELD** I have been there a dozen times and follow news from North Korea very closely. I have special responsibility for informing the outside world of the North Korean human rights situation. Now, nearly everyone is well aware of the seriousness of the North Korean human rights situations. However, we now have difficulty in obtaining more information from North Korean defectors, because they ask us to give money in return for the information they provide. Therefore, it is getting more difficult to get enough information from the North Korean defectors, now. This serves as a huge obstacle to writing enough articles that can be distributed to the outside world.

— **PARK Sokeel** We need to discuss the current state of North Korean human rights, changes, and solutions. With regards to the problem itself, North Korea is one of the world's most isolated states. No information can be flowed into North Korea. Political education and totalitarian message are infused into the minds of the North Korean people. It is nearly unimaginable. However, we are also witnessing some

symptoms of change inside the North Korean society, the North Korean economy, and media. I would like to discuss some important changes underlying the North Korean economy. What we are witnessing is the decentralization of North Korean economic activities. A large number of people are observed to start their own business. Some North Korean conglomerates can also be found in the North Korean economy. This is a remarkable phenomenon proving that the North Korean economy is undergoing the process of transitioning into a capitalist economy. It also means the loss of control imposed on the national economy by the North Korean regime. Interestingly, the market is beginning to emerge. We have discovered that many South Korean and Hollywood films are flowed into the North Korean economy. Many information technology tools such as laptop computers, mobile phones, tablet PCs are being used as important devices to break into the government's block. Corruption has immensely increased in North Korea. People seem to realize that they can survive only when they break the rules. Money and connection can make them do everything in their society. What needs to be done is to raise the amount of information that can be flowed into the North Korean society. I believe that these efforts can bring tangible change to the North Korean society.

#### Keywords

North Korea, Human Rights, Refugee, Peace, Commission on Inquiry



#### Policy Implications

- Ensuring human rights protection is the surest path to common peace, security, and prosperity.
- Raising human rights problems in North Korea should not be underestimated due to other concerns related to North Korea such as military security, and technology.
- It is necessary to formulate measures to provide many North Korean defectors in South Korea with programs suited to individual needs.

## The Future of Geopolitics in Northeast Asia: Issues and Discourses



**Moderator** **Moon Chung-in** Distinguished Professor, Yonsei University / Editor-in-Chief, Global Asia  
**Presenter** **Masao OKONOGI** Professor Emeritus, Keio University, Japan  
**John DELURY** Associate Professor, GSIS, Yonsei University  
**ZHU Feng** Director, China Center for Collaborative Studies of the South China Sea at Nanjing University  
**PARK Cheol-hee** Dean, GSIS, Seoul National University  
**Rapporteur** **KIM Hyunjin** Global Asia Fellow, East Asia Foundation

— **MOON Chung-in** Nowadays, the issues involving geopolitical agendas and discourses pose big challenges in Northeast Asia. Does what is called geopolitics actually exist?

— **Masao OKONOGI** It is hard to say that geopolitics is a complete theory of political science. Even though politics and geography are closely related, it is difficult to prove their relationship positively. Why is the North Korean nuclear issue so serious and difficult to deal with? That is because North Korea is not a continental force with nuclear weapons. Japan is not afraid of Chinese and Russian nuclear arms as it knows that mutual deterrence is implicitly effective on them. However, they are afraid of North Korean nuclear weapons as their possible use is not only closely related to the competition between the two Koreas but also to the survival of the North Korean regime. Peace and denuclearization of the Korean Peninsula are closely connected. A war could break out when they unilaterally seek North Korean denuclearization in the absence of peace on the Korean Peninsula. Only when a peace treaty is signed by the two Koreas, it would be possible for North Korea to

give up its nuclear weapon.

— **ZHU Feng** Geoeconomics has become increasingly more important in today's world. Even though the political relations are worsening between Korea and China, and Japan and China, their economic relations still remain important. In China, the Korean wave reached an unstoppable level. Sino-U.S. relations are politically worsening but a huge number of Chinese students study in the U.S. each year. This is something that policymakers cannot ignore. And it shows that geoeconomic factors prevail over geopolitical ones in this region. However, geographically Northeast Asia remains an unpredictable area. First, there can be a power transition in the region. Second, a territorial dispute can arise. Third, a historical or political problem due to the patriotism exists in each nation. The issues between China and Japan are a good example. The diverse factors will continue to entangle this region.

— **PARK Cheol-hee** Korea has never been left out of the geopolitical framework. Four great powers have always been around Korea. However, power transitions are taking place in the region nowadays.

Japan is seeking to change itself actively to deal with the rise of China. Since the President Trump was elected, the U.S. has started to show its interest in Northeast Asia, thus revitalizing geopolitical discourse again. Military conflict is unlikely in the region because of a Cold Peace resulting from the checks and balances between heavily armed countries. Even though China took revenge against the deployment of the Terminal High Altitude Area Defense (THAAD) system, it does not affect every field, as China itself may suffer damages, too. Also, the governments in the region are in normal operation, and they are highly supported by their people. The problem is North Korea. The North has been pursuing militarism and continues missile provocations. Recently, a considerable number of people have fled from the country. Regional stability is possible when the North Korean issue is redressed. The sticks and carrots policy seems to be effective in dealing with the North. We need to press the North to come back to the dialogue table first, and help them to give up its nuclear program voluntarily by giving it incentives. It is now time to think up measures to help the North trust the South and see the possibility of stability settling on the Korean Peninsula. To this end, cooperation between the Koreans, China and Japan should be strengthened.

— **John DELURY** The U.S. is still against geopolitics. The U.S. has achieved internationalization, established its values and norms and is still promoting them. Given its power and geographical location, the U.S. was able to transcend geopolitics. However, Trump may call for geopolitics. Given his opposition to free trade, recent withdrawal from the Paris Agreement and the Trans-Pacific Partnership (TPP) that took place right after his inauguration. The TPP seemed to be right before the realization of liberal globalization, but Trump took a position against it. Geography has something to do with the fate of a country, and it is a reality of international politics, but I wonder if Trump has any idea about geographical locations and points of view. He tends to approach and treat Korea, China, and Japan, sep-

arately. Although he should put priority on North Korea in his foreign policy, it seems that he does not take the geographical concept into consideration.

— **MOON Chung-in** Is Obama's pivot to Asia policy related to the rise of China? At which country is the strategy aiming? Do you really think that China will do something harmful to marine traffic?

— **John DELURY** The pivot to Asia policy can be a geopolitical response to emerging China, but on the other hand, it is also combined with traditional liberalism. Most of them came from the military point of view. The pivot to Asia policy of the U.S. had problems from the beginning. It is inappropriate that Korea has to join the U.S. strategy and block China.

— **MOON Chung-in** China has had its People's Liberation Army study geopolitical issues, claiming that the First Island Chain be protected since 1985. They even argue that their influence should reach as far as deep sea in 2050, but it is not certain whether China actually has a strategy. I also wonder if China actually has a big plan to integrate countries in the region.

— **ZHU Feng** Geopolitics is an important factor for policymakers both in China and the U.S. The concept is not developed in China. The rise of China and peace are not contradictory in the real politics of the world.

— **MOON Chung-in** China is building a naval base in the South China Sea and causing friction there. It says it is developing the coasts and islands peacefully, but it is doubtful if China has no military ambition over the region. The acts and attitude of China seem threatening.

— **ZHU Feng** Concerns about China's behavior are understandable. China can be said to seek naval expansion, but it should be admitted that China could have behaved even more impulsively in this region. It is yet to be seen whether China's expansion of influence will be temporary or permanent, or if China is taking a selective approach. Historically, China has never been a maritime superpower. Until 1840, all the ruling powers on the Chinese continent have been northern nomads engaged in commerce, not those engaged in maritime trade. Now that China is

seeking naval expansion from a geopolitical point of view, it is a quite new approach for China and a new Chinese dream that might be seen as confusing in a historical sense. As the expansion is going along with the economic development of China, it seems that China simply tries to expand its maritime influence.

— **PARK Cheol-hee** In *The Revenge of Geography* by Kaplan, he argues that China has never posed a threat to the international order, and this was because Chinese forces were staying on the continent only. Everyone thinks China is dreaming of being a maritime superpower. China has built a defensive power on the southern coast, and neighboring countries have become concerned about it. It is obvious that China dreams of change.

— **MOON Chung-in** Prime Minister Abe visited countries neighboring the Chinese coast shortly after he took office in 2006. As seen by the visit, China does not seem to behave peacefully, contrary to its argument that China is making a peaceful rise.

— **PARK Cheol-hee** Japan feels threatened by the rise of China. The Japanese Self-Defense Forces found that Chinese ships make wider and more frequent moves in the South China Sea. China is definitely taking threatening actions toward Japan.

— **ZHU Feng** The opinion seems to be derived from the perception to regard China as a threat. In Sino-Japan relations, the island chain concept is a policy to protect China. China will come up with strategies that are trustful.

— **PARK Cheol-hee** In fact, the First Island Chain is a concept made by a Japanese admiral in the past. It was a concept to stop Chinese forces at the First Island Chain to protect Japan. But today, China is not satisfied with the coastal defense and approaches the second line beyond the first. It is predicted that China will reach the second line by 2049.

— **ZHU Feng** The maritime traffic around China shows that China has no favorable conditions. For example, the Chinese navy is subject to follow international maritime regulations when it moves into international waters, and this always causes difficul-

ties for the navy. Such tension always exists in the seas around China.

— **MOON Chung-in** From the viewpoint of a balance of power, Hans Morgenthau calls the condition of the Korean Peninsula besieged by superpowers as tragic. Do you really think it is difficult for Korea to achieve peace by itself?

— **Masao OKONOGI** As long as there is a confrontation between South and North Korea, there is no peace. Of course, the Korean Peninsula's own peace seems possible. After the collapse of the former Soviet Union, and capitalism in China, North Korea began the development of nuclear weapons as a survival strategy under the leadership of Kim Jong-Il, which was an inevitable choice for the North to protect its ruling class, regime and ideology. As long as it feels fear, the North will continue to develop nuclear arms. The division will go on, and the unification will be impossible, unless it is pursued by the German way under the external pressure.

#### Keywords

Geopolitics, Asian geopolitics, North Korean nuclear issue, South China Sea dispute, Rise of China, U.S. hegemony in Asia, China's maritime strategy, One Belt-One Road, Island chain, Policy to blockade China, Trump administration's North Korea policy

#### Policy Implications

- Geopolitics is more an artificially created concept than a real one. Mistrust among superpowers around South and North Korea is deep and both Koreas, free from the determinism by superpowers or the balance of power, should try to solve their issues by themselves.
- The pivot to Asia policy of the U.S. is a combination of a geopolitical approach with existing liberalism, and it is not appropriate for the Korean government to participate in the strategy to block China. Since the 20th century, the U.S. has manifested a position that no country, including itself, should not have hegemony in Asia, and this stance seems aimed at barring China from holding power. On the contrary, the U.S. itself can be seen trying to grab the hegemony in Asia. The Trump administration has no other North Korea policy yet than that of the Obama administration. Considering the profiles of the cabinet and presidential staff, Trump is expected to take hawkish stance.

## China-ROK Relations: Overcoming Differences, Rebuilding Trust



Chair **KIM Sung-Hwan** Distinguished Professor, Hanyang University / Former Minister of Foreign and Trade Affairs of the Republic of Korea  
 Presenter **WON Heeryong** Governor, Jeju Special Self-Governing Province  
**SHIM Jae-Kwon** Chairman of the Foreign Affairs and Unification Committee, National Assembly of the Republic of Korea  
**YU Hong-jun** Former Vice Minister, International Department of the Central Committee of the Communist Party of China  
**YI Peng** President, The Pangoal Institution  
 Rapporteur **LEE Dongeun** Global Asia Fellow, East Asia Foundation

— **KIM Sung-hwan** Unprecedented progress in Korean diplomatic history has widely been assessed to Korea-China relations since the two countries formed ties in 1992, 25 years ago. After four decades of hostility, both countries saw exponential growth in people-to-people exchanges as well as in trade volume. Trade volume has increased 35-fold, from six billion dollars 25 years ago to more than 210 billion dollars last year. Additionally, the annual number of travelers between the two countries reached 13 million last year, denoting the significance of the relationship further. However, the relations experienced a sudden setback when the Korean government decided to deploy the Terminal High Altitude Area Defense (THAAD) system last July. This incident could arguably be perceived as a watershed for the bilateral relations. With the new South Korean government now in office, what measures can be taken to help restore trust and cooperation between the two countries?

— **YU Hong-jun** South Korea and China share the same destiny and are indispensable to each other. As a member of the National Committee of the Chinese People's Political Consultative Confer-

ence (CPPCC), I am deeply invested in the peace of Northeast Asia. South Korea is China's coextensive neighbor, sharing roots in history, economy, politics and security, and thus has a myriad of vital reasons for cooperation. Looking back at Northeast Asia in the Cold War era, military confrontation became prolonged as China and the Soviet Union supported North Korea while the U.S. backed South Korea. This led to devastating outcomes for both sides. But then came the turn of the tide when South Korea and China forged diplomatic ties in August 1992. In the subsequent 25 years, we have witnessed remarkable development in numerous fields of achievement, including education, economy as well as society. On top of these, the two countries have worked towards a Free Trade Agreement (FTA) and both leaderships have expressed optimism for greater progress in the bilateral relations. The decision by the South Korean government in July 2016 to deploy THAAD on its soil, however, caused a major breakdown in the relationship. The 25 years of shared, cumulative assets came to the verge of collapse. Personally, I look forward to a revival of the relations with the new South Korean government led by President Moon now in

office. This is a critical juncture and an opportunity that must not be lost if we are to maintain the progress achieved to this point. While substantial call for THAAD deployment is expected in some quarters of South Korea, the government must overcome its obstacles by taking a broader, long-term perspective of the issue and upholding dialogue and cooperation.

In terms of building on the current level of exchange and cooperation, we should keep government and civil society separate in mind. Either sector should talk with its counterparts, based on the principle of mutual respect. Both sides should respect not only each one's own, but also its neighbors' interests in the spirit of mutual understanding, respect and accommodation. In particular, the inauguration of the President Moon in South Korea could be a turning point for the recently strained bilateral relations. The more complicated the problems, the more dialogue we need to have. I hope this kind of constructive mindset will guide us in the upcoming summit talks.

South Korea and China should explore exchange and cooperation on a broader spectrum. As countries experience an increasing degree of interconnectivity and interdependence, they all come to share the same fate. While some advanced countries, including the U.S., demonstrate anti-globalization leanings, strengthening cooperation on various fronts between Korea and China could serve as an antidote to this trend. A closer cooperation on security matters as well as on economic ties is very much warranted. Equally important is broadening exchanges in diverse areas such as the environment, new and renewable energy sources, humanities, etc.

— **SHIM Jae-Kwon** China should build a good partnership with South Korea for the sake of the stability, peace and prosperity of Northeast Asia in the globalized world. The THAAD deployment is straining the ties of South Korea and China, but dialogue and honest mutual consideration will resolve the issue. For its part, South Korea should take a cautious approach while pursuing its own national interests, so as not to harm that of its neighbors. Also, I want both countries to have more pertinent, meaningful

conversations to dissolve the hardships the two countries are facing.

At the moment, it is not appropriate to link the urgent security issue of the THAAD and that of the North Korean nuclear weapons. Trying to solve two problems at once will only complicate both. The purpose of the UN resolution against the ill-conceived provocation by North Korea is not just a sanction per se, but also paving the way to a dialogue. The North Korean nuclear issue should return immediately to the diplomatic forefront while sanctions should be maintained at the same time. While South Korea is expected to play its part, China also has a responsibility as a chair of the Six-Party Talks to induce North Korea to the negotiation table. In sum, it is imperative to follow the path of sanctions coupled with dialogue in untangling the North Korean nuclear conundrum.

— **YI Peng** The current state of affairs between South Korea and China is summarized in three points: First, the bilateral ties reached its nadir in that trust in general as well as economic aspects are coming apart. Previously, TV shows starring a number of Korean stars enjoyed high viewership and a lot of Chinese citizens aspired and admired Korea. In an abrupt change of situation, campaigns against South Korean products are today underway. Second, the media are thought to play a negative role of agitating the public sentiment. The Chinese, in particular, hold 'saving face' dear and deem it very important to act and behave according to this principle. Third, the role of the private, civil sector is critical in improving the bilateral relations. Engaging diverse channels like 1.5 or 2.0 track other than the government-level exchange will serve as a solid basis of mutual trust and dialogue in times of crisis as today.

There is a fair chance of cooperation between Korea and China. With the U.S. withdrawing from the Paris Agreement, the two countries have an even bigger need and possibility to work together. Just as Korea and China have a common ground on the environmental issues, Northeast Asia is a region where all global agenda, except for the THAAD issue, can

be dealt with. Particularly at this moment, the two states stress greater emphasis on the climate pact and play a leading role on the global stage. When it comes to industries, the door to the Chinese market will be open wider to South Korea's service sector as well as the culture and manufacturing companies, while more investment from China will flow into South Korea.

— **WON Heeryong** While the bilateral relations saw impressive achievements over the last 25 years since its establishment, the rapid strain on the relationship over THAAD goes to show that the fundamentals of joint problem-solving are still vulnerable in comparison with the huge potential for improvement. In case of THAAD, intergovernmental dialogue and consequent trust-building is the key. As both governments defer making a clear public announcement on their stances, efforts for exchange and mutual understanding on the civilian level are all the more necessary. Ironically, the two nations have been rather negligent in understanding each other in depth, believing that they know each other well enough already. This should change and we must move on to the next stage of better understanding and coordination.

Jeju Island witnessed the most dramatic changes resulting from the establishment of Korea-China relations. Part of the evidence is a rise in investment from China into the island as well as the large number of Chinese tourists here. However, I should say this is not always a positive development. Due to the giveaway pricing and the poor quality of tourist-package deals offered to Chinese visitors, the image of Jeju Island is suffering. Also, tourists from China have few, if any, chances to meet the local population directly, including merchants and restaurant owners. This means the booming tourism does not translate into a boon for the local economy. We need to break this vicious circle while refining tourism culture among the Chinese. Another issue is Chinese investment in Jeju Island. Most investors prefer indiscriminate development and a sizable tourist zone, but preserving the natural environment

takes precedence among the local population. Thus, investment should be made in such ways that go hand in hand with the local culture as well as with a view to long-term interests. Moreover, government exchanges on the local level and the central level should be separated. While THAAD is a matter for Seoul and Beijing, exchange and cooperation among local governments and the civilian organizations must continue. A sincere dialogue between the two countries will solve discord and possibly boost the relationship to a higher level.

In addition, cooperation is necessary in resolving environmental issues. In the 2015 UN Climate Change Convention Conference, I presented the carbon-free island project to replace all vehicles on Jeju Island with electric cars and to use 100 percent new and renewable energy for electricity by 2030. While advancements in technology are still in progress for tackling climate change, global consensus is also imperative. With the U.S. withdrawal from the Paris Agreement, China has a bigger role to play on this score. On top of that, Asia is expected to be a leading region regarding environmental issues. Particulate Matters(PM) ten or fine dust is a case in point. It is already a serious environmental hazard in South Korea. While the government is striving to solve the problem, an active cooperation on China's part is strongly warranted.

### ● ● ● Policy Implications

- Civilian exchange through diverse channels and in various forms should substitute as well as support inter-governmental exchange.
- The deteriorating bilateral relations stand at a crossroads as the new president takes office. Both parties should make exhaustive preparations for the upcoming summit in order to make substantial improvements in the relationship.

## Will the U.S. Pivot to Asia Continue under the Trump Administration?



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**CHOI Young-jin** Distinguished Professor, Yonsei University / Former Ambassador of the Republic of Korea to the United States  
**Rapporteur** **CHANG Jiseon** Global Asia Fellow, East Asia Foundation

— **Bonnie GLASER** Obama's Pivot to Asia started as a strategy to balance against the deep entanglement in the Middle East and obsession with democracy and terrorism throughout the Bush administration. The policy was first raised as a topic as the Asia-Pacific region was emerging as an economic powerhouse as well as a focal point of security matters. In effect, the pivot aroused the U.S. interest in the East Asian region and prompted the country's participation in regional multilateral fora, including the East Asia Summit(EAS). As a response to the growing fear of diminishing U.S. interest in regional security and the increase of Chinese influence in the region, the U.S. has redeployed 60 percent of its naval and air-force assets in the Asia-Pacific region.

However, the Pivot to Asia faltered largely because President Obama failed to convince the domestic constituency and earn its support. President Obama belatedly advocated the Trans-Pacific Partnership(TPP) and again failed to garner enough votes for its ratification in Congress. As for the Trump administration, it has yet to come up with a clear approach towards the Asia-Pacific region. For

example, President Trump has not been emphasizing the importance of multilateral consultation. While he said he would take part in the EAS this fall, the comprehensive U.S. policy on these organizations is not clear. Unlike the Obama administration, the Trump administration has little to talk about values or human rights. Lastly, the U.S. seems poised to engage in foreign policy in a completely different manner from the past. With the advent of "America First," a tectonic shift in the entire world as well as in the Asia-Pacific region is likely.

— **Yoshihide SOEYA** President Trump will not employ the Pivot to Asia strategy for two reasons: First, the Anything but Obama principle also holds true for the Pivot. Second, Trump does not look at the U.S. security policy within the context of international or regional order. Thus, China will less likely be the focal point of Trump's Asia-Pacific policy. President Trump will not follow the Pivot policy, but bases his foreign policy on two pillars: one is to restore "fair trade" vis-a-vis China and Japan in terms of "America first," and the other is the question over North Korea. An unexpected and unlikely cooperation might

come as a byproduct of negotiations on North Korean issues. Meanwhile, economic and trade policies could come into conflict with political and security policies.

No matter how complacent and negligent President Trump could be about all Asian matters, his foreign policy team will nevertheless deem the region as the most pivotal region in the future international order as well as the U.S. grand strategy. The President is not the only decision-maker on U.S. security policy. On top of that, the Middle East looms large as the road ahead remains unpredictable. Currently, President Trump seems so preoccupied with North Korea that he cannot afford to be concerned about the Middle East. Another uncertainty lies with Iran. We will have to see how the nuclear deals with Iran and the consequent situation in the Middle East will unfold. The development in the Middle East will affect the U.S. policy towards Asia and North Korea.

— **SHI Yinhong** Advocating “America First,” the Trump administration is expected to roll back on a large scale from the Asia-Pacific region in strategic as well as diplomatic terms. The U.S. is in the transition from all-round defense to what is regarded as retrenchment. For instance, the U.S. is reducing its trade volume with China. Under the banner of “America First,” it is trying to twist China’s arms to exert more influence on North Korea.

Meanwhile, China wants a more active role. It seeks to forge stronger ties with ASEAN member states while avoiding conflicts. President Xi and Prime Minister Abe of Japan have impressively mended fences with each other and it is expected to result in better Sino-Japan relations in general. As for Korea-China relations, China is shifting away from its latterly aggressive stance. It was only a few months ago when it snarled at Terminal High Altitude Area Defense (THAAD) but now it is easing tension by saying that it does not want to damage the relationship with Korea any longer as a friendly nation.

The U.S. has always had a special interest in Asia, maintained amicable relations with Japan and sought

to protect the world from the threat of North Korea’s nuclear missiles. The Trump administration talks of U.S.-Japan alliance and takes a hardline stance towards China on strategic grounds, which is unlikely to change.

— **CHOI Young-jin** President Trump is unpredictable and hardly fathomable. We should look instead into how the U.S. will respond to East Asia as well as the rise of China before we could squarely comprehend the Pivot to Asia policy. The U.S. began to see China as a key rival since the Bush era and President Obama has noted the significance of East Asia. Asia has become a more critical region than the Middle East to the U.S. Obama’s Pivot to Asia is summed up as cooperation and competition. While TPP represented competition, expanded trade with China amounted to cooperation. Trump promotes “America First.” However, the more he talks about it, the more likely the U.S. will lose its global leadership, which China is likely to assume.

Looking into the East Asia strategy, the U.S. will likely stand by the current relationship with Korea and Japan. Also, it will seek to avoid conflict with China while continuing cooperation and competition at the same time. In other words, the U.S. and China will pursue the path of harmony instead of traditional military conflict. China will compete with the U.S. not in military terms, but in economic terms. President Moon Jae-in of South Korea has an important role to play here, and the success in this regard will largely determine his legacy in five years. To this end, a well-measured, appropriate amount of talk and pressure is required, and President Moon will have to find a solution to the North Korean issues. All of these should start from the ROK-U.S. alliance.

— **John DELURY** Should we take heed to what President Trump, his aides or secretaries say? Who dictates the Asia policy?

— **Bonnie GLASER** Views vary widely among those in the cabinet. Climate change is a case in point. While Secretary Tillerson and others argued for honoring the Paris Agreement, the final verdict in

the end came from the President. For instance, the withdrawal from the TPP as well as the Climate pact and the renegotiation of the NAFTA were all decided by President Trump. He likes to listen to various opinions before making his decision.

— **John DELURY** For China’s part, the retrenchment of the U.S. could present a new opportunity. Could President Xi seize this chance?

— **Bonnie GLASER** Naturally, President Xi found a window of opportunity as the U.S. changes course. China seems poised to make the best of this chance as the U.S. has withdrawn from the Climate Change Agreement.

— **SHI Yinhong** It is obvious that the U.S. is retreating or retrenching in diplomatic and economic terms. President Xi also takes reductionist steps, but he seems to want a superpower status, as well.

— **John DELURY** You said Trump lacks the concept of order. Could you elaborate on that? How will that affect the U.S. role in Asia? From Japan’s perspective, where does its interests lie?

— **Yoshihide SOEYA** Obama’s Pivot to Asia is less of military interaction, but more of a statement of political will. It is an announcement of the U.S. will for world security. When President Obama decided to withdraw U.S. troops from the Middle East, he made this point clear several times. This is a reiteration of its resolution on Asia’s regional security, expressing that the U.S. will continue to regard the Asia-Pacific region as a centerpiece of its strategy. Back to Trump’s Pivot to Asia, the rivalry continues between the U.S. and China for the time being. Now, China may get a chance to realize its strategic vision. Also, China has been trying to form a significant relationship with the U.S. In contrast, the Japanese government does not seem to set a strategic priority. Japan must rely on the U.S. physically. Japan alone cannot face or resist China. That is why Japan deems the U.S. important.

— **John DELURY** How did the Obama administration fare regarding the North Korean issues? What is the future course of the Pivot? And how will Trump handle the North Korea policy?

— **CHOI Young-jin** The U.S.-China rivalry will be the default mode of the relationship. If China were to become stronger than the U.S., it would be less a product of careful planning than a sudden rise from the default. The U.S. wishes a planned resolution to the North Korean problem. They called for Complete, Verifiable, Irreversible Dismantlement (CVID) in 2002 but failed strategically on the negotiation table. The Trump administration still demands CVID. Since North Korea will never agree with that, the status quo will continue. Although it carries considerable risk, it also means that the Moon administration may hold the key to solving the nuclear conundrum of the Korean Peninsula: it should accommodate North Korea and lead the way to an inductive negotiation.

#### Keywords

U.S., Trump administration, Pivot to Asia, East Asia, China, Middle East, U.S.-China relations.



#### Policy Implications

- Experts agree that Trump’s foreign policy is unclear and unpredictable. Thus, it is important to observe how the U.S. will respond to the rise of East Asia as well as China. The resource is limited and its allocation remains to be seen for the time being.
- President Trump puts forth “America First” and this could put the U.S. global leadership at risk. Consequently, China may get a chance to realize its strategic vision.
- The future of the Pivot to Asia in the Trump administration is still unclear. Yet, the importance of Asia to the U.S. does not seem to diminish. The current trend points to a growing significance of Korea, China and Japan to the U.S., and the U.S. interest and influence are expected to follow a similar path.
- It remains to be seen whether and how “America First” and Trump’s personal character will come into play in the U.S. conduct of foreign policy towards Korea, Japan, and China.

## TPP Minus the U.S., RCEP, and CJK FTA: Prospects and Challenges



**Moderator** **AHN Choong-young** Chairman, Korea Commission for Corporate Partnership  
**Presenter** **WANG Dong** Associate Professor & Deputy Executive Director, School of International Studies, Institute for China-U.S. People to People Exchange, Peking University, China  
**Vikram Kumar DORAISWAMI** Ambassador of India to the Republic of Korea  
**Bradley K. BUCKWALTER** President & General Manager, Johnson Controls Korea  
**AHN Se Young** Professor, Graduate School of International Studies, Sogang University  
**Yorizumi WATANABE** Professor of International Political Economy, Faculty of Policy Management, Keio University, Japan  
**Rapporteur** **CHO Sookyung** Program Officer, Asia Pacific Leadership Network(APLN)

— **AHN Choong-young** Remarks and statements against the principle of global free trade abound since the inauguration of President Trump. He has been long arguing for renegotiation or repeal of bilateral and multilateral trade agreements such as the North American Free Trade Agreement(NAFTA), the Trans-Pacific Partnership(TPP) and the ROK-U.S. Free Trade Agreement since he began his presidential election campaign, saying that these trade regimes harm the U.S. interest. He actually withdrew from TPP negotiations by issuing an executive order right after his election, overshadowing the future of TPP. It is a matter of keen interest, whether the U.S. is really turning to a renewed protectionism or it is just a temporary deviation from the multilateral trade system. Also of interest are the TPP without the U.S. and the future of China-led Regional Comprehensive Economic Partnership(RCEP), and the economic powerhouses and middle powers in the Asia-Pacific region are expected and predicted to play a bigger role.

— **Yorizumi WATANABE** TPP without the U.S. is still

meaningful. To Japan, TPP has been an agreement equally, if not more, important in comparison with FTA. The negotiation went on with 12 participating states, but it was stranded with the U.S. withdrawal. Though the benefits the remaining 11 countries are expected to enjoy will obviously be reduced and it is still relevant in that it can bring down the tariff walls of the 11 states. Thus, Japan will go on with the negotiations in collaboration with other participants, namely Australia and New Zealand.

The trade policy of the Trump administration also contravenes the current U.S. economy. The U.S. manufacturing industry can revive only when foreign companies gain easier access to the U.S. market. However, recent measures seem to be nothing but a move to erase the legacy of the Obama administration. As an attempt to liberalize the market, TPP is in line with the U.S. effort so far to build an open, multilateral trade structure, and the 11 remaining parties should preserve the outcome of the negotiations thus far and allow for the possibility of the U.S.'s return in the future.

The trilateral FTA among Korea, China, and Japan is like a jigsaw puzzle without the largest piece, that is, the economic integration of East Asia. Also, the ROK-China FTA was hard-pressed to meet deadline and largely agreed to and signed for the sake of agreement itself. This is why the agreement is lacking in effective measures for market access and improvement. This also bodes ill for the trilateral FTA.

— **Bradley K. BUCKWALTER** Trump administration's moves show positive signs. Raising issues with the two-fold hike of the U.S. trade deficit vis-a-vis South Korea after the signing of ROK-U.S., FTA was a necessary measure for fair competition. Also problematic are the media bashing the trade policy without reading between the lines. For the last two decades, the U.S. trade policy was disastrous and the wholesale offshoring of factories gutted the basis of the U.S. manufacturing industry, causing huge trade deficits. On-shoring or re-shoring was a step to redress these failures. A large part of Trump's campaign pledges have been revised and his pro-business nature will help the U.S. return to TPP.

— **AHN Se Young** The Trump administration is largely preoccupied with the losses the U.S. could suffer in the multilateral trade regime. While the U.S. can reap the benefit of an increased trade volume among member states as well as an improved supply-chain management, the Trump administration only talks of trade deficit. Currently, there is a slim chance that TPP or RCEP led by Korea, China, or Japan but without the U.S. will make any meaningful progress. The integration of Asia-Pacific regional economy with the absence of the U.S. is pointless. Still, President Trump's business instinct may possibly bring the U.S. to the TPP negotiations within a year or two.

In reality, TPP could be a disastrous, two-edged sword, but it could also be a weapon of economic means for the U.S. Pivot to Asia policy. If the U.S. abandoned this policy tool, then China could fill the void and an economic bloc will emerge in Asia with the U.S. excluded. South Korea has a role to play in the multilateral trade structure. South Korea should

stress the potential benefits Japan, China and the U.S. could enjoy within the framework of TPP, when it joins TPP, and serve as a mediator in the trilateral FTA negotiations, as well.

South Korea should take a soft approach in dealing with the trade deficit rhetoric of the U.S. It could propose importing the U.S. shale gas and easing the trade imbalance as a result. This could also contribute to South Korea's energy security, which is highly dependent on oil imported from the Middle East.

— **Vikram Kumar DORAISWAMI** I am positive about bilateral and multilateral trade agreements. Trade accounts for 40 to 50 percent of India's GDP. Still, the manufacturing industry is lagging and the effect of FTA's is hardly visible so far. India's backward logistics and trade infrastructure, flimsy trade finance and complex trade policies all impede signing of trade agreements. Nevertheless, the Indian government seeks to open doors to commodity and service markets with better access and fair competition. A new commodity market with better access will soon be available in India. It has the largest potential for future market expansion in the long term and it is expected to have the biggest influence once the market is fully open. RCEP could establish a comprehensive trade regime by embracing India, ASEAN, Korea, China, and Australia. However, TPP is still in need of reciprocity in that India stands to gain little in exchange for what it has to offer in commodity and service sectors.

— **WANG Dong** There were suspicions that the U.S. was strategically leaving China out of the TPP negotiations before. As time passed, however, the criticism died down and certain Chinese leaders argued that TPP and RCEP could lead free trade regime side by side. The argument suggests that they take a more rational approach to TPP, at least from the policy-making perspective. On top of that, President Xi proclaimed at the Davos Forum this January that China firmly supports continued economic liberalization and rejects protectionism.

While there has been public uproar over the recent sanctions by China on the Lotte group, this is not an

official economic sanction, and the Chinese authorities are also compelled to take public sentiments into consideration. Also, the Chinese government will continue its efforts to reduce trade imbalance with the U.S. candid dialogue is a prerequisite but both parties stand on quite different grounds. They should acknowledge that there is a difference of opinion and take a more pragmatic approach to maintain mutual interest and find common ground.

There are concerns about the growing influence of China as a result of the One Belt, One Road(OBOR) initiative. However, China still falls behind international standards in many aspects. The newly established Asian Infrastructure Investment Bank(AIIB) also finds it difficult to meet the financial needs of the newly emerging countries, and the contribution and participation of many other countries are necessary. The AIIB is a global common and any country can enjoy the benefit. The fear of China's strategic and geopolitical predominance through OBOR initiative is also groundless. The objective of OBOR is to improve connection among countries. It is hard to imagine that China is willing to follow in the wake of the U.S., when the whole world is frustrated with U.S. unilateralism.

#### Keywords

Trans-Pacific Partnership, Regional Comprehensive Economic Partnership, FTA, Free Trade Agreement, World Trade Organization, Multilateralism

#### Policy Implications

- Multilateral or bilateral agreements such as TPP, RCEP, FTA should be seen as an effort to liberalize the market in line with the trend of global free trade. The potential cost and benefit of such attempts should be put in balanced perspective and a pragmatic approach should be sought.
- We should grasp the root cause and the orientation of the current protectionist policy of the U.S. and need to think up mutually beneficial policy ideas through careful study of key issues.
- We should acknowledge differing views within the framework of multilateralism and take a pragmatic approach to finding mutual interests and common ground.

## Public Diplomacy in South Korea-China Relations: The Role of Think Tanks



<b>Chair</b>	<b>PARK Enna</b> Ambassador for Public Diplomacy, Ministry of Foreign Affairs of the Republic of Korea <b>HAN Fangming</b> President, The Charhar Institute / Deputy Director of the Foreign Affairs Committee of the Chinese People's Political Consultative Conference
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<b>Rapporteur</b>	<b>JEONG Sangrak</b> Graduate Student, Korea University GSIS & Fudan University

— **PARK Enna** Considering the ups and downs they have had, it is true that South Korea and China have improved their bilateral relations very rapidly in every respect over the last 25 years. The current diplomatic climate surrounding the two countries, however, does not seem promising because there are differences between them over history and territorial disputes in the region and many other global issues. In particular, their exchanges suffered major setbacks in the wake of the controversy over the Terminal High Altitude Area Defense(THAAD) missile deployment and other political issues. This latest development is not only disturbing both countries' people, but also worsening their bilateral relations. It should be considered that communication between the leaders of both countries could have a positive effect on public diplomacy, which necessitates broadening exchanges and cooperation with each other. The Korean government is moving beyond paying

attention to the positive roles of think tanks in policy making. Seoul also wants to promote exchanges with Chinese research institutions as part of efforts to strengthen its public diplomacy with China.

— **HAN Fangming** After 25 years of the successful development of the bilateral ties, China and South Korea are seeing their relations turn worse than ever following the recent controversy over THAAD. This tells us that the improvement in China-South Korea relations was not as great as expected, adding weight to the calls for establishing a strong regional mechanism for long-lasting peace and prosperity in East Asia. Peace kept through a balance of power, often observed during the Cold War, is vulnerable as countries sometimes selfishly put their own national interests over others as seen in the case of the controversy surrounding the deployment of THAAD in South Korea. The Chinese government is trying to settle the North Korean issue and many others in co-

operation with the Korean government. I would like to present ideas to boost their bilateral ties through these contexts. Regional communities need to be established to deal with lingering Cold War attitudes, regional conflicts and other issues. Transparent and well-functioning communication channels should be opened to have a better understanding of conflicts in national strategies and political issues as well as to minimize misunderstandings. Think tanks of the two countries should take the lead in fostering collaboration among research institutes and other private organizations of their neighboring countries, including the U.S., Japan, Russia, and North Korea, to pursue broader and more diversified public diplomacy.

— **KIM Jaechun** Economic transactions between South Korea and China have increased dramatically since the two countries opened diplomatic relations in 1992. They became major trade partners for each other while their relationship was elevated to a “strategic cooperative partnership” in 2009; but it is also true that the two countries have left much to be desired as regards to security issues in the region. They have experienced significant setbacks, the most recent example being the dispute over THAAD. And it highlighted the negative aspects of the geopolitical situation of South Korea. The THAAD issue also intensified rivalry between China and the U.S. It is in the common interests of both countries to steer North Korea into the path of denuclearization, but deep-seated strategic distrust between South Korea and China is preventing the two countries from pursuing policies that can be mutually beneficial. Public diplomacy, if designed carefully and implemented in a proper manner, can certainly help overcome distrust between the two countries. The reality is, however, that public diplomacy efforts have so far been limited to the top leadership level. Both countries need to diversify their public diplomacy through interactions between think tanks in both countries. Think tanks can start to cooperate on a number of less intractable issues like environmental protection and the prevention of regional epidemics among

others. Cooperation on such issues will prove instrumental in dealing with more thorny security issues, including North Korea’s nuclear and missile threats.

— **LEE Heeok** In line with China’s Post-Cold War diplomacy with its neighboring countries, South Korea has improved relations most rapidly with China in every way possible by cooperating on the issues of politics, security, economy and the humanities. And yet, a rift began to emerge between the two countries as the latest developments in the ties of China and the U.S. and the China-centered international order in East Asia started reconfiguring their existing relationship. In the past, it was relatively easy for the two countries to iron out differences because they were mostly bilateral issues of soft security. But they are now much more complicated to resolve because they transformed into a “hard security” issue involving third-party or multilateral elements, with the recent row between South Korea and China over the deployment of THAAD being a good example. The issue of THAAD, more like a structural rather than an incidental one, might be characterized as the kind of growing pains that they need to go through to deepen their relations. South Korea and China need to establish a bilateral crisis management mechanism while finding a new collaboration model, coupling the Chinese dream and Korean dream, as they face new normal resulting from changes in the region. Also, the row over political issues between the two countries exposed the problems of top-down decision-making, which negatively affected civil diplomacy. It is very essential, therefore, for them to stop the quantity-oriented exchanges for the development of public diplomacy between South Korea and China, as well as pursuing tangible, sustainable and interactive exchanges, and diversifying players in civil diplomacy. In this respect, public diplomacy by the civil sector and universities of South Korea and China should lay the foundation for joint research, surveys and translation projects as well as cultivating the capabilities of the next generation in public diplomacy. In addition, South Korea and China need to scale up their bilateral public diplomacy

to provide a platform for a broader Asia-wide public diplomacy, involving Japan, as well.

— **HAN Intaek** South Korea-China relations have improved over the last 25 years, most markedly in the fields of economic cooperation. However, the two countries exposed substantial differences in their views on bilateral ties in social, cultural, military and security affairs. China wants the bilateral ties to develop to such extent that it may consider a military alliance with South Korea. On the part of South Korea, on the other hand, the public in general regards China with caution, instead of accepting it as a cooperation partner. Both of them should, therefore, share values with each other, in addition to mutual economic interests. It would be more effective in reality for South Korea to engage in “government-to-government” political diplomacy than public diplomacy with Chinese citizens, in order to deepen relations with China, given the Chinese people’s obedience to their government’s foreign policies. The merits and demerits of China’s unique Internet environment should also be taken into account and understood in detail, when South Korea conducts online public diplomacy, targeting the Chinese community.

— **LYU Fengding** Unlike the relations over the last 25 years, recent ties between South Korea and China appear to be falling to their lowest point because of their differences over North Korea’s nuclear program and the controversial deployment of THAAD. Contrary to popular beliefs, their chances of getting back on track seem relatively slim to me. Major regional forums such as the Jeju Forum for Peace and Stability are expected to provide insights about mending their relations. Their bilateral relations directly affect the interests of the people in both countries, and there are countless more reasons why their relations should continue to improve. I hope that the two countries will find ways to settle disputes at an early date with patience and tolerance, opening up the way to build future-oriented bilateral relations. It is regretful that China-South Korea relations have suffered setbacks over the latest political issue, although think tanks have played a critical role in

public diplomacy between the two countries. But I hope that their achievements in public diplomacy will be useful for enhancing their bilateral relations. In conclusion, the two countries will seriously think about what path they should take in light of the rapidly changing currents of the world. The Chinese government puts great emphasis on its ties with South Korea and thinks highly of the roles of public diplomacy and think tanks in the sector of public diplomacy.

— **ZHANG Guobin** The Charhar Institute, which has signed memorandums of understanding with Korean think tanks and universities, is continuing to diversify and deepen cooperation with its Korean counterparts. Having entered into partnership with the Jeju Peace Institute, it is also pushing to establish a joint research organization with its Korean partners in its latest move. In addition, it is pushing for various exchange and cooperation programs for the younger generation in cooperation with the Chinese government to bolster the activities of civil diplomacy and public diplomacy.

— **AN Yiqing** It was when anti-Japan demonstrations erupted in Shanghai, amid territorial disputes between China and Japan, that researchers at the Charhar Institute sat together to discuss ideas to help solve the conflicts more peacefully and presented policy proposals to the Shanghai government. The whole process the think tank went through can be seen as public diplomacy, a good example of how public diplomacy can positively affect bilateral relations. I expect that, as seen in the case of the Charhar Institute, Shanghai’s think tanks will positively contribute to the promotion of bilateral relations between South Korea and China.

— **ZHANG Zhongyi** I regret that the two countries have not yet done enough to establish a higher level of trust in each other, despite the many things they have in common. If we exclude external factors affecting their relations, including the conflict over imported Chinese onions in the early 2000s, the frequent fishery disputes and U.S.-South Korea ties, it would be possible to improve their relations

fundamentally. They must squarely face the reality of their bilateral ties to further them. It is also necessary that they have a clear understanding of the relations between South Korea and the U.S. South Koreans see America as a savior because American soldiers fought for them during the Korean War. The Korea-U.S. alliance has been the basis for South Korea's foreign relations, having a far-reaching effect across the country. However, I think South Koreans should also recognize that China is recently having a great influence on Korean society. North Korea-China relations also deserve attention just as they are. It is true that their relations have been built over a long time just as South Korea-U.S. relations have, but China has a limited say about what North Korea does just as the U.S. does in South Korea. Therefore, I do not think it is proper for the Chinese government to be criticized for not exerting influence on North Korea. Concerning the issue of Korea's unification, China has stood by its commitment to supporting the independent and peaceful unification of the Korean Peninsula. Here "independence" refers to the absence of coercion, pressure or interference by external forces, and "peace" comes naturally when there is no violence or war. Besides, the Chinese government disfavors abrupt unification of the Korean Peninsula, but hopes the relations of the two Koreas will go as natural as water flows. More emphasis should be put on efforts to exclude chauvinistic nationalism from the realm of public diplomacy as well as to engage a broader group of partners, based on a better understanding of the counterparts to reinforce bilateral relations.

#### Keywords

Public diplomacy, Korea-China relations, Bilateral relations, Bilateral cooperation, Role of think tanks, THAAD



#### Policy Implications

- Public diplomacy has a positive effect on bilateral relations between South Korea and China. They should promote their public diplomacy by maintaining existing exchanges at the top level while diversifying channels of public diplomacy. There is no question about the need for enhancing public diplomacy through cooperation between think tanks.
- Participants from South Korea and China share views that their relations have rapidly improved in every way possible, particularly in the sector of economic cooperation, over the last 25 years. We expect that the latest obstacle to their bilateral relations, THAAD, will be cleared up as soon as possible and the two countries will see their ties improve.

## Regionalism after Liberalism: Challenges and Future in Asia



Moderator	<b>DOH Jong Yoon</b> Research Fellow, Jeju Peace Institute
Keynote Speaker	<b>KIM Cae-One</b> Professor Emeritus, Seoul National University
Discussant	<b>CHOI Jinwoo</b> Professor, Hanyang University <b>Mark BEESON</b> Professor, University of Western Australia <b>Yves TIBERGHIE</b> Professor, University of British-Columbia, Canada <b>Takashi TERADA</b> Professor, Doshisha University, Japan <b>TAN See Seng</b> Professor, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore
Rapporteur	<b>JU Minuk</b> Researcher, Society of Jeodo Research

— **KIM Cae-One** The EU member countries will continue discussions on the changes they expect from the fallout of Brexit. It will consequently lead to bilateral trade deals between the U.K. and the member countries. It is likely that the U.K. might hold renegotiations with non-EU members, as well. During the renegotiations, unfair trade deals may be made. In addition, the Trump administration in the U.S. will give rise to unfair trade agreements, while it upholds its "America First" policy. Failure to reach fair deals will lead to a pile-up of complaints from less advantageous countries. Amid these circumstances, the policy to prioritize national interests is spreading, encouraging economic regionalism. President Trump's withdrawal from the Trans-Pacific Partnership (TPP) agreement has clouded the prospects of the trade deal becoming a reality. However, some are speculating that Trump's decision to walk out from the trade pact might pave the way for other countries to seek alternatives to the TPP. Some expect that the withdrawal from the TPP may help strengthen the Association of Southeast Asian Nations (ASEAN),

but cultural differences may interfere with negotiations involving ASEAN.

— **Takashi TERADA** Recent discussions are going on whether the era of bilateralism has arrived in response to the recent developments in multilateralism. A world-wide phenomenon, regionalism has emerged as an alternative to the crisis of multilateralism. More notably, President Trump's trade policy symbolizes the return of bilateralism, which by no means strikes us as new in the light of free trade agreements. South Korea and Japan have yet to join the TPP. Japan gave up negotiating a free trade deal with China because their differences were too great to overcome, while China does not plan to participate in the TPP either, a situation calling on Korea to think deeply about which path it should take.

— **Yves TIBERGHIE** The world stands now at a very crucial point in terms of both multilateralism and bilateralism. We have to ensure that the global liberal order, traditions of different regions and their relationships to one another be discussed at the same time. To that end, it is necessary to put systemic mea-

asures in place that can be geared towards improving the international institutions created by the few major countries. Liberalism can only be sustained with an agreement on sustainable global rules among the countries of the world. Questions are raised if the European Union can still offer a resilient solution in terms of regionalism. Hegemonic countries are riding on a wave of change recently and they are making efforts to build more peaceful and equal relations with non-hegemonic countries to reduce complaints. However, the difficulty in the negotiation process and consequent unfairness still remaining issues to be tackled.

— **TAN See Seng** The phenomenon of regionalism should also be discussed in terms of security. Conflicts about security among countries with different philosophies should be resolved peacefully. I am concerned about the way new norms that do not fit us are becoming permanent. Bilateral negotiations held without an understanding of the negotiating partners' sentiment will certainly produce discord. Chinese President Xi Jinping has emphasized the importance of mutually sustainable development of East Asian countries. Discussions on how to promote sustainable development should continue.

— **Mark BEESON** The EU will continue to exist. However, it is evident that its influence would be weakened. The EU has been viewed as the model for regional integration, but we now need to consider the implications it may have for the rest of the world. The integration of the European Union was supported by the U.S. and was a natural result of the geopolitics and the American Hegemony. The U.S. played a crucial role in the creation of the EU. I doubt if the Trump administration has any understanding of the background of the birth of the EU. There is little doubt that the EU has been successful in fulfilling its original mandate of regional integration, but it seems clear that Brexit and other negative factors will deal a serious impact on it. Europe's experience may not be useful to East Asian leaders who want to learn something from it. They need to have an understanding of the geopolitical features of the countries. East

Asia would have to accomplish regional integration compatible with its own geopolitics. Otherwise, it will be more difficult to achieve integration of East Asian countries.

— **CHOI Jinwoo** Today's regionalism is a small-scale globalization. Unlike in the 1930s, dense networks of cooperation among countries underpinned by a myriad of institutional mechanisms are deeply entrenched on different levels today. It is impossible to separate the liberal international order and regionalism. There is a perception that they are the culprits for the worsening wealth distribution and economic inequality. The top priority should be distributing wealth and devoting efforts to ensuring fairer negotiations. In East Asia, the notion of nationalism is very much equivalent to hegemony, sovereignty and freedom. Such nationalism must be overcome, but there exist hurdles hard to remove in reality. Rulers would capitalize on them every time so that they can prolong their regimes. Supra-partisan efforts and long-term endeavors to resolve the contradiction of chauvinistic nationalism are needed.

### ● ● ● Policy Implications

• **Efforts to Overcome "America First" Policy:** There are growing concerns over recent trends in the world such as protectionism, isolationism and unilateralism. Such apprehension is reinforced by the latest developments, including Brexit, Trump administration in the U.S., the rise of right-wing populist governments in Europe. "America First" slogan will be stressed leading to growing complaints amongst countries suffering from the damages caused by unfair trade agreements. Accordingly, it is important to devise and adopt mutually understandable regulations and principles of integration. Mutual cooperation based on the free market system and sustainable development will help establish win-win economic relations.

• **Difficulties for Regionalism to Take Root in East Asia:** President Xi Jinping emphasized the importance of mutually sustainable development in regional cooperation among East Asian nations. China is not only intent on competing for world hegemony but also reinforcing its hegemony in East Asia. This might become an obstacle to fair regionalism in East Asia. To make the situation more complicated, the fierce war of nerves between China and Japan is very likely to develop into a confrontation in the region, involving South Korea, which remains neutral over their feud.

## New Leadership with New Partners in Asia



**Moderator** **SHIM Yoon-joe** Visiting Professor, Kookmin University / Former Member of Korean National Assembly  
**Discussant** **Harold TANNER** Professor, University of North Texas, United States  
**YUE Li** Executive Director, Center for Northeast Asian Studies, The Pangoal Institution  
**HUH Taehoi** Professor, Sunmoon University  
**Kan KIMURA** Professor, Kobe University, Japan  
**Sergei SEVASTIANOV** Professor, Far Eastern Federal University, Russia  
**Rapporteur** **YANG Jung-A** Research Professor, Sunmoon University

— **SHIM Yoon-joe** After the inauguration of the Trump administration in the U.S., the world has entered a new era of change. The key features of the change are uncertainty and unpredictability. The Trump administration came up with the America-first policy, and the world is closely weighing its possible impact on the regional order in East Asia in connection with the "Pivot to Asia" and rebalancing policies of the previous U.S. administration. Therefore, we will discuss possible changes in the regional order of East Asia, now in transition, and the prospects of the denuclearization of the Korean Peninsula.

— **Harold TANNER** Trump was viewed as a loose cannon when it came to the East Asia policy during his presidential campaign. He took a hardline position toward Korea, China and Japan with illogical remarks in his anti-TPP (Trans-Pacific Partnership) line, mentioning the abolition of the TPP. As president of the U.S., Trump is a conservative sticking to the status quo. He also seems to be maintaining the foreign policy of the State Department without changing that of the previous administration. How-

ever, he implemented his own bargaining tactics in diplomacy with foreign countries. As a presidential candidate, he used to criticize China, but maintains close ties with China after a summit with his Chinese counterpart. He pursues a transactional approach to diplomacy. He denounces trade negotiation itself and claims that South Korea free-rides on free trade. The transactional diplomacy has a negative element, but he regards it as one of the alternatives.

— **HUH Taehoi** There are a lot of uncertainties about the foreign policy of Trump and the North Korean issues. China has suffered difficulties due to deep-rooted corruption and economic inequality. With growing demands for democratization, China has the task of maintaining "Chinese nationalism." Japan, on its part, is faced with the task of transforming its outdated political system into an advanced one. Korea, which overcame the foreign exchange crisis over a short period of time, still faces other challenges as well as the North Korean nuclear issue and the possibility of an economic crisis. Relations among South Korea, China, and Japan are oriented toward economic union, and are likely to develop

to that end. Noteworthy is their growing trade dependency upon each other. However, the East Asian countries are inclined to nationalistic and myopic perspectives. The leaders of the countries pursue exclusive regionalism while putting foremost emphasis on their national interests. This kind of myopic and intolerant approach will only cast a pall over the future of East Asia.

— **Kan KIMURA** It is necessary to analyze the diplomatic policies of the Park Geun-hye government to improve South Korea-Japan relations during the Moon Jae-in administration. The Park's government treated the U.S. and China equally. It sought ambiguous trust diplomacy with North Korea, which does not have a clear stance between sanctions and talks. Accordingly, the U.S. was irritated by the South Korean stance toward China, finally pressuring the South Korean government to deploy Terminal High Altitude Area Defense (THAAD) missiles. China was also upset with the changes in South Korea's policy and concerned over the posture of the South to turn its back on China. Relations with Japan also worsened in spite of the agreement on the comfort women issue. Previously, the South Korean government used to utilize domestic affairs as diplomatic tools. Again, it refused to acknowledge the agreement, citing the domestic situation and moralistic reasons. To improve Korea-Japan ties, they have to deal with concrete issues and values.

— **Sergei SEVASTIANOV** The election of Trump as U.S. president brought changes to the internal processes in the U.S. The Trump administration is characterized by uncertainties. Trump pursues to maximize benefits for the U.S. in his diplomacy, but if the new approach does not work, he easily takes a step back. He repeats the tactics of changing policies in accordance with the responses of his counterparts. Let us examine the relations of the East Asian countries. Trump's posture toward China has changed after his meeting with Xi Jinping. As a presidential candidate, he used to criticize China, but turned friendly with China after his election. Japanese Prime Minister Abe maintains friendly ties with Pu-

tin and Trump. Recently, he made a visit to Moscow and is scheduled to attend the upcoming meeting in Vladivostok in September. In South Korea, President Park Geun-hye was impeached and Trump took advantage of the occasion to pressure South Korea to deploy THAAD and hold renegotiations on their Free Trade Agreement (FTA). The new president of South Korea has to deal with all these issues. South Korea could not handle all of them, because of the North Korean issue. All the parties involved should gather and discuss measures to stabilize the Korean Peninsula. To that end, solid relations among the countries based on mutual trust are required. I look forward to a dialogue between the new South Korean president and the North to improve inter-Korean ties. I think that the Six-Party Talks are the best option for that. The countries involved in inter-Korean issues should start a joint cooperative project again.

— **YUELI** The U.S. is currently upholding the America-first policy while curtailing its responsibility in international society. The U.S. declared its withdrawal from the TPP, opposing the FTA, as well. The U.S. indicated its move to renegotiate the FTA with South Korea on the grounds that it favors the latter, and deployed THAAD in South Korea in spite of opposition to it from China and Russia. It was a measure, the U.S. claimed, to protect South Korea from a North Korean attack. However, the South Koreans started to have doubts about the real intentions of the U.S. as Trump demanded South Korea pay one billion dollars in return for THAAD. After the election of Moon Jae-in as South Korean president, North Korea unveiled a different posture from that during the Park Geun-hye government which sought a breakthrough in inter-Korean ties. The North expressed its hopes for dialogue with the South, signaling positive signs for it. If the South holds talks with the North, the armistice treaty might be replaced by a peace treaty. South Korean special envoy Hong Seok-hyun and the U.S. Secretary of State of Rex Tillerson said that the South is willing to hold talks with the North if the North exhibits a genuine willingness to suspend the development of its nucle-

ar arms. The Chinese government has proposed a double suspension (Pyongyang stops its nuclear and missile tests, and Washington and Seoul halt their annual military exercises near North Korea) in its negative view about the improvement of inter-Korean ties in the near future. China holds that the South should embrace the North, instead of isolating it, for a long-term political and diplomatic solution to the North Korean issue. It also maintains that the South should pursue phased denuclearization of the North and make efforts to bring the North to the table for dialogue.

#### Keywords

Diplomatic policies of the Trump administration, International cooperation in East Asia, International order in East Asia, Korea-U.S. ties, U.S. policies on the Korean Peninsula



#### Policy Implications

- Solid relations among the parties involved based on mutual trust are required for stabilization of the Korean Peninsula. The new South Korean president should pursue Six-Party Talks with the North. As it is difficult now to make a diplomatic agreement in the region, the countries should create a common vision of East Asia based on what they share with each other. The political leaders of Korea, China and Japan should take a long-term approach toward the peace and prosperity of East Asia by deviating from nationalism and exclusive regionalism prioritizing national interests.
- The Northeast Asian people do not have trust in each other. To improve bilateral ties, they should acknowledge and respect the interests and values of their counterparts. Peace in East Asia will be possible when the parties involved embrace and draw the North to the table for dialogue as a long-term political and diplomatic solution to the North Korean issue, instead of isolating the North from international society.

# North Korea Policies of Neighboring Countries: Donald Trump, Xi Jinping, Abe Shinzo and the Korean Government



**Moderator** **IN Nam-sik** Director-General, Korea National Diplomacy Academy  
**Presenter** **Alan ROMBERG** Distinguished Fellow and the Director of the East Asia Program, Stimson Center  
**Junya NISHINO** Professor, Keio University, Japan  
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**MIN Jeong-hun** Professor, Korea National Diplomacy Academy  
**Rapporteur** **JEONG Hyeoyoung** Researcher, Korea National Diplomacy Academy

— **Alan ROMBERG** President Trump made a good effort to forge an agreement with China to resolve the North Korean issue, but he seems to be more intent on applying pressure on China than on securing common ground for the U.S. and China. In the early days of his presidency, Trump upheld the one China policy, but after his phone conversations with the Taiwanese president in December, 2016 and Xi Jinping in February, 2017, he came to realize that his implied threat to abandon “one China” precluded Chinese cooperation on any key items. Ahead of the U.S.-China summit in April, an economic issue emerged as a major agenda when Trump threatened to designate China as a currency manipulator. In the meeting, however, Trump asserted that if China was determined to resolve the North Korean nuclear weapons program, it could, adding that it just needed the right incentives to take the necessary measures to make that happen. Xi Jinping convinced Trump that resolving the North Korean nuclear issue is a very complicated problem, therefore it requires a complicated solution. The summit ended with a “real commitment” by both leaders to work together for

a peaceful resolution of the nuclear issue. Hence, as opposed to the accusatory tone and talk of penalties if China did not cooperate, the theme was now common efforts to deal with a shared problem. Though China is already putting pressure on North Korea, it is not certain whether the pressure would be enough to bring about a serious difference in the course of the North. The U.S. hinted at military action, saying that strategic patience is over. While the U.S. allies see this as a justifiable and even necessary reaction to the North’s advancing program, the possibility of actual use of force at some point has generated widespread unease.

The North Korean development of a nuclear attack capability against the U.S. is seen as not a matter of “if” but a matter of “when.” Therefore, if Pyongyang continues to refuse to reaffirm even an “in principle” commitment to eventual denuclearization, much less take steps to verifiably freeze the program now, this raises a real prospect that the American president may eventually face a decision whether to take out certain DPRK capabilities through the use of force. The administration still believes that a peaceful res-

olution is possible “largely owing,” as Vice President Pence put it, to the new engagement of China. The White House insists that if China cannot or will not contribute meaningfully to a resolution of the North Korean issue, the U.S. will act with its allies and others to do whatever is necessary to resolve it.

However, it is recognition of the enormous barriers to a preemptive use of force and of the enormous obstacles to success through sanctions, alone. The administration seems increasingly aware that any action needs to take account not only of the possibly far-reaching effects on Sino-U.S. relations, but also of the impact on relations with others, especially U.S. allies South Korea and Japan. While the U.S. administration seeks to raise pressure on both Pyongyang and Beijing to help get Pyongyang to do the right thing, it seeks to avoid sending the wrong signals either rhetorically or through accelerated deployments to the peninsula that it is on a rapid or inevitable path to war. One of the delicate issues, of course, is how to apply pressure on North Korea and China while at the same time convincing South Korea, Japan and others that the U.S. will not jeopardize their safety. The self-labeled master of the art of the deal might well be open to at least exploratory talks with the North and perhaps a return to some form of formal negotiations if Pyongyang is willing to adopt credible policies backed up by meaningful actions to “prove” it is willing to step back from the nuclear brink. But there should be no illusions that if there is no such change of policy by Pyongyang, and if it remains on its current course, the American president, whether Mr. Trump or his successor, will likely face the kind of decision with the war-and-peace implications raised here.

— **WANG Fan** There are differences among experts on Chinese policy toward North Korea, but the policy took admittedly clearer shape under the leadership of President Xi Jinping. China is closer to the North, ideologically and geographically. Therefore, China has extended energy resources and economic support to North Korea. However, Chinese policy has changed after the development of nuclear weap-

ons by North Korea. China has strongly asked the North to make good on its promise of denuclearization and to refrain from behavior that destabilizes regional security.

I believe it is because of the U.S. threat that North Korea refuses to give up its nuclear arms. The presence of U.S. troops in South Korea as well as the joint ROK-U.S. military drills and deployment of the Terminal High Altitude Area Defense (THAAD) also poses threats to the North. Many countries are pinning hopes on the role of China over the nuclear issue, but it is difficult for China alone to reduce the nuclear threat as long as the most fundamental cause of the issue remains unexplored. The greatest obstacle to denuclearization of the North, I think, is the lack of mutual trust between the U.S. and North Korea. China wishes the U.S. would further strengthen strategic cooperation with it over the North Korean nuclear issue. China maintains the position that the North should freeze and abolish its nuclear program. China will keep putting pressure on the North to that end. In this respect, U.S.-North Korea talks might be a new beginning for China-U.S. relations. Lastly, I think it is crucial that the U.S. should hold enough discussions with China before it starts any military action against North Korea.

— **Junya NISHINO** The North Korea policies of the Abe government are divided into two kinds: pressure on the North and Japan’s defense capacity-building for ensuring security through self-defense. As a neighboring country, Japan cannot tolerate the escalation of the nuclear threat by the North. Japan believes that the North will not abandon its nuclear arms. Japan cannot accept North Korea’s nuclear status. The Japanese government agreed with President Trump on sanctions on North Korea at a G-7 meeting and on Chinese pressure on the North. Due to its significant influence on the North the Abe government believes that it is necessary to keep up the pressure. As there is no trade between Japan and North Korea, Japan cannot resort to unitary sanction against the North. To curb the nuclear capability of North Korea, Japan may consider

strategies to strengthen Japan-U.S. cooperation, its defense capability, the ROK-Japan-U.S. cooperative ties and bilateral cooperation between Japan and South Korea. There are views that Japan could have greater influence on Trump over his North Korea policy after the Japan-U.S. summit in February. Japan is enhancing its defense capacity against North Korean missile attacks and is set to conduct as many military drills as possible, as long as South Korea permits it. Whether Japan, the U.S. and South Korea can further strengthen their cooperation is uncertain because cooperation between Japan and Korea remains inactive amid the controversial history issue involving the comfort women.

There are varied opinions about the Japanese capability for a preemptive attack, but Japanese people want the government to be equipped with a reliable defense capability. I believe President Trump too wants a more active role for Japan. I expect that new South Korean President Moon Jae-in will start talks with North Korea, but hope he takes a more cautious approach toward the talks. I hope that he will pursue inter-Korean talks in cooperation with international society, including the U.S. and Japan, in particular.

— **MIN Jeong-hun** When new presidents took office in Korea and the U.S., many expected a change in Korea-U.S. relations. The “America first” policy made many uneasy, but President Trump assured in his phone talks with President Park Geun-hye that the ROK-U.S. alliance would remain firm, as well as emphasizing the importance of the alliance by dispatching Defense Minister James Mattis and Vice President Mike Pence to Korea. Two months later, President Trump intensified pressure on North Korea, calling for greater pressure on and greater engagement with the North. At the same time, he asked China and Japan for cooperation on the North Korean issue. In the meantime, South Korea was momentarily pushed to the sidelines due to the impeachment of President Park; but President Trump started to emphasize the ROK-U.S. alliance again when Moon Jae-in was elected president on May 10 and said in his meeting with the special presiden-

tial envoy, Hong Seok-hyun, that America’s commitment to stand by the ROK against all external threats was unwavering. President Moon Jae-in is scheduled to visit the U.S. next month for a summit meeting with President Trump, and the North Korean issue is to top the agenda. The North Korea policy of President Moon is expected to focus on “pressure plus dialogue” to end denuclearization of the Korean Peninsula and to establish a peace regime, based on the ROK-U.S. alliance. Moon is expected to take a gradual approach to the denuclearization. If the North agrees to freeze its nuclear program, the South would scale down its joint military exercises with the U.S., and if the North continues the freeze, the South is expected to open economic exchanges with the North. President Moon believes that the South should continue talks on the human rights issue in North Korea, separately from diplomatic and security affairs. If the North continues missile tests, however, Moon could hardly pursue this engagement policy. Therefore, I believe, the summit between the South Korean and U.S. presidents should be the foundation for a solution to the nuclear issue and an occasion for the two leaders to build personal ties. The discussion on the nuclear issue should start with this relationship, and it will take time to see how issues involving South Korea’s share of the cost for the upkeep of U.S. forces in Korea, the deployment of THAAD and a renegotiation of the Free Trade Agreement(FTA) will be settled, and how those issues would affect the ROK-U.S. ties.

— **Alan ROMBERG** What does North Korea want? In retrospect, there have been a lot of discussions on security measures to be provided by the U.S. and international society against nuclear and conventional attacks by North Korea. However, the North brushed aside such discussions as pointless. Many people now say that the North will not give up its nuclear weapons, and I agree with it. I think it cannot but be difficult to come up with a solution to the nuclear issue, as all the parties, including the U.S., have sought a breakthrough without a policy to change the North Korean regime. If the demands of North Korea for

the abolition of the ROK-U.S. alliance and withdrawal of U.S. troop are accepted, except for the acknowledgment of North Korea’s nuclear status, would the North be content with it? I doubt if the North would agree to the denuclearization, nominally at least.

— **WANG Fan** President Trump calls for greater pressure and greater engagement with North Korea, but I wonder how pressure can be compatible with engagement with the North. I cannot understand the logic of Trump, because the intensified pressure precludes engagement. I think that sanctions might be an alternative, but it cannot be an ultimate solution to the nuclear issue. New Chinese sanctions against the North would be ineffective, if other countries engage with the North even if China implements sanctions against the North. I believe that the deployment of THAAD would provoke the North. China might find more difficulties in engaging the North for this reason.

— **MIN Jeong-hun** The North might want the status of a state with nuclear weapons, or a guarantee for its regime, or a peace treaty with the U.S. What South Korea wants is the denuclearization of the Korean Peninsula. I think that there should be a readjustment of the different objectives of the countries involved in the issue.

— **Junya NISHINO** Most of the international issues in East Asia originate from the division of Korea, I think. The survival of the Kim Jong-Un regime is the ultimate goal of North Korea, and I believe, its nuclear weapons serve as leverage for negotiations with the U.S. The North thinks that its nuclear weapons are a prerequisite for negotiations with the U.S. and will only come to the negotiation table when it acquires a nuclear capability powerful enough to confront the U.S.

#### Keywords

North Korea policies, Trump administration, Denuclearization of North Korea, U.S.-China relations, and North Korean nuclear issue

## No First Use and the Asia-Pacific



ASIA-PACIFIC LEADERSHIP NETWORK  
FOR NUCLEAR NON-PROLIFERATION AND DISARMAMENT

**Moderator** **TON NU THI Ninh** President, Ho Chi Minh City Peace & Development Foundation, Vietnam  
**Presenter** **Manpreet SETHI** Senior Fellow, Center for Air Power Studies, India  
**ZHAO Tong** Associate, Carnegie-Tsinghua Center for Global Policy, China  
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 Former National Security Advisor to the President of the Republic of Korea  
**Rapporteur** **CHOI Seung-chul** Former Staff Reporter, The Korea Herald

— **Manpreet SETHI** If deterrence is the basic purpose of nuclear weapons, which really is the only credible purpose of these Weapons of Mass Destruction (WMD), then the question that exercises every nuclear armed state is how to deter or what deters best. Is signaling preparation for deliberate and unhesitating employment of nuclear weapons, or first use, better for deterrence? Or does signaling preparation for nuclear retaliation, or no first use, able to deter better? Of the nine nuclear armed states today, seven have a first use strategy. Only China and India have declared no first use doctrines. Neither of them has ever explained the logic or benefits of No First Use (NFU). Benefits of NFU are many. In fact, nuclear first use not a good idea when the adversary has secure second strike capability since there can be neither a guarantee of a ‘splendid first strike,’ nor a guarantee against escalation. In fact, nuclear offense cannot assure victory. Nor can it help escape damage to self.

NFU is more credible and liberating since: there is no material weight of first use – stringent credible ‘superior’ first strike and use requirements; there is no psychological burden of first use – nuclear norm

not easy to be broken; there is no logistics burden of the requirements of first use; there is a less financial strain; there are fewer existential risks associated with nuclear weapons; decision to retaliate can be far easier, legitimate and guilt free. NFU is more stabilizing in that: arsenal requirements are limited; force postures can be more relaxed; adversary not on edge under use or lose pressures; and it raises chances of no use of nuclear weapons – meets the purpose of nuclear weapons, which is deterrence.

NFU is also more conducive to international security because: it reduces the value of nuclear weapons as usable weapons; eases pressures for proliferation; allows nuclear weapons to retain a notional sense of security from nuclear weapons possession; strengthens norm of non-use nuclear weapons; and allows gradual de-legitimization of nuclear weapons, easier pathway to elimination. Barriers to NFU are many too: adversary dismisses it as declaratory; critics at home decry it as defensive or pacifist; politics of extended deterrence; emergence of new counterforce conventional capabilities; the heightened salience of nuclear weapons; increasing incidences of nuclear

brinksmanship – triggering possibilities of further proliferation.

Who can lead it? It is a difficult question in today’s times of nuclear cacophony. All countries engaged in nuclear modernization, replacements for old arsenals and technologies, new inductions. Predominant senses of increasing salience of nuclear weapons. Difficult political relations between nuclear states; U.S.- Russia; U.S.-China; U.S.- Democratic People’s Republic of Korea (DPRK)-China; India-China-Pakistan. Beijing and Delhi could start by formalizing their NFU through a bilateral treaty. Washington could start a dialogue on this with its allies under a nuclear umbrella.

— **ZHAO Tong** First use doctrines raise threat perceptions and fuel arms race: U.S.-China; India-Pakistan; U.S.-DPRK, fueling arms race not only at the nuclear level, but also non-nuclear level. Examples include China’s concern about the U.S. preemptive attack against Chinese nuclear strategic submarines is driving China to deploy more conventional forces to protect its nuclear submarines in the South China Sea. This causes increasing military confrontations at the conventional level. The U.S. and ROK worry about the DPRK’s first use of nuclear weapons; the DPRK has the same worry about the U.S. Such mutual concern motives both sides to engage in further arms competition and to rely more on preemptive military strategies. All of these contribute to heightened threat perceptions and raise tensions.

NFU prohibits not only the first use of nuclear weapons, but also the threat of first use of nuclear weapons. NFU makes nuclear weapons only useful for deterrence purpose and but not for coercive purpose. NFU is not only a declaratory policy, but also has substantial implications for nuclear weapon development, deployment, and employment policies. NFU requires a small nuclear arsenal; not developing counterforce and first strike capability; refraining from developing so called “tailored” or “flexible” nuclear weapons with high accuracy and low yield. NFU requires keeping nuclear weapons at a low level of alert during peacetime, and refraining

from adopting Launch on warning posture. NFU reduces risk of accidental nuclear war and the risk of inadvertent escalation.

What are the barriers to the adoption of no first use doctrines? There is unclear strategy. For example, debate within the U.S. about whether to pursue nuclear primacy against China and Russia. Excessive risk-averse thinking: policy planners fixating on very low probability scenarios and wanting to keep all options open. Technical modernization without strategic guidance, such as the U.S. modernization of submarine-launched ballistic missiles, with “super-fuze”

Allies’ concerns are that Japan does not trust China’s NFU, wanting the U.S. to maintain the capability to preemptively strike China; If China obtains conventional superiority, the U.S. may need to use nuclear weapons first in a future conflict; If the U.S. needs to disarm the DPRK, it may need to rely on first strike with tactical nuclear weapons. Other deep issues that cannot be resolved soon are such as India-Pakistan conventional imbalance; divergent views on state-sponsored terrorism, and Kashmir.

A clear political guidance from the top leaders: Political leaders need to provide clear policy guidance to the military and defense scientists, to overcome bureaucratic inertia. Recognize the impact of emulation: Western influence on China and India’s thinking on NFU. Urgent need for dialogues and substantive exchanges among the nuclear weapons states about the merits as well as drawbacks of certain nuclear posture. Encourage rather than challenge the others’ NFU policy: NFU may not be verifiable, but still has great value, especially for building confidence. Do not discount the role of moral considerations in decision-making.

Advance the norm of NFU internationally, against the background of the Humanitarian Consequences of Nuclear Weapons Initiative in recent years and the Nuclear Ban Treaty negotiation in the UN. Encourage DPRK to clarify and substantiate its NFU commitment: Engaging DPRK to restrict its nuclear deployment and employ policies does not mean the

acceptance of DPRK's legitimate nuclear status. Refusing to engage undermines the security of ROK, the U.S., and the international community.

— **CHUN Yung-woo** Potential benefits of wider adoption of no first use principle are strategic stability between nuclear-armed States; reduction in the risk of miscalculation and unintended use of nuclear weapons; reduction in the role and significance of nuclear weapons in national security policies; creation of a more stable and peaceful international environment conducive to nuclear disarmament and eventually to the realization of a nuclear free world.

And there are barriers to the adoption of no first use. Mutual distrust between nuclear-armed States and lack of confidence in the commitment of the rival nuclear-armed State(s); Mistrust is exacerbated by the return of great power politics involving competition for power and influence and attendant rise of tensions; Lack of transparency in the number and types of nuclear weapons and delivery vehicles, their deployments, modernization programs, alert status and doctrines; Dependence of the ROK and Japan upon U.S. extended nuclear deterrence which does not rule out a first nuclear use: It is driven by the myth that keeping the option of first use is helpful in deterring unpredictable North Korea and that the abandonment of no first use would weaken deterrence; Practical need to keep the option of using nuclear weapons under extreme circumstances of overwhelming conventional attacks; need for maintaining as much strategic ambiguity as possible and not to restrict the scope of circumstances under which nuclear weapons can be used.

Where can we look for leadership? China stands out by setting an example in adopting a no first use policy. Despite the lack of its nuclear transparency, its nuclear posture adds credibility to the policy. U.S. leadership in adopting the no first use is vital to turning it into an established international norm. Russia and other nuclear armed states will lose excuses to avoid the adoption. The ROK and Japan should change their national security policies toward excluding the first use in U.S. extended nuclear deterrence.

They must rely upon conventional means for first use. Is the no first use principle applicable to North Korea? There are two fundamental problems: credibility and implications on North Korea's nuclear status. North Korea's no first use commitment is only as good as its credibility. Given North Korea's track record of defiance of and noncompliance with civilized international norms of behavior, its pledge cannot have any credibility. Accepting North Korea's no first use pledge has the implication of recognizing and legitimizing North Korea as a de facto nuclear weapon state. North Korea's ultimate goal is to be treated as such like India and Pakistan. Unlike other nuclear armed states, there exists a sui generis international law legislated by the UN Security Council which categorically bans North Korea's possession of nuclear weapons and related programs as well as launch of any devices using ballistic missile technologies. Despite all these problems of North Korea adopting a no first use commitment, a U.S. unilateral no first use assurance to North Korea could help in mitigating North Korean leadership's temptation for a first use.

#### Keywords

No First Use, North Korea, nuclear weapon, missile, doctrine



#### Policy Implications

- China and India can play a leading role by formalizing their NFU through a bilateral treaty while the U.S. can start a dialogue on NFU with its allies under nuclear umbrella.
- It is desirable to encourage rather than challenge the others' NFU policy.
- It is also necessary to encourage North Korea to clarify and substantiate its NFU commitment.
- The U.S. leadership in adopting the no first use principle is vital to turning it into an established international norm.
- Despite all the problems of North Korea adopting a no first use commitment, a U.S. unilateral no first use assurance to North Korea could help in mitigating North Korean leadership's temptation for a first use.

## The Strategy for Peaceful Use of Han River Estuary Neutral Zone under New South Korean Government



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Discussant	<b>KO Gyoung-bin</b> Director, Peace Foundation <b>PARK Kyung-man</b> Senior Reporter, The Hankyoreh <b>KIM Jin-Han</b> Director, National Institute of Biological Resources <b>NAM Jungho</b> Research Fellow, Korea Maritime Institute
Rapporteur	<b>KIM Hana</b> Manager, The Hankyoreh Foundation for Reunification and Culture

— **YOO Young-Rok** I expect a big change in inter-Korean relations with the inauguration of the new South Korean government after the two Koreas closed the doors to each other for nine years. As the Han River estuary was the only neutral zone in 1953 when the armistice treaty was concluded, civilian ships have been free to enter the estuary under the permission of the authorities of the two Koreas. Gimpo City sought to conduct a survey on the ecology and water flows in the estuary in 2016, but it was suspended due to the nuclear test by North Korea on Jan. 6, 2016. I expect the city might resume the survey, if inter-Korean relations improve during the new government.

— **Glen SEGELL** How to establish a marine peace park is a crucial matter for both Korea and Israel. The establishment of a neutral zone across the borders could not only solidify the ties between the parties locked in confrontation against each other and improve their ties, but also serve as a potential solution to the conflicts, and as a concrete measure to bring peace. Until 1994, Israel had diplomatic ties

with only Egypt among the Arab countries. Israel and Jordan, which have fought against each other for years, agreed on the special treaty on the Aqabi-Eilat region in tripartite peace talks, including the U.S., in 1994 to create a marine park in the Red Sea.

The treaty stipulates that the two countries have agreed to cooperate in research on coral reefs and marine life and on the ecological protection of the coral reef. For discussions on tourism, the environment, water resources and border security, the Jordanian delegation made a visa-free visit to Eilat in Israel and an Israeli delegation to Aqaba in Jordan for one week. While the peace talks were underway, the resource managers, scientists, research institutes and Non-Governmental Organizations(NGO) discussed research and monitoring activities required to maintain and improve the ecological conditions for the coral reef in the Aqaba Gulf. The peace process was meaningful in that it succeeded in bringing multilateral, tripartite and bilateral negotiations.

The objectives of the peace park are as follows: preservation of the seaside ecology and biodiver-

sity; sustainable economic growth and utilization of the park for tourism and leisure activities; prevention of deterioration of the existing ecology; restoration of marine natural resources from damage; and implementation of a program to enhance environmental awareness. The Red Sea Marine Peace Park(RSMPP) in the neutral zone has similar conditions to the Han River estuary. Therefore, the RSMPP case might be a precedent for peaceful use and preservation of the Han River estuary. As it is hard to gain access to the area due to the ceasefire condition, the key objective of the envisioned park in the Han River estuary should be nature preservation, instead of tourism.

— **SUH Choo Suk** The Han River estuary is an outlet of the Han River and Imjin River into the Yellow Sea. It occupies a geographically, economically and environmentally significant position. Neighboring the capital area of Seoul, it used to be a hub of marine transportation, logistics and fisheries. As civilian access was prohibited after the Korean War, it came to have huge soil deposition, thus becoming home to various plants and animals. The neutral zone in the northern part of Gimpo City was designated under Article 5, Clause 1 of the Korean Armistice Agreement, concluded in July, 1953. Article 5 stipulates, “The area whose one river coast is under the jurisdiction of one party, and the other coast under that of the other party, is open to passage of civilian vessels of both parties. There is no restriction on the civilian vessels in reaching the piers under the military control of their own sides.” Therefore, civilian vessels are free to use the estuary. However, the regulations drafted by the Military Armistice Commission(MAC) at Panmunjom in October, 1953 on the passage of the civilian vessels in the estuary prohibited the entry of civilians into the neutral area, allowing their passage only under the permission of the police. Registered ships only were allowed to enter the estuary, but the zone virtually remained as off-limits area, as the MAC refused to register any vessel for entry. Right after the ceasefire, the U.S. forces used to control the zone, limiting the entry of

civilian and military vessels. The zone is now under the control of South Korean forces, but still remains an off-limits area for civilian vessels, thus precluding the peaceful use of the estuary.

The vision of President Moon Jae-in’s North Korea policy is characterized by “peaceful coexistence on the Korean Peninsula,” a “new economic map of the Korean Peninsula” and activation of social, cultural and sports exchanges with the North. I expect that civilian vessels might be allowed to enter the zone when the two Koreas agree to ease military tension.

The new government has the evident will to introduce a peaceful order in the West Sea, develop the border areas and utilize the Han River estuary. When inter-Korean exchanges resumed, the two Koreas are expected to renegotiate on and implement the Oct. 4 Declaration in 2007, and the agreement on the Special Peace and Cooperation Zone in the West Sea. But, it is hard to push for what was agreed at that time, due to the current North Korea nuclear crisis. The South should make continued efforts to improve inter-Korean relations through the Six-Party Talks for denuclearization of the Korean Peninsula as well as securing optimal conditions for inter-Korean exchanges. Gimpo occupies the most significant position on the Han River estuary. As it has a vast wetland and mudflats, joint use of the area after dredging with the North for fisheries and free passage may produce direct economic and peacekeeping effects. It also has much potential for eco-tourism thanks to the wetlands at Siam-ri and Yudo Island. Gimpo is so close to the North that the southern area of Gaeseong in the North is visible from Aegibong Peak. Gimpo, dubbed as a city of peace and culture, is likely to make further progress as the hub of South-North transportation and exchange when the Ganghwa-Haeju highway and bridge open.

— **KO Gyoung-bin** A peace project is not a venture that can be pursued only under rare conditions where peace is permanently established. The peaceful use of the estuary should be regarded as a peace project to build peace on the Korean Peninsula. If it is only

possible after the resolution of the nuclear issue and the settlement of peace on the peninsula, we do not have to consider it. When there was a crisis with the nuclear test by the North, the peace project was not suspended. Even when UN sanctions were imposed on the North, they were also recognized as lawful projects. The suspension of inter-Korean trade in 2010 and closure of the Gaeseong Industrial Complex in 2016 ended up just abandoning the means for peace, given the fact that the North continued provocations afterwards. There will be more ups and downs in efforts to resolve the nuclear issue. If the peace project starts on the Han River estuary after progress on the issue, it should be sustained, separately from changes in South-North relations and security conditions.

Would there be a way for the peace project in the estuary not to repeat the fate of the Gaeseong Industrial Complex? If the North ultimately abandons its nuclear weapons and the South agrees to a peace treaty, we might consider a measure to hold a plebiscite in both South and North Korea on the peace project so that it can be maintained no matter what occurs afterwards. There is a negative view about a peace treaty with the North, because some people regard it as a way to perpetuate national division or anticipate a sudden collapse of the North Korean regime. Without sustainability, the peace project, no matter how good ideas support it, would fail to be feasible. We should keep making efforts to figure out what is necessary to keep up the peace project. The peace project on the Han River estuary is important in this context.

— **PARK Kyung-man** South and North Korea agreed to establish the Special Peace and Cooperation Zone in the West Sea, including joint use of the Han River estuary, in the inter-Korean summit meeting in October, 2006. But, nine years have passed since the inter-Korean talks on the peace zone were suspended under the Lee Myung-bak government. The projects envisioned at that time to use the estuary for economic cooperation and to ease military tension included joint fishery and peace zones, and a special

economic zone, as well as opening of Haeju harbor and joint collection of sand and pebbles. These projects are still valid and might be resumed.

It is more advantageous to take a first step with the establishment of the Special Peace and Cooperation Zone in the West Sea in the estuary in Gimpo and Ganghwa, already designated as a neutral zone, than on the Northern Limit Line or Demilitarized Zone where military confrontation still remains tense. The neutral zone stretches about 67 kilometers from Manu-ri, Tanhyeon-myeon, Paju City in the estuary of the Imjin River through Gimpo to Boreumdo(Maldo), Seodo-myeon, Ganghwa County. Under Article 5, Clause 1 of the Korean Armistice Agreement, both South and North Korean civilian vessels can freely enter this area. This zone is different from the demilitarized zone on land whose use by civilians is prohibited. In the recent conference on “how to build a city of peace and culture” with city officials, Gimpo Mayor Yu Yeong-rok said, “Gimpo is the place where the new government can start the first inter-Korean exchanges,” vowing that he would take the initiative of inter-Korean reconciliation and cooperation by suggesting to the government the restoration of the Han River waterway and designation of a special peace and culture zone on the Han River estuary.

The estuary in Gimpo, called Jogang, is an ecologically, culturally and historically as well as geopolitically significant and symbolic place. Gimpo City is pushing for the designation of a “Special Zone of Peace” in Jogang-ri on the Han River estuary, which has such peace-symbolizing spots as Aegibong Peak and Jogang Harbor. If the waterway opens for both South and North Korean vessels, and an ecological survey is conducted on the neutral marine zone, it is expected to be a breakthrough to improve the stalemated inter-Korean relations.

Among the borderline cities, Gimpo City remains the only local government that implements practical unification projects amid the shrinkage of inter-Korean exchanges since the May 24 sanctions against North Korea following the sinking of the Cheonan in

2010. Gimpo has little advantage as an administrative unit, but thanks to its location midway between Seoul and Gaeseong and the Jogang River, it was a focal point of traffic from the South and North before the Korean War. Therefore, if the area around Jogang is designated as a special zone of peace, like the Red Sea Marine Peace Park, it would be an epoch-making breakthrough to improve inter-Korean ties.

— **KIM Jin-Han** I would like to take an ecological approach toward the use of the Han River estuary. I think it is encouraging that Gimpo, a border city, has a keen interest in this topic. The estuary is known for its natural biodiversity, as it has remained off-limits area where development was banned after the Korean War, thus preserving many plants and animals without human intervention. The scenery beyond the barbed wire is nature's wonder, itself. The estuary with the circulation of ebb and flow is known for its ecological value as a habitat and spawning ground for wildlife, for its function to prevent natural disasters and for its beautiful scenery as well as for its socio-economic values. Most of the big rivers in South Korea such as Nakdong River, Geum River and Yeongsan River are blocked by estuary banks. As the estuaries of the Mangyeong and Dongjin Rivers are also blocked by the Saemangeum Reclamation Project, the Han River remains the only one that was not blocked by estuary banks among the rivers flowing into the West Sea, thus having outstanding ecological value. However, little is known about its ecology, except for large mammals and birds spotted by telescopes, because access and entry to the area is strictly limited.

One of the noteworthy species in the estuary is black-faced spoonbill. As one of the endangered species of the world, it is designated as a natural monument and protected as a first-degree endangered species in Korea. Most of the spoonbills breed on deserted islands off the west coast, live off the wetlands and winter on Jeju Island, Kyushu in Japan, southern China, Hong Kong and Taiwan. Known as the breeding grounds of the species are Ganghwa Island, deserted islands in Ongjin County, Yudo and Gyodong

islands north of Bogugot-ri, Wolgot-myeon, Gimpo City, and Yodo Island in the northwestern area of Jiseok-ri. It was found by satellite tracking of signals from radio transmitters attached to the spoonbills that some live on the wetlands in the estuaries of the Han River and Yeseong River, with some born in South Korea migrating to Yeonan, Nampo, and Gwansan and Mundeok counties in North Korea. Spoonbills freely moving between South and North Korea might be called a peace-symbolizing bird.

— **NAM Jungho** I think the presentation here in the Jeju Forum is meaningful, because there has been no opportunity since 2008 to give a presentation about the research of the Special Peace and Cooperation Zone in the West Sea project, initiated from 2004. The Red Sea Marine Peace Park shared by Israel and Jordan to preserve the marine ecosystem in the Red Sea and seek economic development of the region offers significant indications for inter-Korean cooperation in the border areas in East and West Seas. The presentation by Dr. Glen SEGELL indicates that the changes in the political and military structure of the two Koreas might create the momentum for socio-economic and cultural exchanges, including the peaceful use of the Han River estuary.

The special treaty on the Aqaba-Eilat regions is focused on preservation of the ecosystem of a coral reef, but the increases in the harbor volume and international tourists in the region clearly highlights what they gained from the bilateral cooperation. Mr. Suh gave a concrete analysis of the policies and projects that the new government is set to implement. Based on his experience of drafting the Oct. 4 Declaration as a senior presidential secretary on national security affairs, Mr. Suh suggested proper ways of utilizing the Han River estuary to build peace and pursue economic development in the border area.

Meanwhile, the new government should carefully review existing inter-Korean exchanges mainly oriented to land projects and economic development, which might reduce the scope of marine cooperation, and explore ways to minimize the damage to the repository of the primitive biodiversity. Therefore,

inter-Korean cooperation in border areas should be designed to preserve ecological diversity, ease the political and military tensions and lay the foundation for economic development. The following are the principles for the utilization of the neutral zone in the Han River estuary.

First, the principle of integration and interconnection. As the neutral zone of the estuary is linked to the sea, inter-Korean cooperative measures should be organically interconnected on the sea. There should be a measure to spatially integrate the border waters, the cities neighboring the waters (Gimpo City, Ganghwa County, Haeju City, Gaeseong City, Seoul, etc.) and the islands as well as the estuary.

Second, the principle of mutual trust and respect. The two Koreas lack trust in each other due to the nuclear tests, missile launches, closure of the Gaeseong Industrial Complex and the suspension of Mt. Geumgang tours for the last nine years. Mutual trust and respect should be pursued all the time in the process of inter-Korean cooperation as well as during the normalization of ties.

Third, the practicality and feasibility first principle. Before the normalization of inter-Korean cooperation and completion of an economic cooperation system coupled with a peace regime, it is necessary to start with smaller and more feasible projects, instead of bigger scale investment with less feasibility.

Fourth, the principle of gradual and repetitive approach. There might be various kinds of difficulties and limitations in the course of the neutral use of the estuary. It should be recognized that any project of inter-Korean cooperation has limitations in producing an early outcome.

Fifth, the principle of non-political approach by experts. If political issues are involved in the inter-Korean cooperation project to utilize the estuary, it is likely to bump into difficulties in the initial stage. Therefore, environmental experts should seek cooperation on non-political issues.

#### Keywords

Red Sea Marine Peace Park, Aqaba, Eilat, Israel-Jordan Neutral Zone, Han River estuary, Jogang, DMZ, peace project, Special Peace and Cooperation Zone in the West Sea, Gimpo, Neutral zone, West Sea, Marine ecology, Inter-Korean relations, South-North Korean exchange, Inter-Korean cooperation, Black-faced spoonbill, North Korean nuclear weapons.



#### Policy Implications

- The joint scientific activities for ecological surveys can be maintained even amid military tensions or conflicts, and it may serve as a tool to ease tension in the border area.
- The strategy to peacefully utilize the estuary can win the support from international society, including the U.S. and UN, as there is the precedent such as the Red Sea Marine Peace Park established in the world's flashpoint, the Middle East.
- By using the neutral area like Gimpo, a non-political area, as a means to reactivate inter-Korean exchanges, the Moon Jae-in government can designate a "special zone of peace" as a basis of the improvement of inter-Korean relations.
- The establishment of a peace and ecology park in the neutral area of the Han River estuary where the passage of civilian vessels is allowed under the Korean Armistice Agreement may benefit both South and North Korea, and it may become a starting point to build peace on the Korean Peninsula.

## Korea-China Relations: Achievements, Challenges, and New Proposals



Moderator	<b>CHUNG Sang-ki</b> Director, Center for Chinese Studies, Korea National Diplomatic Academy
Keynote Speaker	<b>WANG Fan</b> Vice President, China Foreign Affairs University
Presenter	<b>Sergei LUZIANIN</b> Director, RAS Institute for Far Eastern Studies
	<b>GUO Rui</b> Professor, Department of Administration, Jilin University, China
Discussant	<b>CHOI Wooseon</b> Professor, Department of National Security and Unification Studies, Korea National Diplomatic Academy
	<b>LEE Ji-yong</b> Professor, Department of Asian and Pacific Studies, Korea National Diplomatic Academy
Rapporteur	<b>HAN Gipeum</b> Researcher, Center for Chinese Studies, Institute of Foreign Affairs and National Security, Korea National Diplomatic Academy

— **WANG Fan** The deployment of Terminal High Altitude Area Defense (THAAD) in South Korea raises tensions and concerns in Northeast Asian countries, while China continuously asks the U.S. to consider the security interests of China. China cannot but express concerns as the coverage of THAAD surpasses the mere scope of defense. As the North Korean nuclear weapons remain a thorny issue in China-South Korea relations, so the THAAD deployment is a sensitive issue for North Korea, making it increasingly difficult to resolve the nuclear issue. Korea says that it will lodge a complaint with the World Trade Organization against the Chinese retaliation on the THAAD issue, but there would be no problem for Korean companies, only if they comply with Chinese laws. On the part of China, the sanctions against North Korea are not an end itself, but a means to help the North recognize the dangers of the development of nuclear weapons and missiles. It is necessary to arrange a table for negotiation for a peace mechanism on the Korean Peninsula after the North suspends nuclear experiments and the U.S.

and South Korea stop military drills. China is seeking to arrange negotiations between the U.S. and North Korea, supports the UN resolution on the nuclear issue and continues to make efforts to resolve the issue. First, China is making efforts towards peace and progress. Second, China is cooperating with neighboring countries, putting the emphasis on diplomacy with them. Third, it pursues the establishment of a Northeast Asian or Asian community of common destiny. Lastly, China seeks to learn from other countries. China and South Korea should make efforts to realize the Asian dream with their wisdom, as well as establish a platform for bilateral cooperation to give more benefits to the people of both countries.

— **Sergei LUZIANIN** The Korean Peninsula is gradually becoming the tightest knot of Sino-U.S. disagreements. In March, this year, the spokesperson of the Chinese Foreign Ministry said that China hopes that the concerned parties would manifest respect to the positions of the regional countries and take into account their “national security interests.” She also

expressed hopes that North and South Korea would manifest proper responsibility and take measures that would help to eliminate the growing tension in East Asia. So far, the Chinese policy can be described as equidistant and not oriented to support one Korea against the other one.

China fully and rigorously complies with UN Security Council resolutions on sanctions against North Korea, but at the same time holds the view that the sanctions should not cause a negative impact on the life of the population and humanitarian needs of the North. The Chinese Ministry of Commerce published a notice that China would suspend coal imports from North Korea, and Pyongyang denounced the notice as inhumane behavior, a sign that the North accepts the Chinese sanction as a grave matter.

U.S. Secretary of State Rex Tillerson made a visit to China and suggested a moratorium on North Korean missile launches, while China called for the suspension of ROK-U.S. military exercises, which was turned down by the U.S. and South Korea. They just agreed to make every effort to solve the nuclear issue. Chinese Foreign Minister Wang Yi proposed Six-Party Talks on the North Korean nuclear issue, explaining that the nuclear crisis broke out due to differences between the U.S. and North Korea and the absence of a diplomatic dialogue channel after the halt of the Six-Party Talks. Beijing does not want to aggravate the current situation and is willing to cooperate with the U.S. The North Korean problem is a very thorny and complicated issue, which requires continued efforts of the parties involved for its solution.

— **GUO Rui** The bilateral relations of China and South Korea have undergone tough times last year and this year. Since the establishment of diplomatic relations in 1992, the bilateral ties have developed gradually from the partnership agreed in 1998 and the comprehensive and cooperative partnership in 2003 to the strategic and cooperative partnership in 2008. However, the ties reverted to the pre-diplomatic ties state due to the THAAD issue. Upon

the changes on the Korean Peninsula, East Asian countries exhibited different postures. South Korea is desperately seeking national security; North Korea is intensifying threats of war; and Japan is also heightening the risk of war. China cannot but express concerns about this situation.

China and South Korea have established a special partnership for the last 25 years, but they have started to recognize that they have failed to engage in strategic communication so far. There was a lack of communication on security, military and mass media affairs between the two countries. They failed to recognize the ambiguity of the strategic intentions of each other and perceived the THAAD issue only from their own perspective. In this respect, the two countries face two issues. First, they failed to foresee the impact of the strengthened alliance between the U.S. and South Korea upon Korea-China ties. The ROK-U.S. alliance is regarded by countries in the East Asian region as a Cold War legacy, which is destined to interfere with efforts to build strategic trust in each other. Second, there is a problematic feature in South Korea’s perception of the traditional China-North Korea ties. South Korea believes that China sides with the North over the nuclear issue. If North Korea conducts its sixth nuclear test after South Korean President Moon Jae-in visits the U.S. and before his visit to China, it would eclipse the possible achievement Moon can make during the U.S. visit and negatively affect the China-South Korea summit. I believe that the conflict involving THAAD was caused by the lack of mutual trust between China and South Korea. To build trust, they should activate diplomacy with neighboring countries as well as taking into account the factors involving North Korea and the U.S. They should figure out their common goals and explore ways to maximize benefits for each other. They also need to expand talks on security affairs, cultivate strategic trust in each other and make efforts to enhance core interests of both sides and solve the security dilemma.

— **CHOI Wooseon** It is important to settle pending

issues on the first hand to further develop the bilateral ties of South Korea and China. As regards the THAAD issue, China misunderstands the position of South Korea. The deployment of the THAAD system was to respond to the capability of North Korea to engage in actual nuclear warfare. The South Korean government has considered its possible effects upon China, but concluded that the security measure does not technically interfere with Chinese security. If China sincerely considers the inevitable security concerns of South Korea, it might clear away the suspicions arising from the uncertainties about the intention of the THAAD deployment and its exaggerated threats.

I believe that South Korea and China are narrowing their differences on the North Korean nuclear issue. The new governments of South Korea and the U.S. have a will to solve the issue through dialogue and China does so, too. In the case that North Korea refuses to abandon its nuclear weapons, it would require a strong measure of pressure upon the North. So, the pending issue is to what extent China would allow sanctions against North Korea. As South Korea and China share a common interest in resolving the nuclear crisis, I believe that the two countries could come up with natural solutions to the issue, based on their cooperative ties, though it might take a longer time.

— **LEE Ji-yong** The disputes over THAAD between South Korea and China are just a superficial phenomenon, with a structural force seen to be working on bilateral relations. For more mature ties and co-prosperity in the future, the two countries should review their bilateral ties, including the current situation differing much from 25 years ago when the two countries set up diplomatic relations. Given the Chinese posture on the THAAD issue, it is doubtful if China respects the sovereign rights of neighboring countries. Currently, East Asian countries seek co-prosperity, with no country raising serious complaints against the regional order dominated by the U.S. and China claims that it pursues peace and co-prosperity in East Asia, but does not act that way.

China should perform its role as a growing superpower to provide international public goods security for the stability and prosperity of Asia. If China does so, bilateral ties between South Korea and China will make a qualitative leap for the next 25 years.

— **GUO Rui** There are differences in the positions and perceptions of China and South Korea about the THAAD issue. China does not take an aggressive posture toward its neighboring countries. On the contrary, some countries outside the East Asian region are concerned about the rise of China and try to interfere with Chinese efforts to become a leading country. China is refraining from concrete actions in its intention not to cross the Maginot line. What matters is not how China regards the ROK-U.S. alliance but how the U.S. and other countries view the rise of China. What counts is the effort not to intrude upon the Maginot lines of each other. I do not think that THAAD is an effective solution for South Korea, as it resulted only in provoking North Korea. The countries should discuss the issue in a frank manner from the perspective of their counterparts. It might be a good option for China and South Korea to operate their existing dialogue system, after pushing aside the THAAD issue, to resume talks on such issues as the China-South Korea FTA and Tumen River development project.

— **WANG Fan** Even though there are differences between China and South Korea in their perception of security issues, we have to squarely face the realities. It is problematic that they will not accept the positions of each other, in spite of repeated discussions on the issue. The THAAD issue has already become a regional problem. It is necessary to consider the overall situation, instead of the national interests of certain countries. China is imposing strict sanctions on North Korea under UN measures, but sanctions themselves are not its ultimate goal. The concerns of South Korea over the nuclear threat are understandable, but THAAD cannot resolve concerns about security. This is because it is the Cold War order on the Korean Peninsula that makes South Korea feel insecure. As the two Koreas have nothing more than

an armistice agreement, they cannot have trust in each other.

— **CHUNG Sang-ki** Judging current relations between South Korea and China, they seem to lack understanding about the reasons why South Korea needs the deployment of THAAD and why China is so sensitive toward it. They have to acknowledge the lack of communication over the last 25 years. I think that the leading figures of the two countries have overlooked during their past exchanges the differences of the two countries, while emphasizing the long history of exchanges and culturally common features of them, only. It is doubtful that the millions of Chinese people visiting South Korea every year have any genuine interest in the modern history of Korea. I also suspect they still think the South started the Korean War. If so, they could not understand the fear of the South Korean people about the North and their desperate need for the deployment of THAAD. To maintain sound and sustainable ties between the two countries, they will have to make efforts to know better about each other and strengthen communication.

#### Keywords

Korea-China cooperation, Peaceful cooperation in Northeast Asia, Security in Northeast Asia, 25th anniversary of the diplomatic ties of South Korea and China, Deployment of THAAD system, North Korean nuclear issue



#### Policy Implications

- In spite of the criticism at home against the Chinese pressure on South Korea over the THAAD issue, after the backlashes from it, China still manifests a diplomatically hardline position over the issue.
- South Korea should manifest its position to maintain and strengthen its alliance with the U.S. and convince China that the deployment of THAAD is part of measures to respond to the threats of North Korea, while pushing ahead with the deployment as scheduled.
- It is notable that Russia evaluated the Chinese posture toward the two Koreas as equidistant diplomacy, given the international view that China took a more friendly position toward the South due to provocation by North Korea with nuclear missiles.

## Containing Nuclear Rivalries in Asia: What Roles for the Non-Nuclear Weapons State?



ASIA-PACIFIC LEADERSHIP NETWORK  
FOR NUCLEAR NON-PROLIFERATION AND DISARMAMENT

**Moderator** **Ramesh THAKUR** Professor, Crawford School of Public Policy, Australian National University / Co-Convenor, Asia Pacific Leadership Network

**Presenter** **Lalit MANSINGH** Former Foreign Secretary of India

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**Rapporteur** **CHOI Seung-chul** Former Staff Reporter, The Korea Herald

— **Lalit MANSINGH** We are looking at the Asian continent. Of course, there are conventional conflicts all over Asia, stretching from Syria to South China Seas. The striking thing is that here you have six of the nine nuclear armed states of the world in this continent. And what is more alarming is that all these nuclear armed states have serious issues with their neighbors and therefore there is a big potential of conflict. I am going to focus on South Asia. Even though West Asia has a nuclear armed state, Israel, and you have a nuclear capable state in Iran, but Iran is under constraints. So it is unlikely that a nuclear conflict will take place in West Asia. So let us focus on South Asia and see what the situation is like.

The major nuclear armed states there – India, China and Pakistan – have serious bilateral disputes among themselves. Pakistan, for instance, is facing charges of terrorism, cross-border terrorism from all three neighbors, from Iran, from Afghanistan and from India. I think India-Pakistan relations are at the lowest since 2003. Tensions are also high between India and China as China claims over the Indian

Territory. If I focus on South Asia, it is clear that we have witnessed this unstable triangle between India, China and Pakistan. Speaking of the nuclear assets of the three countries, I will not go into details, but overall, the three states together have more than 500 nuclear weapons with a similar number of delivery platforms. In the case of China, it has the longest range of delivery platforms. India is not very far behind. India and China have many similarities in their nuclear doctrine, especially no first use. Pakistan's entire nuclear program is aimed at India. Unlike India and China, Pakistan regards nuclear weapons as usable weapons in war. And they intend to use it against India when certain very big red lines are breached. And a new element has contributed to the nuclear instability in the South Asian region like Pakistan introducing tactical nuclear weapons, weapons with the short range of about 60 km, which Pakistan will safely use against the Indian forces coming towards Pakistan. So there is this additional global anxiety about the terrorist groups based in Pakistan, groups like Al-Qaeda, Taliban and so on.

A whole coalition of the international terrorist group has conducted deadly attacks on Afghanistan and India and against the foreign troops in Afghanistan. Pakistani terrorist groups have tried to attack Pakistani nuclear installations.

So what then should non-nuclear armed states do in this situation? First of all, we must understand in the South Asian context that they are very densely populated states – China, India and Pakistan. Among them are about two and a half million people. And any nuclear conflict between these two countries is going to have a fallout on the neighboring states. It is inevitable. Non-nuclear armed states are collateral victims of nuclear conflict between the major powers. Unfortunately, there is no rule for the non-nuclear armed states. And non-nuclear weapons states have virtually no role except to be passive victims of their nuclear policies. In this situation, I think we are starting from virtually ground zero. The main thing is that the non-nuclear weapons states must get together and mobilize their resources and show solidarity in pursuing their interest and in giving notice to the handful of nuclear powers.

— **Marianne HANSON** Let me first talk about the nuclear rivalries, about the costs and possible consequences of them. Every nuclear weapon state is in the process of modernizing its nuclear program. As Hans Kristensen and others note, this can have a negative effect in the following ways: it spurs rivals to modernize further, and it signals to the rest of the world that the nuclear states envisage retaining their nuclear arsenals into the indefinite future. Costs and opportunity costs of nuclear weapons programs and of modernizing are unreasonably high in all the nuclear weapon states, but we have a real incentive to lower these costs in states like North Korea, India and Pakistan, at the least.

The dangers of accidental or deliberate launch remain too high for us to be complacent. Note that many models of the likely consequences of a limited nuclear war focus on the India-Pakistan conflict, but we need to be aware of the dangers and risks in every one of the nuclear weapon states. So what can

non-nuclear states do in this respect? The first thing to do is to emphasize devaluing, which involves encouraging of doctrinal changes to reduce the salience of nuclear weapons in security policies; adopting clear and unambiguous no first-use policies. And we need de-alerting, which means to encourage the nuclear weapon states that have high-alert status to revise these policies; ensuring nuclear safety and security.

Can we risk the massive destruction on a system which carries enormous risks? It is time to de-link the idea of deterrence with nuclear weapons; deterrence has come to be identified with, and defined by, nuclear weapons, 'as a habit, almost unconsciously.' Extended nuclear deterrence carries extremely high risks. There is an under-estimated credibility problem of extended nuclear deterrence – how can we expect that a nuclear umbrella will hold? This is especially the case when we consider the on-going norm of non-use. Reasserting extended nuclear deterrence automatically proliferates the idea that it is the only nuclear weapons which have military utility (when in fact they do not), and can result in uncertainty rather than security reassurance.

Deterrence can be reconceived as being based on a much wider range of capabilities and threats; de-coupling deterrence from nuclear weapons is an urgent necessity. Moreover, even if 'break out' was to occur, it is likely to be conventional weapons which are used against a violator. All states, and especially non-nuclear states, can focus on ancillary activities, including, but not limited to the following. Offer opportunities and venues for dialogue; there is currently no security architecture present in the region. Face-to-face meetings; small groups of APLN members with political leaders?

— **Mely Caballero ANTHONY** I wish to focus on what the member states of ASEAN can do to help reduce tensions and contain nuclear rivalries in Asia. ASEAN as non-nuclear weapons state can use its existing frameworks like Zone of Peace Freedom and Neutrality to promote non-proliferation of nuclear weapons and promote its regional norms on nuclear

safety, security and non-proliferation reflected in its Treaty on the Southeast Asian Nuclear Weapons Free Zone.

The ASEAN countries are non-nuclear weapon states and have collectively demonstrated their anti-nuclear weapon stance. The Southeast Asia Nuclear-Weapon-Free Zone(SEANWFZ) was already contained in the Zone of Peace, Freedom and Neutrality Declaration in November 1971, which reflected the members' opposition to the domination of any great power in Southeast Asia as well as their anxiety over the risk posed by nuclear weapons. There is a need to reiterate that SEANWFZ has been one of the key tangible achievements of ASEAN and part of its regional identity—a region free of nuclear weapons and located adjacent to the South and Northeast Asia that have been beset with nuclear proliferation.

ASEAN first articulated regional norms on nuclear safety, security and non-proliferation in the 1995 Treaty on the Southeast Asia Nuclear Weapon-Free Zone. The treaty obliges parties “not to develop, manufacture or otherwise acquire, possess or have control over nuclear weapons; station nuclear weapons; or test or use nuclear weapons anywhere inside or outside the treaty zone.” There is a need to reiterate that SEANWFZ has been one of the key tangible achievements of ASEAN and part of its regional identity—a region free of nuclear weapons and located adjacent to the South and Northeast Asia that have been beset with nuclear proliferation.

ASEAN should capitalize on its peace dividend and expand its political capital to promote and further advance regional efforts in promoting Confidence Building Measures(CMB), preventive diplomacy and conflict resolution in Asia.

ASEAN's record in maintaining peace and security in the region has given it the credibility as a successful regional institution. ASEAN has also been regarded as the fulcrum of regional security architecture. Within the frameworks of its ASEAN-led multilateral institutions like the ASEAN Regional Forum and the East Asia Summit(EAS),

ASEAN member states should enhance efforts at promoting CBM and explore a more proactive role in facilitating dialogue among the actors involved in the worsening tensions in the Korean Peninsula.

ASEAN should facilitate its multilateral frameworks for a dialogue between Nuclear Weapon States and Non-Nuclear Weapon States to eliminate nuclear weapons. To demonstrate its credibility as a Non-Nuclear Weapon States, ASEAN must enhance relations with the International Atomic Energy Agency(IAEA), Comprehensive Nuclear-Test-Ban Treaty Organization(CTBTO), and other Nuclear Weapon Free Zones. ASEAN should collectively support the latest initiative on the Ban treaty and the efforts to negotiate a legally-binding instrument to prohibit nuclear weapons, leading towards their total elimination.

Finally, ASEAN Member-States should enhance efforts to promote the culture of nuclear safety, security, and safeguards as well as to actively contribute to the burgeoning nuclear energy cooperation and governance in Southeast Asia and the wider Asian region. These initiatives complement, and even strengthen, the various frameworks of cooperation in the region as well as the global conventions mentioned earlier.

— **HWANG Yongsoo** We have to courage how to share the lessons from the leaders of the non-nuclear weapons states. South Korea, for example, has enjoyed the benefits of nuclear power plants since 1974. Now, we are in the middle of a transition. Probably, the new government would like to encourage the renewable energy more. We learned a lot of lessons, some good ones and some bad ones. And we made some mistakes. And we do not want those kinds of mistakes to happen in other countries. Now there are a lot of new comers especially from the Middle East, Africa and Southeast Asia. And how to share our own experience with the newcomers will be very important. For that, we need teamwork like international consortium to encourage all the status quo to abide by the speed of the global nuclear security.

I was in Tokyo until this morning. We want to cre-

ate a small technical consortium to manage the spent nuclear fuel disposal. We have the full participation from Japan, South Korea, Taiwan, China and the U.S. There, even though we are so familiar with each other from the beginning, we can get one conclusion. It can create the openness for everybody. To have openness for the technical development is very important. It will be important to think about openness among the neighboring countries to avoid any kind of mistakes in the future. We should disseminate this kind of lesson to the new comers. We should also cultivate and disseminate the so-called 3S cultures: Security, Safety, and Stability. We are not just talking about safety. We should combine safety, security and safeguard together and we should try to set up a new norm to assure the transparent global cooperation to ensure the nuclear non-proliferation. And we have a lot of experience to create that kind of thing. Any time we fail. We might fail in the future, but we still need consistent efforts.

I would like to follow one statement made by Nelson Mandela. He states that “it always seems impossible until it is done.” That is most important. All our efforts for the global security and nuclear non-proliferation might be useless until we have final success. We should learn lessons from his statement. We should try to support the global nuclear society. I would like to emphasize the importance of international mechanism. Through that kind of international mechanism, we can discourage some bad guys. We should create better collaboration among international society. Also, we can help each other to introduce quality assurance system. The quality assurance system is very important.

#### Keywords

Asia, nuclear weapon, role, non-nuclear armed state



#### Policy Implications

- Non-nuclear weapons states should have talks to discuss ways to mobilize their resources and show solidarity.
- ASEAN member states should strengthen efforts to promote the culture of nuclear safety, security, and safeguards as well as to actively contribute to the burgeoning nuclear energy cooperation and governance in Southeast Asia and the wider Asian region.
- We should create better collaboration among international society.

## Dialogue on Preventing and Countering Violent Extremism in Asia with Emphasis on Counter-Narrative



<b>Moderator</b>	<b>IN Namsik</b> Professor, Director-General, Institute of Foreign Affairs and National Security, Korea National Diplomatic Academy <b>LEE Joo Yong</b> Director for International Security Division, Ministry of Foreign Affairs of the Republic of Korea
<b>Presenter</b>	<b>David SCHARIA</b> Director, Chief of Branch, UN Counter-Terrorism Executive Directorate <b>Ivo VEENKAMP</b> Deputy Executive Director, Hedayah Center, United Arab Emirates <b>Adam HADLEY</b> Project Director, ICT4Peace <b>Jasmine JAWHAR</b> Assistant Director, Southeast Asia Regional Centre for Counter-Terrorism
<b>Discussant</b>	<b>James LAMBRIGHT</b> Political-Military Officer, United States Embassy in Seoul
<b>Rapporteur</b>	<b>KANG Kiseok</b> Second Secretary, Ministry of Foreign Affairs of the Republic of Korea

— **LEE Joo Yong** Preventing and Countering Violent Extremism(PCVE) is a new subject for the South Korean society, but it emerges as a crucial topic amid the growing threats of the extra-regional terrorism, such as the one in Manchester, after the Islamic State of Iraq and Syria(ISIS) lost its ground in the Middle East. Violent extremism is not only a matter of a certain religion or ethnic group, but exists in South Korea, so we have to pay attention to and actively deal with it.

— **IN Namsik** The most sincere approach to the threats of global terrorism is to respond to it with counter narratives.

— **David SCHARIA** The Counter-Terrorism Committee(CTED) is an institution under the wing of the United Nations Security Council. The threats of ISIS and the terrorism, such as the one by the Taliban in Kabul, Afghanistan are not confined to a certain organization or region but a global phenomenon. Terrorists can stage attacks anywhere and anytime, and the international society should come up with anti-terrorism measures. Since the 9/11 terror at-

tack, the United Nations Security Council adopted anti-terrorism resolutions on several occasions and started to seriously deal with the agitation issue following the London terror attack on July 7, 2005, in particular. Most recently, the UNSC adopted a new resolution to develop counter narratives against terrorism last week. Major points of the resolution included a ban on agitation of terrorism, participation of non-governmental sector in development of counter-terrorism narratives and the necessity to create counter narratives.

— **Ivo VEENKAMP** Under the wing of the Global Counterterrorism Forum, established by the initiative of the State Department of the United States on the tenth anniversary of the September 11 attack, Hedayah Center is the organization specializing in preventing violent extremism. Hedayah Center is based in Abu Dhabi, but not under the control of the government of United Arab Emirates. As an independent international organization with Steering Board members from 12 countries, it makes efforts to maintain neutral position. The response by the

military intelligence agencies is just a part of counter-terrorism activities, and we need to cope with the root cause of terrorism. Judging by the 10-year experience, the threat of terror attack is on the ebb now, but the preventive effort is important because a new terrorist organization might emerge at any time.

Many wonder why European people leave their homes and join the Syrian terrorist organization. It is important to find out the reason why they fall for the narratives of a terrorist organization as well as the root causes such as poverty and human rights violations. Government is not suitable for delivering anti-terrorism messages. Family members, friends and teachers can play more roles in influencing the youth. At the same time, we should go further than just responding to the agitation of terrorism and provide more productive alternative narratives. Hedayah Center is operating the Creative Minds for Social Goods program to help the youths suggest their own ideas against the violent extremism in the Middle East and Northern Africa and share them. It also established the Counter-Narrative Library by collecting the counter narratives so that the government and schools may utilize them. The counter narratives are classified by region and include the model cases of Southeast Asian region. The civil society and community leaders in Southeast Asia are encouraged to participate in production of counter narratives for all age groups.

— **Adam HADLEY** The ICT4PEACE Foundation is operating the Tech against Terrorism project by connecting industries, governments and civil societies to prevent terrorists' Information Communication Technology(ICT) use. Information and communication technologies are available anytime and anywhere, thus being able to be utilized by violent extremists. ISIS is quickly adapting to new ICT and one of the most active users of ICT. Terrorists utilize ICT for agitation, recruitment of members and terror attacks. They can scheme a terror attack through encoded messengers and collect money through Bitcoins. With the project, the ICT4PEACE Foundation provides advanced technologies of such prominent

ICT enterprises as Facebook and Google to small start-up companies as well as giving them technological assistance.

— **Jasmine JAWHAR** The narratives of Western terrorists differ from those of Southeast Asia in that they are focused on the message of discrimination against minorities, while the latter is mainly about political condition. Terrorists are seen to be developing messages tailored to specific groups. The political and religious narratives of Southeast Asian terrorists emphasize the persecution of Muslims, expiation and the last crusade. Their messages point out that the Southeast Asian laws are secular, urging obedience to Sharia law and illustrating problematic features of democracy and corrupt governments. There are many who head for Syria with good intentions, acting on the messages of the terrorists that Syria needs humanitarian aid. Many women go to Syria to marry Jihad warriors or to find the purpose of their life amid hollowness. When developing counter narratives, we should embed national and regional contexts into them, as the terrorists do, as well as incorporating cultural and religious backgrounds and gender issue in the narrative. It is also important to utilize visual components to get messages across, as ISIS effectively uses videos and pictures. As terrorists are adept in emotionally appealing to the audience, we should conduct in-depth research to develop persuasive counter narratives.

— **James LAMBRIGHT** How can we evaluate the effects of counter narratives?

— **David SCHARIA** We need to learn from other fields of study to evaluate the effects on random target audiences. It is necessary to examine how the correctional effects are measured at prisons and study the successful political and commercial campaigns. It seems that there is no right answer to how to evaluate the effects of messages. For prevention of violent extremism in South Korea, it is important to take into account not only the local environment, but the connections with its regional origin. The government might not be a suitable conveyor of the messages, but can play a role to create the environment favorable to

message delivery by others.

— **Ivo VEENKAMP** Current anti-terrorism researches and efforts are focused on the Middle East and ISIS, but the results and methodologies of them would be useful in analyzing other threats. They might be utilized in the education for prevention of violent extremism. The anti-terrorism education should consider the national and regional contexts.

#### Keywords

Violent Extremism, Terrorism, Counter narratives, ISIS



#### Policy Implications

- It is necessary to develop counter narratives corresponding to the national and regional contexts and target audience.
- The government cannot play a leading role in developing and disseminating counter narratives. Various stakeholders should participate in it, and the government needs to create an environment conducive to their activities

## Korean Unification and Contribution of Global Korean Community



Chair	<b>JU ChulKi</b> President, Overseas Koreans Foundation
Moderator	<b>Melissa Ji-Yun LEE</b> Member of Parliament, New Zealand
Presenter	<b>Balbina Y. HWANG</b> Professor, Georgetown University, United States <b>JIN ChangSoo</b> President, The Sejong Institute
Discussant	<b>Cindy RYU</b> Representative, Washington State Legislature, United States <b>Viktor PAK</b> Representative, Parliament of Uzbekistan <b>SON Giwoong</b> President, Korea Institute for National Unification <b>LEE SungRul</b> Chairman of the Board, The Northeast Asian Community Studies Institute
Rapporteur	<b>NA Jungeun</b> Manager, Public Relations & Investigation Department, Overseas Koreans Foundation

— **Melissa Ji-Yun LEE** The unification of the Korean Peninsula is an international issue, so I hope this session will discuss from the perspective of a global society the ways the global Korean community can contribute to the unification of the two Koreas.

— **Balbina Y. HWANG** In the last several years, the topic of Korean Unification has once again emerged as a topic of much attention and focus. The term, unification, is itself fraught with tension. The recent South Korean focus on “unification,” particularly under the last Park Geun-hye administration, is striking, given the global trend of populist or separatist movements: from Scotland to Catalan, and Quebec to Xinjiang. Despite the fact that unification has always been a profound element of Korean identities on both sides of the peninsula for the last 70 years, the primary driver in the last year has been the precipitous revival of regional and global alarm over North Korea’s nuclear and missile development. Given the increasingly prevalent view that Pyongyang will never abandon its nuclear ambitions, or

reform its brutal system willingly, the possibility of either a forced or unavoidable collapse of the North Korean regime as an inevitable solution is reluctantly gaining traction. It was difficult to discuss unification for the last 15 years due to the suspension of the Sunshine Policy and inter-Korean cooperation projects (the Gaeseong Industrial Complex and Mt. Geumgang Tour). However, unification is being discussed more vigorously today because President Park Geun-hye purposefully revived and prioritized the topic as a grave national agenda. The Moon Jae-in government is coming up with the 2.0 version of the Sunshine Policy, a complement to the unification policies of previous governments. The government started to discuss the Korean Unification and the uncertainties about North Korea.

Any changes to the status quo on the Korean Peninsula will have immediate and profound consequences for the entire international community. The sudden collapse of the Berlin Wall in 1989 had an epochal impact on both South and North Korea,

notably in similar ways: both sides were suddenly confronted by the very real possibility that the abstract dream delayed for nearly 60 years might actually become a reality, but ironically, the unification costs of Germany also showed both Koreas that unification might be a fantasy best left delayed, or even purposefully avoided in the short term. Hence, the ROK's pursuit of the Sunshine Policy, and North Korea's efforts to forge what it views as an independent security guarantee, nuclear weapons became logical imperatives on both sides of the peninsula. The former was the purposeful attempt to remove the threat of a forced unification and to coax the North to gradually close its gap with the society of its brethren in the South. And the latter was Pyongyang's calculation that nuclear weapons would deter, or prevent, any possibility of externally enforced unification. The discussion in South Korea was focused on the economic, social and political costs of unification, but it is now time to consider other crucial aspects of the future of a unified peninsula.

South Koreans are concerned with the high cost of unification. However, they will certainly succeed in unification as they have shown the miracle of the Han River. They have to start making an investment for unification. The longer the preparation is delayed, the higher the cost would be. They have to prepare housing, a transportation system, telecommunication networks, water supply, energy and food enough to accommodate the 20 million North Korean people.

South Korea is concerned about their future in the face of social division amid bipolarized politics. It is the same with those in Western Europe and the U.S. We can prepare for the future when the social division is resolved. With unification, we have one nation with 20 million North Korean people. As the North Korean people have suffered mental and physical difficulties due to the adverse living conditions in the North, we have to invest in health projects as a measure to prepare for unification. The preparation is crucial not only for the Korean people but for the international community, regional security and the

world economy now in constant transition.

— **JIN ChangSoo** Major changes in the global environment are as follows: First, the increase of challenges to the current international order amid the weakened hegemony of the U.S.; Second, growing economic uncertainties. Amid this situation, the East Asian regional order was more destabilized by the China's strategy and domestic political factors, changes in the foreign policy of the Trump administration, the responses of each country to the rise of China and continued North Korean nuclear crisis. In the face of the changes, South Korea's diplomacy should be as follows: First, it must pursue "norm diplomacy" responsible for and ready to make sacrifices to the East Asian order; Second, it should refrain from taking advantage of diplomatic issues, such as those involving Terminal High Altitude Area Defense (THAAD) and comfort women, for domestic politics (noise management); Third, it should minimize the role of the superpowers in the North Korean nuclear issue amid the conflict between the U.S. and China; Fourth, it should engage in "principled diplomacy" for its initiative in expanding cooperation between Northeast Asian countries. It should more clearly define the role of the global Korean community. Based on a correct understanding of the unification policy, the global Korean community has to play the role of securing support from the global society, mobilizing and utilizing the civil network of Koreans overseas and serving as a bridge between countries to restore their mutual trust.

— **JU ChulKi** The Korean Peninsula suffered wars from invasions of neighboring powerful countries in the past, and the ordeals resulted in national division for 70 years. Amid the world's attention to the nuclear arms development of North Korea, the South is imposing pressure and sanctions upon the North in cooperation with the global society to check the nuclear proliferation by the North. To prevent war is our duty to our posterity. To that end, we need the cooperation of neighboring superpowers, but what counts most is the wisdom of all on the Korean Peninsula. They should support the policies of the new

government in the South in a single voice for peaceful unification. The Koreans scattered in four neighboring countries may have a crucial role in peaceful unification. Dialogue can resolve conflicts, and I look forward to the efforts of the leaders and scholars of the Korean communities overseas for unification.

— **Cindy RYU** Unification of the two Koreas can be realized when the governments of the two Koreas understand the positions of their counterparts and take into account the wishes of their people as well as world citizens. Earlier preparation for unification can reduce the costs and risks. To forge a consensus on unification, they need a strategic campaign to enhance preparedness for unification. My father was an agricultural researcher in Pyeongannam-do in North Korea and had his relatives in the North. When he had a reunion with them 40 years later, he could share the same thoughts with them in spite of the long period of separation. But he had to communicate with them in their own terms and perspective, as they lived in different regimes.

— **Viktor PAK** About 80 percent of those who were deported to Central Asia were North Koreans. North Koreans and South Korean diplomats attended a cross country car rally event in 2015. I had a chance to get together with them at the event, but the North Korean diplomat seemed to be uneasy about it. However, I made efforts to invite him to talks, eventually succeeding in holding a dialogue with him. I think civil diplomacy played the role of arranging the dialogue between diplomats from South and North Korea. I propose face to face meetings to break the awkward relations of the two Koreas. The civil diplomacy dealing with political matters in a non-political manner plays a crucial role in unification.

— **SON GiWoong** Unification of two Koreas can be achieved when the international society supports it and the South and North agree to it. Therefore, it is hard to achieve unification without the blessings of neighboring countries. Given the tensions between the U.S. and China, it would be difficult to unify the two Koreas even if they would agree to it. There should be a reason for and value to Korean

unification if it is to be supported by the neighboring countries. First, the two Koreas should demonstrate the value of peaceful unification in a democratic way and make efforts to guarantee human rights and welfare. Efforts to improve the welfare conditions in the North are needed not pressuring to bring about the regime collapse. To check the development of nuclear weapons by the North, there should be more diverse dialogue with the North Korean people. The efforts to build peace on the Korean Peninsula should be maintained, and the two Koreas should stop being wary of each other and jointly strive to guarantee human rights and improve welfare.

— **LEE SungRul** Korea is embroiled in the heated rivalry and conflicts between four major powers. It is desirable to make an approach to the unification issue, intertwined with international affairs, in terms of freedom, democracy, human rights and welfare of the Korean people. The South Korean government needs to closely look into Putin's New Eastern Policy as a reference for its unification policy. I think it might be another way of preparing for unification if South Korea creates a Korean exclusive industrial complex in Vladivostok in eastern Russia, which could be joined by ethnic Korean people in China and Russia, thus forming an economic community of Koreans in Northeast Asia.



### Policy Implications

- We should start to make preparations now and be prepared for the unification of the two Koreas, because earlier preparation can reduce the unification cost and risks.
- As the unification of the two Koreas needs the support of the international society and entails the need to accommodate 20 million North Korean people, we have to make preparations in various fields in consideration of its political, economic and social aspects.
- Based on a correct understanding of the unification policy, the global Korean community has to play the role of securing support from the global society, mobilizing and utilizing the civil network of Koreans overseas and serving as a bridge between countries to restore their mutual trust.

## The Non-Governmental Exchanges for New Korea-Japan Relations



**Chair** **CHO Hee-yong** Director, Center for Japanese Studies, Institute of Foreign Affairs and National Security, Korea National Diplomatic Academy  
**Presenter** **HAN Young-hae** Professor, Graduate School of International Studies, Seoul National University  
**MUN Gyong-su** Professor, Department of International Relations, Ritsumeikan University, Japan  
**Discussant** **Yoshihiro MAKINO** Seoul Bureau Chief, Asahi Shimbun  
**SUN Seung-hye** Director, Cultural Exchange Cooperation Division, Ministry of Foreign Affairs of the Republic of Korea  
**Rapporteur** **PARK Sun-young** Researcher, Korea National Diplomatic Academy

— **CHO Hee-yong** The relations between South Korea and Japan have been expanded and developed both qualitatively and quantitatively since the two nations signed a treaty to normalize diplomatic ties in 1965. Their trade once reached more than 100 billion dollars. Last year, more than seven million people were involved in non-governmental exchanges. Another example of the vigorous interactions was the 850 flights between the two countries a week last year. After the normalization of diplomatic relations, South Korea and Japan achieved political, social and economic development and boosted their status in the international community, which also helped complement and develop their bilateral relations. In recent years, however, concerns have been raised by people in both countries over the stagnation in bilateral ties due to past history disputes.

Fortunately, right after the Moon Jae-in government was launched on May. 10th, the heads of the two states held a telephone conversation on May. 11th, during which they called on each other to wisely overcome historical disputes, and agreed to make efforts to establish future-oriented relations and to jointly

respond to North Korea's missile threats. They also agreed to hold South Korea-Japan summit talks at the earliest date. As South Korea and Japan have agreed to stabilize bilateral relations, the two countries are expected to move onto a more mature partnership through practical cooperation. Against this background, non-governmental exchanges are expected to play a more important role for the bilateral ties. In spite of the disputes over history, civil exchange in various fields has admittedly contributed promoting a deeper understanding of each other. Non-governmental exchanges should be expanded to make the potential of bilateral cooperation fully realized.

— **HAN Young-hae** Relations between South Korea and Japan made some progress after 1965, but I think non-governmental exchanges began to see a full-scale increase after President Kim Dae-jung and Prime Minister Keizo Obuchi announced a joint declaration on the South Korea-Japan partnership in 1998. Next year will mark the 20th anniversary of the joint declaration. Over the last 20 years, the two countries have accumulated assets in their relations, though having jarred with each other some-

times. After the joint declaration, the expansion of non-governmental exchanges were accompanied by the deterioration of diplomatic ties. I described the deterioration in relations as jarring each other.

South Korea and Japan have reconstructed their national identities from the late 1990s to the 2000s, and I think the present state of bilateral ties is a result of their opposite ways of national identity building. They regarded some problems arising from the two opposite directions as conflicts, and some incidents occurred, such as Japan's territorial claim to South Korea's islets of Dokdo, former President Lee Myung-bak's visit to Dokdo and Japan's move to create new history textbooks. Those incidents rekindled controversies over the past history, and I think such moves to opposite directions provided the background for the conflicts between them.

Historical issues emerged as an important national agenda in South Korea after the first civilian government took office in the 1990s, followed by the liberal governments of Presidents Kim Dae-jung and Roh Moo-hyun called the "People's Government" and "Participatory Government," respectively. The belief that Korea's national identity was built, and characterized, by the civil revolution and democratized Korea started to take root in Korean society, and I think this exerted influence on South Korea-Japan relations, as well. In Japan, conservative forces emerged to write history textbooks anew after the 1990s, as opposed to the views of the historian Saburo Ienaga. The Japanese government's approval of such textbooks touched off a considerable backlash in South Korea. Also, a conservative group, called Parliamentarians for a Review of Japan's Future and History Education, emerged to spearhead the rightist campaign, and led to erasures in many parts of the history books about Japanese atrocities during wartime. South Korea and Japan were subject to this clash, I think, because of the opposite ways of rebuilding their national identities in the 1990s and 2000s.

Discussions on whether the politically strained South Korea-Japan relations can be improved through non-governmental exchanges began to

emerge in 2005. The same topic is still being discussed. Nothing has changed over the last 12 years. I think this discussion will continue for the time being as President Moon Jae-in and Prime Minister Shinzo Abe are expected to maintain the status quo. As conflict is expected to last for the time being due to the clash of policy directions of the two nations, they would have to admit to their differences and seek solutions to them.

— **MUN Gyong-su** Nippon Kaigi, the Japanese Conference, has a considerable influence upon Japanese society. The rightist organization has infiltrated among parliamentarians and local councilors, as well as engaged in various activities by organizing such groups as the People's Gathering to Draft a Beautiful Constitution and the People's Forum to call for an earlier revision of the Peace Constitution, and by paying homage at the Yasukuni Shrine. The conservative swing in Japan is stronger than observed by outsiders. But it would not be right to sever relations with Japan. I think the agreement between the foreign ministers of the two countries should be fulfilled, too. It was a great historical achievement for South Korea, as the agreement was made in negotiations with a conservative Japanese government.

South Korean and Japanese people have common lifestyles as they both live in information-consuming societies. They also have similar tasks to overcome amid globalization. Civic societies of the two countries need to hold discussions and learn from each other about the issues involving unemployment, low birth rates, aging societies and high rates of suicide. Exchanges between local governments are called for as well.

— **Yoshihiro MAKINO** Last year, Japan staged a strong protest against the installation of a girl statue in Busan symbolizing the victims of Japan's wartime sex slavery. Japan even recalled its ambassador to South Korea. Prime Minister Abe was known to have expressed his frustration with the issue by saying, "Do the South Korean people know how much difficulties I have undergone?" Abe is known to have a serious inferiority complex toward his father and

grandfather, elite graduates from top universities in Japan. So, Abe tends to follow those who support and praise him. And the people surrounding Abe are conservatives. I heard from an official at the foreign ministry that the people surrounding Abe persuaded him to agree with the deal on the so-called comfort women issue by telling him that it would help him become a great leader embracing both conservatives and progressives. Not only historical issues, but also economic affairs have resulted in aggravating the bilateral ties. In Japan, jobs have increased but there are a number of non-regular workers, which has put them and the whole society under stress. The Japanese government is diverting this stress outside the country. Resolving the historical conflict alone will not resolve the problems in Seoul-Tokyo relations.

— **SUN Seung-hye** Non-governmental exchanges between South Korea and Japan should be viewed from the standpoint that peace between the two countries brings peace to Northeast Asia and to the world. There will be more possibilities of better ties when they regard each other in the context of multilateral relations, instead of a bilateral one, acknowledge their differences in their sentiments and approach each other based on soft power for the purpose of cultural coexistence and sharing. The normalization of South Korea-Japan relations proceeded in the 1990s amid the end of ideological confrontation in the world. With the gradual door opening to Japanese culture from 1998 to 2004 and the co-hosting of the World Cup in 2002, the two countries improved their relations. This also led to art exchanges. Art exchanges seem to be less susceptible to the changes in diplomatic relations between the two countries.

Despite the strain in Seoul-Tokyo relations since inauguration of Prime Minister Abe, exhibitions of Japanese modern art by Yanagi Muneyoshi(at Deog-sungung Branch of the National Museum of Modern and Contemporary Art), Yayoi Kusama(at Daegu Art Museum and Seoul Arts Center) and Takashi Murakami(at PLATEAU, Samsung Museum of Art) were held in South Korea in 2013. All of them were non-governmental exhibitions and enjoyed wide

popularity. This can be explained by South Koreans' familiarity with Japan's modern art. In this context, I would like to ask a question about regionalism found in the South Korea-Japan relations. In the 1990s, Japan held art exhibitions on the theme of putting East Asia together. Looking at the art scene of South Korea and Japan after that, it tended to seek for cosmopolitanism rather than bilateralism. I think such an emotional sympathy is an important factor linking South Korea and Japan.

#### Keywords

Vision for South Korea-Japan relations, National identity, Non-governmental exchanges between South Korea and Japan, Japan's view on South Korea, Non-governmental cooperation between South Korea and Japan, Historical views of South Korea and Japan, Exchanges between non-governmental organizations of South Korea and Japan, Cultural cooperation between South Korea and Japan

#### Policy Implications

- South Korea and Japan should push for cooperation on their shared values, culture and tasks. Exchanges between local governments are considered good opportunities to help expand cooperative ties. It is necessary to develop various local events in Japan as venues where the two countries' local governments can share and exchange their experiences.
- Although cultural exchanges at the non-governmental level have been undervalued due to anti-Japanese and anti-Korean sentiments, K-POP songs and dramas are still popular in Japan. Japanese culture, cartoons and animations particularly, also has a sizable fan base in South Korea. This suggests a need to constantly promote non-governmental exchanges through conventional media. The two countries should also pursue 21st century type cultural exchanges based on new media, emerging from the fourth industrial revolution.
- It is increasingly important to view non-governmental exchanges between South Korea and Japan in terms of multilateral relations rather than a bilateral one.
- Conflict between South Korea and Japan has been inevitable as the two countries have gone in the opposite direction while establishing their national identities in the 1990s and 2000s. This problem is expected to remain in place for the time being as the Moon Jae-in government and the Shinzo Abe administration are expected to maintain the status quo.

## Cyber Security: Global, Regional, and National Context



**Moderator** **Angela WOODWARD** Deputy Executive Director, Verification Research, Training and Information Centre, United Kingdom  
**Presenter** **Brian EGAN** Partner, Steptoe & Johnson Limited Liability Partnership  
**Paul MEYER** Senior Fellow, Simon Fraser University, Canada / Former Ambassador of Canada for Disarmament  
**ZHA Daojiong** Professor, Department of International Political Economy, Peking University, China  
**LIM Jong-in** Professor, Graduate School of Information Security, Korea University / Former Senior Advisor to the President for Cyber Security  
**Rapporteur** **LEE Dongeun** East Asia Foundation, Global Asia Fellow

— **Brian EGAN** I previously worked as a legal adviser of the White House and the State Department. There is no big difference in cyber security policies of the former Obama administration and the Trump administration. The Trump administration has made efforts to enhance network security through an integrated approach, while implementing a measure to strengthen the security of computer systems at all government departments. It is also giving consistent efforts to protect key facilities such as power companies by strengthening cyber security, and to defend the U.S. against cyber attack with the cooperation of its allies. However, the U.S. government has an uncomfortable relationship with private security companies. Large IT companies such as Microsoft and Apple have confronted the U.S. government over the issues of sharing personal information and coding technologies. With the European Union set to introduce a law on data protection violation by 2018, a change is expected in the responses to data protection violations by the U.S. companies. Such a change is meaningful because one is not legally obliged to report the violation of

cyber security to intelligence agencies in the U.S. Enacting an international treaty on cyber security is an urgent task, as well. Countries should be able to share information under the international system to identify the origin of cyber attack. It should be dealt with as a prime issue in the renegotiations of North American Free Trade Agreement(NAFTA) or the Trans-Pacific Partnership(TPP). But a cautious approach is necessary because criticism is mounting over the infringement of personal liberty and privacy, following the enactment of Patriot Act, with a controversy also going on over the scope of the State authority to access personal information.

— **Paul MEYER** In the last four years, the threat of a cyber attack against nuclear security has significantly increased. Nuclear security now faces a serious threat, as cyber attacks have been weaponized over the last ten years for the purpose of collecting information and destroying systems. The vulnerability of the U.S. strategic nuclear facilities to a cyber attack is another serious issue. Because a cyber attack can sever power supplies to nuclear facilities, which could eventually lead to meltdown of their nuclear

reactors, it is urgent to enhance protection of critical infrastructure and develop technology capable of detecting the danger in several minutes after the attack starts and bringing the contingencies under control. Transparency in cyber security among world powers such as the U.S. China and Russia should be improved as well. Countries should make a joint agreement under which they exclude each other's nuclear facilities from the target list. They should strengthen mutual trust by establishing norms for responsible behavior. The UN's Human Rights Council should state in a resolution that civilian privacy should also be protected on cyberspace, and define the scope of this privacy under protection.

— **ZHA Daojiong** There are no incentives for countries to cooperate on cyber safety, involving the integration of international technological standards and cyberspace norms. Major issues that should be dealt with include a lack of supranational responsiveness to cyber crimes on a global scale, such as money laundering, financial fraud and terrorism financing; fair competition in cyber markets; and international cyber governance. The efforts to establish international regulations at the World Conference on International Telecommunications in Dubai in 2012 ended in failure. It is urgent to update cyber-related regulations of the World Trade Organization as they were made 30 years ago. Meanwhile, cyberspace is a double-edged sword for China. Amid the expansion of cyber markets, Chinese firms such as Huawei and Xiaomi have grown as global corporate brands through manufacturing, exports and software development; but the development of cyber technologies has also given the government censorship tools, such as the "Golden Shield" to monitor and control the Internet. Cyber issues are becoming more and more important for the U.S. and China, as there is a great possibility for a cyber attack to cause grave damage to U.S. interests. Although the U.S. and China signed a bilateral agreement to guarantee each other's safety and enhance cyber security, they are still making slow progress in establishing rules to support a multilateral cyber security system.

— **LIM Jong-in** WannaCry incident has raised a serious question over the feasibility of sharing information freely in the anonymity of the Internet. The cyber technologies now enables to track the IP addresses used in cyber terror as North Korea has been suspected of being behind the WannaCry case. No matter how complicated the hacking techniques might be, current tracking technology can find out the hackers' fingerprint and identify the origin of the malignant code. As witnessed by the WannaCry ransomware that damaged a British hospital, a German car company and a French railroad firm, cyber attacks have been developed to the level of disrupting the security of society. Cyber terror is regarded as a tempting tool for poor countries to earn money easily as it is available anywhere. It is regarded as cheap nuclear weapon. Besides, Russian hacker groups have recently said they will share these cyber-weapons. If such cyber-weapons spread, they will be a severe threat to the cyber security of the whole world. The Budapest Convention on Cybercrime that began in 2001 showed those efforts for cooperation between countries. As with the convention on cybercrime aimed at sharing information between countries, South Korea also manifested its efforts for trust-building and competence sharing with other countries during the conference on cyberspace in 2013. On top of those efforts, each government needs to cooperate with the private sector and conduct education for cyber illiterates.

### ● ● ● Policy Implications

- It is urgent to supplement technologies capable of preparing for cyber terrorism that has been consistently sophisticated with the development of new technology. In addition, each country needs to establish cooperative relations between governments and the private sector for information and technology sharing. Each country should promote the peaceful use of cyberspace and enhance education to eradicate cyber illiterates. Especially, an international cooperation system should be established to prevent underdeveloped countries from yielding to the temptation of cyber terrorism.

## The NPT: Challenges for the 2020 Review



**Moderator** **NYAMOSOR Tuya** Former Foreign Minister of Mongolia  
**Presenter** **Nobuyasu ABE** Former UN Under-Secretary General for Disarmament  
**KIM Won-soo** Former UN Under-Secretary General for Disarmament  
**Rakesh SOOD** Former Ambassador to Conference on Disarmament of India  
**SHA Zukang** Former UN Under-Secretary General for Economic & Social Affairs  
**John TILEMANN** Director of Research, Asia Pacific Leadership Network(APLN)  
**Rapporteur** **KIM Hyunjin** East Asia Foundation, Global Asia Fellow

— **NYAMOSOR Tuya** Non-Proliferation Treaty(NPT), was signed in 1968 and came into effect in 1970. Marking its 50th anniversary, a review conference is to be held in 2020. NPT has made a significant contribution to the prevention of nuclear proliferation worldwide. NPT stands on the three pillars of disarmament, non-proliferation and peaceful use of nuclear energy, and today's session will particularly focus on issues related to arms reduction, non-proliferation and regional security.

— **Nobuyasu ABE** As for nuclear arms reduction, negotiations over the Treaty on the Prohibition of Nuclear Weapons are thought to be paramount. However, the gap between conflicting views seems difficult to abridge, with one side proposing step-by-step disarmament by participating countries, while the other expressing skepticism over gradualism. In fact, a number of treaties have yet to come into effect some 20 years after the negotiations, which suggests that the step-by-step approach may not be unfolding as expected. We need to find ways to address this. The importance of making actual progress by any means necessary is apprehended when we look at

the case of Comprehensive Nuclear Test Ban Treaty(CTBT). However well-meant and well-conceived the treaty is, it has failed to be effective for the past 20 years. What is consoling to some extent is that the Nuclear Weapons Ban Treaty is making headway, if little by little. For the success of the 2020 review conference, the Middle East issues have to be settled. They will likely be the source of controversies in the conference and it will be difficult to draw a positive review without any progress on that front.

— **KIM Won-soo** It seems that adopting another treaty than the NPT and operating the two tracks will work well in the international community down the road. In any case, we should acknowledge the noteworthy progress the NPT has made. The absolute quantity of the nuclear arsenals worldwide actually shrunk in the post-Cold-War era and the figure has not grown since 2011. The two nuclear superpowers, the U.S. and Russia, actively engage in the NPT. While the relevance and effectiveness of the NPT itself and the efficacy of Article 6 may be called into question, progress essentially comes down to a matter of leadership exercised by powers.

We need to examine the pattern of the past nine NPT reviews. Four of them were complete failures, but the lessons gained from them could profit the review in 2020. Still, success requires dispositional improvement from all parties concerned, including non-nuclear states, as well as solidarity among five permanent members of the UN Security Council(P-5) states. What is disconcerting about the past NPT reviews is the grievances among certain nuclear states towards one another, which act as an impediment to a concerted policy. If the bickering persists, even non-nuclear states will be at odds with one another. Cooperation among both nuclear and non-nuclear states is imperative, but the former bears the heavy responsibility to the cause. While some progress has been made with regard to NPT and Weapons of Mass Destruction(WMD) through review assessments, they have yet to find serious implementation, raising doubt over the value of NPT. Although many countries and the UN joined the 2010 NPT review assessment, it only confirmed that countries in the region had diverse agenda. The UN's coordinating and leadership role in this regard looms larger than ever.

— **Rakesh SOOD** The three pillars of NPT are non-proliferation, disarmament and peaceful cooperation. In fact, disarmament was successfully developed into bilateral dialogue and treaties outside the NPT framework. It was only in the previous ninth Conference, where a declaration on disarmament was made, stressing the goal of Article 6. This was largely because none of the preceding declarations seemed a success. This is why other humanitarian negotiations are taking place simultaneously. While the Nuclear Weapon Ban Treaty in itself does not weaken NPT, it nonetheless highlights NPT's defects. The signatories should fulfill their duties, and in particular, not only P-5 countries, but also all non-nuclear states need to recognize and comply with Article 6. This will lead to a perception that a new nuclear regime can be reached through the Nuclear Weapon Ban Treaty.

— **SHA Zukang** The NPT regime has served as a

breeding ground for other agreements, securing peace and security. Without NPT, the world could have been at a greater risk. There is no denying that NPT has played a pivotal role in the non-proliferation of nuclear weapons. The reason why there is opposition to the negotiation of the Nuclear Weapon Ban Treaty is because the treaty falls short of the international community's expectations. There could be some progress in bilateral negotiations to come. Other plans could also be carried out, but they will be far from sufficient.

— **John TILEMANN** While there are many challenges to disarmament, many non-member countries still find it appealing to join NPT. Nuclear powers are well protected under NPT and the framework is firmly built. Even countries in favor of the Nuclear Weapon Ban Treaty do not want to undermine the influence of NPT. Also, different forms of leverages could help make the most of NPT. The truth is, some Middle East countries as well as India and Pakistan are inclined to prevent nuclear proliferation from a national security perspective. It should be recognized that non-NPT states may want to work together with NPT member states.

The International Atomic Energy Agency(IAEA) did make contributions worthy of the Nobel Peace Prize awarded it. For example, all states are required to submit an honest report to IAEA under NPT. When it was found that North Korea and Iraq failed to comply with the rules, IAEA was astonished and the board raised the issue with North Korea's report. They visited radioactive waste facilities in Yongbyon later, and the visit prompted the agency to change its stance on safety measures and verification. The change was bolstered by adopting an additional protocol. In Iran's case, efforts were made to secure the guarantee of IAEA in a highly concerning manner. When Israel destroyed facilities in Syria, it revealed notably convincing evidence of nuclear-related activities. These cases demonstrate the obvious contributions NPT has made to non-proliferation, particularly regarding verification. This verification process requires constant refinement and improve-

ment through scientific methods.

— **SHA Zukang** In term of non-proliferation, NPT itself has been a great success. Considering that India and Pakistan were not signatories in the first place, NPT successfully limited the proliferation of nuclear weapons within its framework. As for non-nuclear member states, NPT has also played a positive role in that it has compelled these countries to fulfill the requirements. There exist two big issues regarding non-proliferation today. First, we should not be bound by the policy of No First Use(NFU). Second, the Iran case carries equal significance in terms of non-proliferation, which is one of NPT's priorities. While Iran is an effective member and Joint Comprehensive Plan of Action(JCPOA) has had initial success, one should acknowledge that the new administration in Washington could reverse its position. Therefore, a clear signal should be sent that we must prepare for a situation where the 6+1 agreement failed to follow through. It is also necessary to recollect the relevant lessons of history.

— **Rakesh SOOD** NPT has been highly successful, but it still warrants a closer examination. North Korea is apparently a sovereign state, retaining a right to withdraw from a treaty, but NPT member states were not ready to acknowledge that. We need to determine roughly which category North Korea falls into as regards NPT. In case of Iran, the country claimed its legitimate right within the framework of NPT and consequently conducted nuclear tests, which is why negotiations were possible and ultimately resulted in JCPOA 5+1. NPT hardly played a role in the process. In fact, NPT was negotiated long ago and does not incorporate considerable advances in technology regarding nuclear tests. A large number of definitions and terminologies set by NPT are now obsolete and can hardly contribute to non-proliferation in the future. As things stand, it seems that NPT can no longer make much contribution to non-proliferation.

— **Nobuyasu ABE** It is apparent that NPT is the cornerstone of the denuclearization. Still, Iran's case illustrates that negotiations outside NPT can and

should contribute to the objective. NPT is basically a non-proliferation treaty and should be understood as such. In Iran's case was JCPOA, which serves as a good example of a success outside of NPT. Taking all these into account, international talks should sustain the most amicable atmosphere as possible with a view to enhancing the chance of success.

The Korean Peninsula issue is a source of even graver concern. North Korea announced its withdrawal from the treaty under highly dubious circumstances and the committee found it difficult to reach a conclusion. Against this backdrop, how can we bring about the denuclearization of the Korean Peninsula? The answer is, through negotiation. Though a series of UN resolutions demand sanctions against North Korea and North Korea's return to the negotiation table at the same time, it must be kept in mind that the ultimate challenge is North Korea's nuclear tests and the prohibition of the development and test-firing of ballistic missiles. It should also be kept in mind that everything eventually failed in spite of prolonged negotiations with North Korea, and proposals were made about the reward and security guarantee, and there was even an offer of state recognition of North Korea in political terms.

The experience of the quagmire in Iraq helped form a view that the international community should modernize NPT with an additional protocol. Under NPT, inspections were made only on nuclear facilities recognized as government premises by the government in question. However, Iraq conducted tests in separate facilities, which were inspected through an additional protocol. The discovery of Iraqi nuclear tests was made possible by technological advances in detecting even a minute trace of radioactive materials. Efforts should be made to adopt an additional protocol embracing these new developments.

The U.S. and Russia set an example when they signed agreements on Strategic Arms Limitation Talks(SALT) due largely to strong public concern and fear. Surprisingly, the success came at the height of the Cold War and that was a result of public pressure on political leaders. Concerns over the nuclear

arms race are widely shared today and it is important to harness these forces to put a similar kind of pressure on politicians to reach a political consensus. Particularly, public campaigns are necessary to urge more action on the part of the leaders of the U.S., Russia and China. It should be reminded that politicians are driven in no small part by public opinion.

— **KIM Won-soo** In the Cold War era, it required only the two countries' agreement and effort to reduce nuclear arsenals. In contrast, trust-building as a stepping stone to a sound security environment is essential these days. It will be long before the WMD-free zone in the Middle East is finally established. We should first think about how to enlist these countries into disarmament. While Syria declared that it would scrap its nuclear weapons program, Israel was not able to join the Chemical Weapons Convention. Iran is apparently moving towards a peaceful use of nuclear power. Such a transition has to be encouraged even further as to take part in bolstering regional security. If China joined CTBT, India and Pakistan would follow suit. Civil society and parliaments should take initiative and urge the government. For CTBT, each country should actively engage to generate a virtuous cycle.

— **Rakesh SOOD** Nine review conferences were held: four of them failed to adopt a final report and a declaration, while the other five conferences, with the exception of the 1995 meeting, brought forth four reports. There were remarks on the Middle East, WMD and a nuclear-free zone, and an indefinite extension was agreed to once. However, this extension ironically also extended intrinsic limitations and problems of the NPT indefinitely. An active engagement is imperative for a better operation, not simply the maintenance of the existing framework. In case of JCPOA, substantial and continued verification of Iran is necessary regardless of Iran's positive attitudes. We should determine contingencies for Iran's non-compliance.

— **SHA Zukang** The NPT itself has clauses on revision, and an additional protocol could be adopted. If it were to be updated eventually, we should be aware

that the consequences cannot be foretold. I suppose that a much more chaotic situation could develop. Obviously, there is a need to reflect on the changing reality, and India and Pakistan should be enlisted as well. If South Korea and the U.S. continue joint military exercises, North Korea will not suspend its nuclear tests. It is dangerous to presume that the U.S. and South Korea alone can solve the North Korean nuclear issues through negotiation and dialogue without China. It should be reminded that the denuclearization of North Korea should accompany a systemic transition, from the armistice system to a peace treaty system. We should keep in mind that North Korea is still at war with the U.S. and it will not readily give up nuclear options in today's security environment.

### ● ● ● Policy Implications

- As in the case of CTBT, it is not always desirable to expand the scope of a treaty through step-by-step negotiations. Granting that the NPT is the cornerstone of the non-proliferation of nuclear weapons, the success of JCPOA suggests that success can be obtained through dialogue and negotiations outside the NPT framework. As was seen in Iraq's case, NPT clauses should be updated to reflect the current, more developed nuclear technologies, possibly by way of adopting an additional protocol. The signing of the SALT between the U.S. and Russia shows that public awareness of and interest in the risk of nuclear arms race are necessary for pressuring leaders into pursuing regional security within the framework of NPT.
- While substantial nuclear arms reduction has been made after the end of the Cold War, nuclear arms reduction ahead calls for a two-track approach by adopting an agreement other than NPT. To this end, non-nuclear states with the interest in the object should be encouraged to take part, along with nuclear powers. With the emergence of nuclear terrorism by non-state actors, it is time to consider incorporating the Nuclear Terrorism Convention into the non-proliferation regime. For regional nuclear security, a multilateral and expansive approach is called for rather than the old Cold War approach.
- As North Korea and Iraq's cases suggest, NPT did contribute to the non-proliferation of nuclear weapons so far, but new nuclear technologies should be incorporated to ensure effective verification. As an adaptable regime, the NPT has been reinforced in the process of application and is expected to survive for the time being.

## Denuclearizing the Korean Peninsula: Making a Breakthrough



**Moderator** **Rajmah HUSSAIN** Former Ambassador of Malaysia to the United States  
**Presenter** **PAN Zhenqiang** Senior Advisor to China Reform Forum / Retired Major General, People's Liberation Army  
**Peter HAYES** Honorary Professor, Center for International Security Studies, Sydney University, Australia / Director, The Nautilus Institute for Security & Sustainability  
**John CARLSON** Counselor to the Nuclear Threat Initiative  
**HAN Yong-sup** Professor, Korea National Defense University  
**Rapporteur** **CHO Sookyung** Program Officer, Asia Pacific Leadership Network(APLN)

— **Rajmah HUSSAIN** The whole world is deeply concerned about the growing tension on the Korean Peninsula. We need to find realistic alternatives and ways to denuclearize the peninsula. Tension is rising in the region as North Korea test-fires missiles continuously, and the U.S. tries to build a Missile Defense system in response. We have already seen the consequences in Hiroshima and Nagasaki. We must do everything to avoid repeating the tragedy by eliminating North Korea's nuclear weapons. Debates have been ongoing over nuclear proliferation and some even raise the idea that South Korea should be armed with nuclear weapons. All these controversies come down to the question of whether tactical nuclear weapons need to be redeployed on the Korean Peninsula.

— **John CARLSON** We need to comprehend the goal of North Korea before making a breakthrough in the denuclearization of the Korean Peninsula. We cannot make an appropriate response to North Korea until we figure out whether it wants nuclear weapons for deterrence or for aggressive purposes. It can be confirmed through dialogue, and if the intentions

turn out to be deterrence, then there is room for negotiation toward a new solution.

As North Korea perceives the U.S. as the prime enemy, it is only the U.S. that can play a key role in the denuclearization process. It would be most desirable if North Korea's main opponent, the U.S., and other key negotiating party, China, signed a peace treaty with North Korea. This is because North Korea is still at war. To be more precise, they are in the state of a ceasefire after the armistice pact among China, North Korea and the U.S., and this is why these three countries cannot help but act as the key parties concerned, who will have to replace the armistice with a peace treaty. A peace treaty has also been part of North Korea's persistent demands, an indicator that the North would be willing to make compromises for the peace treaty.

China does not want North Korea to pose another nuclear threat but it does not want the regime to collapse and thereby cause disruption and disorder, because China prefers North Korea to keep acting as a strategic buffer. That is why it has been taking an ambiguous stance on reunification. China is wor-

ried about a potential situation where the U.S. forces could be deployed right across its border with a unified Korea. The U.S. should dispel these concerns through talks as early as possible.

The path to reunification could consist of several stages. An agreement between the U.S. and China is a precondition for a reunification formula such as a confederation, economic integration, etc. There should be an agreement addressing military issues involving the Demilitarized Zone(DMZ). Even when North Korea refuses to talk or violates the agreement, a blockade would not be a good option in the long run. It is important for neighboring countries to keep a united front with a shared stance toward Kim Jong-Un, even if North Korea engages in gradual expansion of nuclear arms.

— **PAN Zhenqiang** From a broader perspective, the most crucial step towards a better solution is to bring about a global consensus. This consensus will help build a conceptual guideline. Three principles could serve as the basis for the possible consensus. First, there should be no military option. The reason is that no one can be held accountable if a war breaks out eventually. Second, cooperation matters. In that regard, U.S.-Sino cooperation is of utmost significance, since the nuclear issue is getting more complicated and intertwined with competition among the world powers. The deployment of Terminal High Altitude Area Defense(THAAD) missile is a case in point. China regards the deployment as part of the U.S. containment strategy against China, rather than as a response to the North Korean threat. If the U.S.-Sino relations could develop into what China conceives in the “New Model of Great Power Relations,” such an understanding could serve as a basis for a new type of power relations. Third, if we want to remove the root cause of nuclear proliferation, all parties concerned should reduce or exclude the role that nuclear arsenal plays in their security strategies. The five countries other than North Korea in the Six-Party Talks cannot hold its moral high ground from which to demand North Korea give up its nuclear weapons, as nuclear weapons play a key role in

their own national defense.

— **Peter HAYES** North Korea has become a pivotal point of the nuclear hegemony of the U.S. Two options are possible for the U.S. to manage North Korea. The first option is to have a pause or a gap period, anticipating a new order based on nuclear armaments and possible war. The second is to bring nuclear threat under control by shifting to a new framework based on the rule of law. Northeast Asia needs a comprehensive approach. North Korea should be recognized as an equal member of the region and the armistice should be developed into a peace treaty. Also, a decision-making mechanism for common security is needed, possibly in the form of a committee. Such a body should and could assume the role of stabilizing North Korea, not only tackling North Korea’s nuclear issues, but also promoting the stability of the region in general.

North Korea would retain nuclear capabilities even after a potential nuclear freeze. There should be some effective measures to keep Kim Jong-Un from abusing these capabilities. Ten years would be sufficient for full transition and management, backed by a regional agreement with the endorsement of the UN. Also of importance is to form a non-nuclear zone set by the UN, which would be joined by North Korea, so that the perils of nuclear weapons and Weapon of Mass Destruction(WMD) could be reduced in the region. It took 18 years before all states in Latin America began to comply with the nuclear-free zone agreement. We should exercise a similar amount of patience with North Korea. The multilateral framework will and should be equally applied to Japan and South Korea as well as North Korea, so that it could serve as a deterrence and security guarantee for every member including North Korea.

The policy of the Trump administration is unbalanced. While coercion and dialogue should go hand in hand, Trump’s diplomacy revolves almost exclusively around coercion. From a strategic perspective, Japan’s participation is crucial in actualizing the nuclear-free zone. Japan’s participation is a prerequisite for China’s participation, and if Japan abandons

its idea of preemption, it will not only be a boon for Sino-Japan relations but also meet China’s strategic interest. Once China joins the non-nuclear zone, it could even encourage North Korea to get involved.

The new South Korean President is expected to play a leadership role in resolving these issues of Northeast Asia. Although it is not or plausible for South Korea to spearhead negotiations with Kim Jong-Un all the time, it will have to take on more than a secondary role. This is because South Korea needs to devise solutions to an array of complicated and complex issues simultaneously. Through interdependent steps, many other countries than South and North Korea should be enlisted in this multilateral initiative.

— **HAN Yong-sup** An alternative to the existing Six-Party Talks is of utmost significance, since the talks have remained suspended for the past decade. North Korea now claims the status of a nuclear power. It is imperative to appreciate the gravity of this situation, and the denuclearization process must begin with negotiation because North Korea is intractable at the moment. We cannot say for sure whether the U.S. will recognize North Korea as a nuclear state. For one thing, it cannot leave the Nuclear Nonproliferation Treaty(NPT) regime to be undermined or weakened by North Korean maneuvers. Still, North Korea should be made to join the NPT irrespective of whether it is recognized as a nuclear power or not. We also ought to admit past failures to that end, such as the Geneva Accord and the Six-Party Talks. The main reason all these efforts came to naught was that there was no consensus among parties concerned on the terms of the denuclearization, sanctions on North Korea.

The negotiations failed largely because all five participating countries had different aims. The U.S. took a firm stance in the pre-negotiation stage; however, it failed to remain consistent toward North Korea each time a new administration took office, not least because the cost of negotiations fell solely on neighboring countries, namely South Korea and Japan. This naturally left the negotiations incomplete,

as the U.S. settled for a freeze at best, seldom picking up where the previous administration left off. China was relatively more active and deemed it important to give additional incentives to North Korea’s freeze. South Korea engaged in Sunshine Policy at first and then took a hardline stance as soon as the government changed hands, and now reports of a new Moonshine Policy is flowing out of the presidential office. Japan and Russia were mostly passive, and Japan, particularly had a separate agenda. Kim Jong-Il insisted he had already achieved peace and security of his country while condemning the U.S. Repeating this all over again would be simply a waste of time.

I suggest four conditions for a breakthrough. First, the UN Security Council and the five permanent members of the Security Council(P-5) should agree to the measures of the sanctions. Second, an agreement to a partial resolution is inadequate. A Complete, Verifiable and Irreversible Dismantlement(CVID) mechanism must be designed. Third, a security guarantee mechanism proposed to North Korea should incorporate a step-by-step, conditional lifting of the sanctions. We cannot afford to simply let North Korea have what they want. Last but not least, we will have to devise a formula for the Eight-Party Talks instead of the Six-Party Talks since the interest of the P-5 countries should be coordinated.



### Policy Implications

- The negotiation attempts so far have foundered because participating countries not only failed to agree on the exact ends and the means for a breakthrough in the North Korean nuclear issues, but also failed to grasp the ultimate motive behind North Korea’s development of nuclear weapons.
- The North Korean nuclear issue cannot be resolved by either sanction or negotiation exclusively. The U.S., China, South Korea, and Japan should engage in both.

## Challenges and Tasks for Seeking Sustainable Policy on North Korea and Unification



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— **KIM Hak-Sung** The assessment of unification policy towards North Korea of past governments should be based on a comprehensive understanding that the Korean Peninsula question is mutually complex and interconnected with the global environment, inter-Korean relations, and the domestic environment. By these criteria, every administration has experienced the following problems: first, the absence of a long-term, consistent grand strategy; second, a lack of understanding of the structural elements of the Korean Peninsula issues; and third, a bias in the perception of division and unification. Thus, the new government should complement the peaceful unification stated in the Constitution, seeking consistent policy and consensus on the principles of unification. One option would be to advance a fundamental position representing a comprehensive grand strategy to supplement the constitutional principle of peaceful unification before drawing a nationwide consensus.

A precise understanding of the structure of the Korean Peninsula issues is supposed to be the first

step towards a successful unification policy towards North Korea. A few sample suggestions could be invested into a structure to promote multilateral cooperation in Northeast Asia or the creation and maintenance of peaceful inter-Korean relations.

A pragmatic approach towards North Korea is necessary, building forces for gradual change, instead of focusing too much on creating immediate, short-lived momentum. There must be times when coercion or sanctions are advisable, but they should be employed as a means for effective dialogue, negotiation and cooperation and not as an objective per se. In the same vein, policies should be designed from a practical point of view rather than as a tool for bringing about a specific condition, such as a sudden regime change.

— **WHANG Tae-Hee** The most recent UN sanction on North Korea, UN Security Council Resolutions 2321, is expected to enhance the effectiveness of the sanctions by placing a cap on the amount and the volume of coal export and by adding copper, nickel,

silver and bronze to the export ban list. Although it still has clauses where coal produced outside of but transported through North Korea as well as transactions for civilian use are exempt, the Ministry of Commerce of China announced a categorical suspension of coal import from North Korea as of February 2017.

The U.S. is taking a series of measures to enhance and reinforce the efficacy of the sanctions on North Korea, in accordance with the UN Security Council resolutions. It is not only enforcing direct sanctions on North Korea and its leadership, but also increasingly imposing the secondary boycott measures against companies, banks and individuals doing business with the North Korean regime and its people. Also, it is trying to gain consent from the international community by citing universal values such as human rights as the purpose of the sanction.

South Korea should come up with some principles for discussing the shutdown and the resumption of the Gaesong Industrial Complex. First, it must not fall out of line with the decade-long UN coordination on the North Korea sanctions. Second, a thorough and multi-faceted analysis should be made concerning the potential signals the resumption may send to the rest of the world, including North Korea. Third, it is advised to begin by engaging in low-politics cooperation on matters such as humanitarian, cultural and sports issues to restore a channel for inter-Korean dialogue before expanding cooperation and exchanges to the fullest extent.

— **HAN Dong-Ho** Human rights in North Korea and humanitarian aid are vital policy options in that they keep the momentum of inter-Korean relations while ensuring the consistency and efficacy of unification policy. Continued humanitarian aid as part of the unification policy calls for a thorough assessment of change in relevant international circumstances as well as the basic orientation of humanitarian aid. Discussion on unification will be facilitated once a nationwide consensus that the unification represents less a mere disruption of the status quo than a guarantee of a better life for both South and North Kore-

an populations is reached.

The passage of North Korean human rights act was originally part of coercive tactics against North Korea's repeated nuclear weapons tests. However, time is ripe for a bipartisan consensus in the South on North Korean human rights issues with a thorough deliberation on what freedom means to North Korean citizens as well as the South Korean population. As for North Korean human rights issues, the South Korean society could make progress in North Korea to some extent by focusing on the rights regarding food, health and social security. In contrast, however, the international community is more concerned about accountability issues, such as a political prisoner, public execution, freedom of conscience, the class system, and so on. Particularly after the Commission of Inquiry on Human Rights(COI) report, the focus has shifted to the North Korean regime, supposedly the root cause of human rights violation, and how it should be held accountable and brought to justice. However, North Korea considers the accountability issues as an insult to the supreme leader and fiercely resists the depiction. Thus, raising the possibility of criminal persecution of its top leadership can hardly run parallel with improving inter-Korean relations.

Currently, the scope of North Korean human rights issues dealt with by the Ministry of Unification encompasses civil liberties and social rights and this may cause a backlash from North Korea. This policy environment is supposed to reduce the Ministry's room for maneuvering within its main functions, such as strengthening inter-Korean ties, inter-Korean negotiations and inter-Korean humanitarian activities. This makes efficient division and coordination of tasks among government agencies, civic groups and other institutions all the more important. The South Korean government should administer consistent and continued policies on abductees and prisoners of war in North Korea from a human rights and humanitarian perspective, while encouraging discussion on creative solutions. We could consider a measure to hold a reunion of

separated families in third countries in such a way as sending the South Korean reunion members to Indonesia or Malaysia first and then asking the North to let their reunion members join them in the foreign country.

— **CHO Jeong-Ah** We have to question ourselves whether the small-scale humanitarian aid of the previous government was actually of a humanitarian motive. Humanitarian aid should continue despite the nuclear issues and cannot be suspended because of them. Especially, the vulnerable social class must be provided with unconditional assistance. Inter-Korean exchange in social and cultural spheres should be considered as part of a long-term preparation for a reunified society after political integration, with a shift in focus from the final outcome to the process. The government has to switch from a regulating role to a supporting role in the social, cultural exchange. The tasks of the new government should include mid- and long-term planning of inter-Korean exchanges; establishment of legal and institutional framework for more vigorous social and cultural exchange; institutionalization of inter-Korean cooperation through mutual consultation; promotion of civilian participation in policy-making and implementation; and development of projects to cultivate social and cultural capacity of North Korean population. Going beyond inventing catchphrases or making declarations, the government is supposed to make long-term efforts to help both South and North Korean citizens build capacity and prepare for a reunified Korea, where a peaceful and safe society would take its place.

— **HONG Woo-Taek** The North Korea policy of the new government would have to make tangible achievements in the North Korean nuclear issues if it is to win support at home and abroad. North Korea should be induced to take some degree of denuclearization measures to dissuade the international community from imposing sanctions on itself. In fact, North Korea policy thus far has lacked practicability, because it has been pursued largely by wishful thinking and cause for the cause's sake. For instance,

denuclearization has been at the core of the North Korea policy goal of every government, even though the public has long held a skeptical view. There would be a serious public uproar if the government decided to re-open the Gaesong Industrial Complex without North Korea's demonstrating signs of denuclearization. North Korea should take some, if small, steps towards denuclearization such as declaring the suspension of nuclear development or accepting an International Atomic Energy Agency (IAEA) inspection. Dialogue is a good way to understand the true nature and intention of the Kim Jong-Un regime.

— **HONG Jea Hwan** We should use our discretion in resuming the Gaesong Industrial Complex. In reality, there will already be many more obstacles, but a suggestion of reopening it within the framework of the existing sanctions is made in some quarters of society.

— **LEE Woo Tae** The Trump administration recently announced "maximum pressure and engagement" as its North Korea policy platform, saying that it would use all means available to denuclearize North Korea but ultimately engage in dialogue at the same time. This is not all that different from the new South Korean government's policy orientation. History shows that sanction or dialogue alone not only failed to denuclearize the North but rather also exacerbated internal conflicts in South Korea. If the ultimate aim of sanction is dialogue, some of the channels should be kept open even when security affairs are tenuous. While there have been talks of lifting economic sanctions or re-opening the Gaesong Industrial Zone, it would be too early to hold talks with North Korea on economic as well as on political matters. Improving inter-Korean relations calls for a long-term perspective and the first few hurdles we need to overcome include the lack of mutual trust between the two Koreas, internal strife in South Korea, a strong inclination of the international community for sanctions against North Korea.

We should seek a spillover effect by starting a dialogue and exchanging practicable ideas first. It

is necessary to expand sports exchange. A South Korean female soccer team played a preliminary match of the 2018 AFC Women's Asian Cup held in Pyongyang last year, and a North Korean female ice hockey team joined the World Women's Ice Hockey Championship in Pyeongchang. Sports exchanges, relatively removed from politics, could help arouse sympathy towards better inter-Korean relations and serve as a natural venue for inter-Korean dialogue.

— **LEE Young-jong** Preoccupied with the task to outperform the previous governments that had resorted to hardline policies toward the North, the new government might adhere to the dichotomy that dialogue is always good and its absence always evil. President Moon is facing an array of tough challenges concerning how to solve the chaos of inter-Korean issues. Kim Jong-Un's seemingly unbridled provocations emerge as the biggest source of trouble for Moon's North Korea policy. As suspicion still lingers in the South Korean society about the future course of his North Korea policy, a premature attempt for dialogue could backfire and might run the risk of wasting momentum towards rapprochement with the North. The biggest problem is that the South Korean population still holds antagonism toward Kim Jong-Un, who ranted about "engulfing Seoul in the wave of nuclear fire."

#### Keywords

North Korea and Unification policy, Sanctions on North Korea, Inter-Korean exchange and cooperation, humanitarian aid, North Korean human rights.

#### Policy Implications

- The gap between goal and reality in North Korea and unification policy has impeded the determining of effective alternatives in times of crisis. Based on a more realistic set of principles, the government should distinguish what it can do from what it cannot and focus on the former.
- One of the major obstacles to North Korea and unification policy of past governments has been the internal conflict within South Korean society. To address this problem, a democratic citizenship education should be institutionalized on a long-term basis. It is suggested that the government launch an integrated organization for unification education monitored by all political parties and build a network of unification education joined by civil groups and academic institutions.
- In terms of inter-Korean social and cultural exchange, the government should switch from a regulating role to a supporting role. The tasks of the new government should include mid- and long-term planning of inter-Korean exchanges; establishment of a legal and institutional framework for more vigorous social and cultural exchange; institutionalization of inter-Korean cooperation through mutual consultation; promotion of civilian participation in policy-making and implementation and development of projects to cultivate social and cultural capacity of North Korean population.

## Roles of International Law in East Asia



**Moderator** **SHIN Kak-Soo** Director, Center for International Law, Korea National Diplomatic Academy  
**Presenter** **HONG Seong-Phil** Professor, Yonsei Law School  
**LU Zhian** Professor, Fudan University, China  
**WANG Jianguyu** Professor, National University of Singapore  
**Hiroyuki BANZAI** Professor, Waseda University, Japan  
**SHIM Sangmin** Professor, Center for International Law, Korea National Diplomatic Academy  
**Rapporteur** **YOON Jihye** Researcher, Center for International Law, Korea National Diplomatic Academy

— **WANG Jianguyu** East Asia has been familiar with the U.S.-led liberal international order, but now China's rise is creating tension in the region as new challenges emerge with the potential retrenchment of President Trump, the decline of the rule of law, and the seeming return of power politics. As the concept of the "power-based rule of law" is espoused by a stronger China, East Asian states need to focus on achieving prosperity by such means as economic integration, etc. In terms of security as well, countries in East Asia should strive to elevate the role of international law by establishing a mechanism to prevent conflict escalation.

— **LU Zhian** The importance of economic development in East Asia today cannot be overstated, for every country in the region considers economic development a key policy agenda. In turn, economic development and sustainable development are highly entwined with international law, which could and should ensure the rule of law by producing some concrete, visible results. All countries have the rights to pursue development, while the balance between sovereignty and international obligations carries

more weight than ever before. In terms of social inclusion, we should positively consider formulating and applying regional international laws that can guarantee individual as well as collective rights.

— **Hiroyuki BANZAI** International law forms the basis of sovereign equality, non-use of armed forces, and peaceful conflict resolution. Aside from these basic principles, international law can function as a means to achieve intermediate goals. Currently in East Asia, demand for natural resources and nationalism undermines the fundamentals of prosperity, with North Korea's nuclear-missile crisis destabilizing the region. What the rule of law means in international law is to deliberate on appropriate measures deduced from the basic principles of international law, while clarifying the shared insight and philosophy of diverse countries. Only after these conditions are met, will East Asia, despite its unique circumstances, including that of North Korea, be able to form a stable community of different voices.

— **HONG Seong-Phil** For all the continued efforts made by East Asian countries, a regional cooperative body is absent in the region. In the case of Europe,

only after two appalling wars, were the countries finally able to form a community based on collective security and a shared set of values. In resolving issues in East Asia, unilateralism is far less desirable than the free exchange of views as to determine the best policy course possible. A standing channel of communication befitting East Asia is necessary and it should function as not simply a talking shop, but a mechanism for promoting efforts to implement what was agreed on and establishing legal responsibility to assess the progress. The right path for interstate cooperation should begin with sharing basic values, and then proceed ultimately to reap tangible outcomes for integration and prosperity of East Asia.

— **SHIM Sangmin** The reason a regional cooperative body does not yet exist in East Asia is that the states in the region perceive the current circumstances as a zero-sum game, wherein cooperation is intrinsically impossible. Rather than designing a cooperative organization based on some lofty discourse, such an organization can be modeled after the Paris agreement regime, the result of climate change negotiations. In the arrangement, each country sets its own share of contribution while other countries help them fulfill its objectives. Once this mechanism is instituted where each country seeks the common good on a small scale before expanding and deepening cooperation, it will surely make the most of the bottom-up approach as well as accord with the rule of law in a broad sense.

### Keywords

East Asia, Rule of law, Regional cooperative body, Social inclusion, Economic development, Prosperity, Sovereign equality, Non-use of force



### Policy Implications

- In spite of divergent policy goals and orientations, all discussants were positive about the rule of law and the role of international law in the East Asian region. They also emphasized the importance of communicative rationality through the free exchange of views and creative thinking, not bound by narrowly defined national interests.
- The envisioned open, consistent dialogue channel for problem-solving justifies the Moon administration's two-track approach of both sanction and dialogue, which represents a shift from the sanction-only policy regarding the current North Korea nuclear crisis, indicating the viability of such an approach.

[ Ambassadors Roundtable ]

## Sharing a Common Vision for Asia's Future



**Moderator** **PARK Jin** President, Asia Future Institute /  
Former Chairman of Foreign Affairs Trade and Unification Committee, Korean National Assembly

**Discussant** **Charles HAY** Ambassador of the United Kingdom to the Republic of Korea  
**Vikram Kumar DORAISWAMI** Ambassador of India to the Republic of Korea  
**Yasumasa NAGAMINE** Ambassador of Japan to the Republic of Korea  
**James CHOI** Ambassador of Australia to the Republic of Korea  
**Marc KNAPPER** United States Chargé d'Affaires Ad Interim to the Republic of Korea  
**YANG Houlan** Secretary-General, Trilateral Cooperation Secretariat

**Rapporteur** **Darren SOUTHCOTT** Visiting Professor, Jeju National University of Education

— **Charles HAY** Asia is returning to its historical position as the world's economic powerhouse and the U.K., sees Asia-Pacific as an “essential engine” for global growth. Therefore, despite Brexit, an outward-looking U.K. will build on its historic links to the region through diplomacy and free trade, and formal Free Trade Agreement(FTA) negotiations with Korea will commence after the U.K. leaves the European Union(EU). The U.K. will also fully support the Asian Development Bank(ADB) and Asian Infrastructure Investment Bank(AIIB) to establish a sustainable investment infrastructure.

North Korea is a serious threat to Asian security and the U.K. will continue supporting the UN Command which remains the only multilateral organization in the region dealing with geopolitical disputes. Human rights, democracy and the “rules-based international order” are crucial to the U.K.'s overseas work the U.K. sees the ROK as “a natural partner” particularly in areas such as securing maritime security in the Middle East and Indian Ocean. The

U.K. believes Asia will have to assume more responsibility to uphold this “global rules-based order” through increased multilateralism. It is a duty of rich countries to support the poorest countries around the world and the U.K. will partner the ROK in helping to stabilize conflict zones and secure food and health security.

— **James CHOI** Increased variability and uncertainty indicate the globe is on the cusp of a major shift toward a multi-polar world. The following key variables are crucial to this analysis. Despite uncertainty about international cooperation under Trump, we should not overreact to his statements on trade, the North Atlantic Treaty Organization(NATO), and Northeast Asian security. However, Trump's eventual policy toward the Indo-Pacific region will be crucial as China and India rise to challenge the U.S. economically. China will resume its central historical role in regional affairs as it transitions from an export to a consumption economy. China will pursue its own interests, but also seek shared goals and

likely uphold the existing system. Australia wants China to play a constructive regional role through a strategic rules-based system in the Indo-Pacific region alongside the U.S. Economic and strategic power will shift south and west in the region as India and the Association of Southeast Asian Nations(ASEAN) develop. To reflect this shift, Australia will use the Indo-Pacific region instead of the Asia-Pacific region which also recognizes Australia's geostrategic position facing both oceans. All major regional economies have a gloomy economic outlook, and the economic and political systems have struggled to respond. This presents a risk to stability and while Australia is ready to deepen economic involvement in the region, it must step up diplomacy too.

The rule of law and democratic institutions are crucial to Australia's foreign policy in the Indo-Pacific region alongside international treaties and agreements that promote cooperation, trade, transparency and prosperity. Democratic partners such as Korea and Australia must uphold these principles and build inclusive regional institutions in response to a multi-polar and unpredictable world.

— **Vikram Kumar DORAISWAMI** Key challenges we are facing are the growth of the Indo-Pacific region; the rise of China; and the U.S. role in region. We have various external factors such as the Trump administration's direction; the 19th Party Congress in China; and the future of the Trans-Pacific Partnership(TPP) and the Regional Comprehensive Economic Partnership(RCEP). Regional threats come from: an arms race, territorial and maritime disputes, and great power friction. The prospect for great power conflict is low, but there are local flashpoints.

The solutions to these issues are efforts to develop hedging strategies such as multilateral partnerships, for example Korea-India, Korea-Australia, Korea-ASEAN, India-Japan, India-Australia, and India-ASEAN; to commit to shared liberal values and a rules-based system; to cooperate to invest in global public goods such as clean air; to strengthen Asian security mechanisms such as the East Asia Summit

and the ASEAN Regional Forum.

— **YANG Houlan** Over the 18 years, the Trilateral Cooperation has established a framework for peace and prosperity through cooperative projects with governmental and non-governmental partners. Regional territorial and historical disputes, destabilization worldwide and the North Korean nuclear program threaten peace alongside rising protectionism and an economic downturn. The strategic vision must focus on common goals and exceed mere government-level cooperation with people-to-people exchanges(tourists, young adults and journalists) to build a “sense of community” and deepen regional cooperation. China-Japan-Korea FTA negotiations must progress after 12 rounds of talks to boost low intra-regional trade and investment. In addition, negotiations with ASEAN on various “mega-FTAs” like the RCEP and TPP must continue in a bid to build the East Asia Economic Community by 2020. Governments and non-governmental actors must cooperate to tackle the serious health problem of fine dust as well as climate change, epidemics and disaster management. China, Japan and Korea must find their own framework for cooperation that reflects regional geopolitical characteristics. The Trilateral Summit must convene urgently to build political will and give momentum to cooperation.

— **Marc KNAPPER** The U.S. is committed to its strong and longstanding alliance with the ROK through bilateral ties in economic cooperation, regional security, diplomatic engagement and people-to-people exchanges. Free trade is mutually beneficial and South Korea is the U.S.'s sixth largest trading partner. U.S. foreign direct investment in the ROK has gone up 3.3 percent since 2014, with ROK exports to the U.S. up 23.4 percent since 2011. Both countries continue cooperation to: create a fair, predictable, and transparent business environment; strengthen intellectual property rights; dismantle non-tariff barriers to exports; and ensure free and fair trade across the region. The Democratic People's Republic of Korea's nuclear program is a threat to regional stability and the U.S. and ROK are committed to

ensuring security. The U.S. has committed 60 percent of its naval and air forces to the region while the ROK budget shows its determination to field the best military equipment. Non-traditional threats such as cyber-attacks, terrorist threats and infectious diseases make cooperation essential for mitigation and response. Commitment to human rights, the law and people-to-people ties are the foundation for building understanding and close relationships, and essential for overcoming global challenges.

— **Yasumasa NAGAMINE** Japan wants to strengthen trilateral cooperation among Japan, the ROK and the U.S. to confront the North Korean security threat. Japan, therefore, supports additional sanctions through the UN Security Council as pressure must be placed on the regime rather than dialogue for the sake of dialogue. In light of potential protectionism, there must be a strong commitment to free and fair trade and, despite the U.S. withdrawal, Japan supports the early entry into force of the TPP to achieve a free trade regime across the Asia-Pacific region. There must be a commitment to a rules-based international order and the principle of settling disputes by peaceful means, maintaining international law, freedom of navigation and maritime safety. Japan is pursuing an Indo-Pacific strategy of engagement with Africa across the Pacific and Indian Oceans so Asia can benefit from trade and investment with a dynamic Africa. To be a success, this depends on two points: Oceans as open and safe for navigation and connectivity; and, secondly, quality infrastructure through quality investment principles as introduced at the 42nd G7 Summit in Ise-Shima in 2016. Prime Minister Shinzo Abe is committed to the Comfort Women agreement of 2015 although he welcomes dialogue with President Moon on a future-oriented relationship for peace, stability and prosperity in Asia.

#### Keywords

Free trade, Bilateral relations, Multilateralism, Nuclear weapons, Regional cooperation, ASEAN, People-to-people exchanges, International law, Human rights, Belt and Road, RCEP, TPP, Maritime safety.

#### Policy Implications

- The North Korean nuclear program must be halted for the foundation for security and prosperity.
- There must be a continued commitment to a rules-based system of international norms.
- An improved architecture for bilateral and multilateral exchange must be established.
- The Asia-Pacific region must seek to intensify people-to-people exchanges as the foundation for regional cooperation.
- FTAs such as the TPP and RCEP must be advanced.
- Increased economic engagement must be the foundation for cooperation.
- Countries must work multilaterally to secure the safety of maritime travel and international law.

## Evolving Maritime Security Order in East Asia after PCA Ruling on the South China Sea



Chair	<b>LEE Seo Hang</b> President, Korea Institute for Maritime Strategy
Keynote Speech	<b>PARK Chuljoo</b> Director General, Division of International Legal Affairs, Ministry of Foreign Affairs of the Republic of Korea
Presenter	<b>Michael McDEVITT</b> Rear Admiral(ret.), Center for Naval Analysis, United States <b>KOO Min Gyo</b> Professor, Seoul National University <b>Rommel C. BANLAOI</b> Professor, Miriam College, Philippines
Discussant	<b>PAIK Jin-Hyun</b> Hon. Judge, International Tribunal for the Law of the Sea(ITLOS) <b>Tsutomu KIKUCHI</b> Professor, Aoyama-Gakuin University, Japan <b>KIM Taeho</b> Professor, Hallym University
Rapporteur	<b>CHUNG Sam-Man</b> Research Director, Korea Institute for Maritime Strategy

— **Michael McDEVITT** China is unquestionably a maritime power judging by its sheer capability to make use of the ocean for political, military and economic purposes. Whereas the gross shipbuilding tonnage of the U.S. registered a meager 293 thousand tons in 2014, that of China stood at a staggering 22 million 682 thousand tons in the same year. The gross fishery tonnage recorded 5.2 million tons in the U.S., while China hauled in 16.3 million tons of fish. Even though the Exclusive Economic Zone (EEZ) of the U.S. is three times larger than that of China, the U.S. Coast Guard's vessels of 1,000-ton tonnage or more number just 38, dwarfed by the 95 vessels of the same class operated by Chinese maritime police. Still, Chinese leadership considers itself far from being a maritime power and is expected to push ahead with initiatives in the following areas.

First, Chinese maritime police is spearheading the integration of law enforcement agencies in its territorial waters to become a unified maritime police force with functional expertise. Second, China is developing maritime farms in unpolluted seas

off the coasts of Spratly Islands, Paracel Islands, Macclesfield Bank with a view to securing ocean-based food security by ensuring consistent supply of protein in the form of "blue grains." Third, China is expected to operate the largest number of the largest commercial vessels in the world and oversee 15 percent of world maritime transportation by 2030, with its gross tonnage surpassing those of Greece and Japan. It is also predicted to become a country with the largest number of oil tankers, with 80 additional tankers joining the fleet by 2018. Meanwhile, shipyards in China are rapidly catching up with those in neighboring countries, including South Korea, by building cost-effective versatile vessels while streamlining and downsizing the business to tide over a global recession. Also, China's state-owned dockyard manages to stay afloat by making ships for its navy, maritime police and some fishing and commercial vessels. Fourth, China feels most lacking in naval power in its pursuit of maritime power. The main reason China strengthens its naval power is to protect its maritime rights and thwart the con-

tainment attempts. In addition, China believes that it can become a true maritime power only when the navy is able to protect its sea lanes, people as well as national interest abroad.

China is expected to attain all these goals by 2020-2030 to become a maritime power. Particularly, goals set for maritime police, volunteer navy, and fishery are likely to be reached by 2025. In the ship-building sector, China benchmarked South Korean and Japanese cases to achieve economy of scale by building a mega shipyard through merger and acquisition.

— **KOO Min Gyo** While recently aggressive Chinese exploits in South China Sea has added to the growing tension in the region, the so-called Trump risk and Abe risk are expected to aggravate the security situation even further. The Trump Administration's China policy is predicted to concentrate on military approaches such as strengthening Operation Freedom of Navigation, and Prime Minister Abe is actively participating in joint patrol drills with the U.S. and naval exercises with coastal states, even though Japan is not a party directly involved in the South China Sea disputes. These moves will naturally incite a fierce reaction from China, putting regional peace and security at risk.

The maritime rise of China is posing a huge strategic challenge to every East Asian country. Claiming territorial rights on disputed islands in the East and South China Seas, China is attempting to alter the regional status quo, while expanding its Anti-Access/Area Denial(A2/AD) strategy as far as to the Second Island Chain in order to circumvent foreign intervention from the area. China's century-old dream of the superpower status is almost within reach, but the dream poses a challenge to the hegemonic status of the U.S., which makes hegemonic competition between the two inevitable. On the other hand, as a defeat in hegemonic competition means a nightmare to either side, the rivalry ironically may lead to a collision between the U.S. and China in the waterway around East Asia.

— **Rommel C. BANLAOI** Unlike the Association of

South-East Asian Nations(ASEAN), East Asia lacks an institutional mechanism for the stable management of growing international tensions over East Asia's surrounding waters, including the East and South China Seas, as well as the sea around the Korean Peninsula. If this continues, the chance of armed conflict among states in the region will likely grow. Granted, there are bilateral consultative bodies on maritime security in East Asia, albeit with limited capacity. For example, ASEAN Regional Forum(ARF), East Asia Summit(EAS) and ASEAN Defense Minister's Meeting Plus(ADMM+) discuss maritime security issues in part. However, the absence of a secretariat dealing exclusively with these issues is the biggest hurdle to cooperation on maritime security affairs. From a more fundamental and longer-term perspective, there are several factors either constraining or promoting maritime security cooperation in East Asia. First, the rivalry between the two regional powers, China and Japan, constitutes a big impediment; second, the involvement of the U.S. and Russia in the rivalry poses an even more serious and unexpected obstacle; third, the conflict of interests among the four neighboring powers amid worsening security situation on the Korean Peninsula remains detrimental to the maritime security cooperation in the region.

### ● ● ● Policy Implications

- China may not refrain from using coercive force over maritime issues, but that does not mean it will use force against South Korea even if it actually crosses the 1240 line. Thus, South Korea should openly exercise its freedom of navigation in and on the high seas and the airspace above, as the U.S. does in accordance with international law, rather than seemingly yielding to China's threat and restraining itself.
- Once China regards itself as a dominant maritime power, it will likely advance its interests and rights on the ocean, largely by instituting new norms and regulations on maritime affairs. The more aggressive China becomes on this front, the more likely the U.S. will respond by taking the initiative in their hegemonic competition to implement its conventional security strategy in East Asia.

## Security Cooperation in Northeast Asia and Unification on the Korean Peninsula: Safety and Peace in Northeast Asia



Chair	<b>JUN Byung-kon</b> Director of International and Strategic Studies Division, Korea Institute for National Unification
Presenter	<b>MIN Tae-Eun</b> Research Fellow, Korea Institute for National Unification <b>Leif-Eric EASLEY</b> Assistant Professor, Ewha Womans University <b>ZHAO Huji</b> Professor(Former), Central Party School of the Communist Party of China <b>Yonemura KOICHI</b> Seoul Bureau Chief, The Mainichi Shimbun <b>KIM Seok Hwan</b> Visiting Professor, Hankuk University of Foreign Studies
Discussant	<b>KIM Min Seo</b> Foreign Affairs & Inter-Korean Relations Reporter, Segye Ilbo <b>LEE Sang-Sin</b> Research Fellow, Korea Institute for National Unification <b>SHIN Jong-ho</b> Research Fellow, Korea Institute for National Unification <b>LEE Kitae</b> Research Fellow, Korea Institute for National Unification <b>HYUN Seungsoo</b> Research Fellow, Korea Institute for National Unification
Rapporteur	<b>HAN Jungmin</b> Research Assistant, Korean Institute for National Unification

— **MIN Tae-Eun** The new South Korean government is facing a newly unfolding political situation in Northeast Asia. In response, the Moon Jae-in administration needs to adopt a new approach toward policies governing North Korea and its nuclear arms, and diplomatic relations with neighboring countries. The current political environment of Northeast Asia is most noticeably characterized by “uncertainty” under which conflict and cooperation coexist, with the national interests of individual countries getting the upper hand over ideologies. Strategic conflicts are intensifying between the U.S. and China; and trade, North Korea and Taiwan have emerged as key issues particularly since Donald Trump took office. Washington and Seoul face thorny issues such as North Korea's nuclear programs, the deployment of a Terminal High Altitude Area Defense(THAAD) system in South Korea and renegotiations of a free trade deal. Seoul and Beijing are in a dispute over

North Korea and THAAD. The U.S. is pursuing a strategy of “maximum pressure and engagement” toward North Korea while threatening a preemptive strike on North Korean nuclear facilities. Pyongyang is pushing ahead with its development of nuclear weapons while leaving open the possibility of dialogue with the U.S. at the same time. The Japanese government has begun a move to the political right, solidifying the tripartite military alliance with Korea and the U.S., while China and Russia are deepening their strategic partnership.

I would suggest that the Moon Jae-in government should consider the following foreign policies. It should devise strategies for building momentum for reunification of the Korean Peninsula by improving relations with the North. As the North Korean nuclear issue has emerged as a major problem for the Northeast Asian countries, it should also make an agreement with them on concrete detailed action

plans to resolve the issue in cooperation with them. Coordinating and balancing relations with the U.S. and China is the most demanding challenge the new Korean government faces in handling diplomacy and security affairs.

— **Leif-Eric EASLEY** Although countries change their political positions from time to time, the U.S., South Korea and Japan have long maintained opposition to North Korean military threats and human rights abuses that threaten regional order and interfere with efforts to achieve peaceful reunification. North Korea has been resistant to regional integration and continued its physical and rhetorical provocations with its nuclear and missile tests that stymie economic cooperation in the region. Some analysts have argued that the North Korean leadership uses nuclear weapons as a bargaining chip, but most analysts agree that North Korea will not give them up because it considers them as part of the country's identity. In these circumstances, the Trump administration has sought to exert “maximum pressure” on North Korea, anticipating Chinese cooperation with it and solidifying its ties with the new government of South Korea.

A preventive military strike by the U.S. against North Korea seems unlikely at a time when military tensions are heightening between the two Koreas, and a preemptive attack by the U.S. also appears a much less likely option. Washington's ultimate objective on the Korean Peninsula is to denuclearize North Korea, not overthrow the North Korean regime. Non-military options should first be considered in addressing North Korean issues. Alliance managers of South Korea, the U.S. and Japan have to develop strategies earlier to counter missile attacks and cyber warfare from North Korea. As there are limitations in seeking China's pressure with sanctions on North Korea, Seoul should take the lead in opening channels of dialogue with Pyongyang. The U.S. and South Korea should join efforts to identify possible areas of cooperation with North Korea for now.

— **ZHAO Huji** An analysis of three differences be-

tween Kim Jong-Il and Kim Jong-Un reveals that, as the leader of North Korea, the younger Kim is more open-minded to changes in policies than his father. First, as Kim Jong-Un was younger than his father when he rose to power, he spent more time solidifying his power base. Being young also means that he has less belief in certain policies and more possibility of change. Second, while Kim Jong-Il was a long-time No. 2 man under his father, Kim Il-Sung, Kim Jong-Un rose to power in a shorter time. The fact that Kim Jong-Un took a different path to power means that he is granted more discretionary authority than his predecessor. Third, unlike his father, Kim Jong-Un studied abroad in a developed country, meaning that he is more receptive to different policy lines. The survival strategy of North Korea under the reign of Kim Jong-Un, however, is not different from that maintained during the rule of his father and grandfather, Kim Jong-Il and Kim Il-sung since the 1990s.

Although North Korea once resorted to the policy of “siege and isolation” in the early 1990s, Kim Jong-Il and Kim Jong-Un are on the same page when it comes to pursuing a “reform and open-door” policy to secure growth for their country. Secondly, their foreign policies are also identical in that both seek to reduce external threats by developing missiles and nuclear weapons. Thirdly, Kim Jong-Un employs his father's “military first” politics to preemptively remove potential internal threats. It should be noted that the three strategies expose contradictions, as Pyongyang's development of missiles and nuclear weapons and military first politics collide with the reform and open-door policy that requires peaceful and friendly ties with the international society. In comparison, China has been successful with its reform and open-door policy since a stable external environment, resulting from friendly relations with the U.S. and Russia, was in place in the 1980s.

The recent meeting between President Donald Trump of the U.S. and President Xi Jinping of China resulted in a very important deal for the interests of both parties. President Trump ordered a bombing raid on Syria, timed ahead of President Xi Jinping's

visit to the U.S., hinting that the U.S. will not maintain friendly relations with Russia. Washington's decision not to label Beijing a currency manipulator also promoted friendly relations between the two countries. President Xi expressed firm opposition to the missile and nuclear programs and other military provocations of North Korea after returning from the U.S., but the North openly and officially blasted Beijing, pressing ahead with its missile tests in spite of the strong pressure from China.

North Korea will not lessen military provocations nor halt missile and nuclear arms development even if China increases economic and political pressure upon it. The North Korean regime's options for survival are very limited, and the North needs a guarantee of its security so that it may have a wider range of choices and change its current posture. At the same time, North Korea needs to be provided with opportunities for economic development, for instance, the chance to join China's One Belt, One Road initiative.

— **Yonemura KOICHI** Japan has difficulty dealing with the North Korean issues because it has to pursue two goals at the same time: solution to the North Korea's missile and nuclear problems and the kidnapped Japanese issue. Japan is dealing with North Korea's missile and nuclear programs basically in line with the international community. But the abduction case, an international issue of human rights also, is the top priority for both the Japanese government and the public. So the Japanese government is left with a tough job of dealing with two different issues – pursuing cooperation with the U.S. and other foreign countries, according to international norms, while, at the same time, making efforts to clearly assess North Korea's willingness for dialogue and create an environment conducive to negotiations on Japanese abductees in North Korea.

The Japanese government is in disadvantageous position vis-a-vis North Korea, as Japan is not a priority for North Korea. Generally speaking, North Korea puts Japan high on the agenda only when it has to improve, amid isolation, its economic relations with Japan or use Japan as leverage to over-

come its adverse condition in international society.

Japan's North Korea policies are based on the Japan-North Korea Pyongyang Declaration, signed in September, 2002, when Prime Minister Junichiro Koizumi and North Korean leader Kim Jong-Il met in Pyongyang. Then the two countries reached another agreement in Stockholm in 2014, based on the 2002 accord. In the agreement, Pyongyang pledged to carry out a full-scale reinvestigation into Japanese nationals in North Korea, including abductees, while Tokyo promised to partially lift its unilateral economic sanctions on North Korea, including travel curbs to and from the country, at the initial stage of the probe. The deal was made on the premise that they will share the objective of normalizing diplomatic relations in accordance with the Japan-North Korea Pyongyang Declaration. The Stockholm agreement came while the then Barack Obama administration had been maintaining a harsh attitude toward Pyongyang since April 2012. The U.S. and South Korea raised no objection to Japan lifting some of its unilateral sanctions against North Korea.

Japan imposed unilateral sanctions on North Korea in January 2016 following the latter's fourth nuclear test. The new sanctions banned North Korean nationals from entering Japan and remittances, except for those less than 100,000 yen and for humanitarian purposes only. Japan also announced that it would strengthen travel curbs to and from North Korea, while North Korean ships and any ship that has stopped in North Korea will no longer be allowed to call in Japan. But Prime Minister Shinzo Abe said in an interview in late February with Yukan Fuji that “a meeting that produces no results will be to the advantage only of the North Korean government. I have absolutely no plans to do any such thing,” in response to calls for a summit with Kim Jong-Un, but he added, “I am prepared to consider all options in order to resolve the abduction issue.” Japan's domestic opinion is that the talks between Japan and North Korea would produce positive results, should the Japanese government treat the abduction issue separately from North Korea's missile and nuclear

programs.

Some analysts view the current situation in Northeast Asia as similar to that seen when Prime Minister Junichiro Koizumi visited North Korea in 2002. At that time, the Koizumi administration was sandwiched between the George H.W. Bush administration, hawkish with Pyongyang, and the Kim Dae-jung administration, looking for dialogue with Pyongyang. So the Kim Jong-Il regime had a motivation to seek dialogue with Japan to diffuse the pressure from Washington, while South Korea supported the talks between North Korea and Japan. There are also views in 2017 that the Abe administration's standing between the Donald Trump administration and the Moon Jae-in government will make it easy to find opportunities to open dialogue with Pyongyang.

— **KIM Seok Hwan** Recent major issues requiring global attention include the conflict and rift in the Western world over the Ukraine crisis; the threats of Islamic terrorism in Syria and the vulnerability of global security; and the rift in the agreement implementation between Russia and the transatlantic alliance, the U.S. or North Atlantic Treaty Organization(NATO), which emerged in the midst of political changes in former Soviet bloc countries. Some of the eye-catching challenges are the advancement of technology, the rapid consumption of resources and the lack of leadership, one of the structural changes occurring in the dynamics of the market. In other words, the structure of global security built chiefly by the five permanent members of the UN Security Council is facing challenges in the 21st century, but no alternative is on the horizon yet, with conflicts between the architects of the security structure continuing. Specific issues like North Korea's nuclear programs are not seen as crucial enough to cause structural changes in world politics. The opening-up of the Far East and Siberia right before the fall of the Soviet Union, the normalization of relations between Russia and China and the establishment of relations between Russia and South Korea are considered more significant factors having a structural impact

on the political order in Northeast Asia.

— **JUN Byung-kon** The current political situations in Northeast Asia and different positions of the major powers surrounding the Korean Peninsula have been summarized well for us. It was helpful in understanding how each country has a unique position as compared to the other. We need to try to identify the differences of countries and find ways to promote cooperation between these countries as we move towards unification of the Korean Peninsula.

— **KIM Min Seo** Many eyes are on South Korean President Moon Jae-in's visit to the U.S. later this month for a summit with President Donald Trump. It is drawing attention among other things over, whether they will be able to reach an agreement on how to address North Korean nuclear issues. While the new South Korean government is willing to resume North-South economic cooperation projects, such as the Gaeseong Industrial Complex and tourism at North Korea's Mount Geumgang, North Korea keeps on making military provocations, including a wider range of missile tests. The Moon administration's pro-engagement policy with North Korea may cause trouble in the coordination of North Korea policy with the U.S., and many experts have already expressed skepticism about the engagement policy. Some are even warning that the U.S. government can implement a secondary boycott against the Korean government or businesses if Seoul unilaterally tries to improve its ties with Pyongyang without policy cooperation with Washington. The new government's pro-engagement policy can send the wrong signal to North Korea at a time when the North is continuing military provocations. The Korean government's shifting to a higher gear in trying to engage North Korea may backfire at home and abroad.

— **LEE Sang-Sin** Professor Leif-Eric Easley pointed out that South Korea and Japan need to improve relations with Japan, as an effective way to settle the North Korean issue, by resolving their differences on the comfort women issue and other historical disputes over Japan's wartime past. But I think the two countries will have difficulty in mending their

ties, because the new South Korean government is expected to continue to take issue with the history issue. President Moon Jae-in's appointment of Kang Kyung-hwa as foreign minister may be interpreted as indicating his willingness to put the comfort women issue on the agenda because she has actively supported the human rights movement for women and sought opportunities to meet the victims of Japan's wartime slavery while she worked at the UN. Given the President Moon's approval rating over 80 percent, the majority of South Koreans are expected to support renegotiations on the comfort women issue.

— **SHIN Jong-ho** The most important issue affecting Northeast Asia is the growing influence of the four powers around the Korean Peninsula - the U.S., China, Japan and Russia. Also noteworthy is that there is a growing sign of the Korean Peninsula being treated as an "instrument" for strategic competition between the U.S. and China. To strengthen its position over the North Korea issue, South Korea should make sure that the North Korean issues be accepted as a "collective responsibility" of global society. The South needs a more cool-headed assessment of the roles of the major powers around the Korean Peninsula over the North Korean nuclear issues. It should maintain the military alliance with the U.S., but refrain from "holding China accountable" for North Korean nuclear problems. Even if South Korea and China settle the THAAD issue, their relations are unlikely to be restored to the previous condition. They need to set up a bilateral crisis management system by diversifying channels of communication in case of future crises.

— **LEE Kitae** Japan's relationship with the Korean Peninsula can be described as a "two track." South Korea and Japan have North Korea and comfort women issues in common, while North Korea and Japan share the issues on sanctions and abduction. The Japanese public is now questioning Prime Minister Abe's will to resolve the abduction issue with Pyongyang.

Some analysts criticize the Japanese govern-

ment's attempt to hold dialogue with North Korea over the abduction issue, suspecting that it might be aimed at bypassing the sanctions by South Korea, the U.S. and Japan, but I expect, on the contrary, that the three parties may cooperate to help Japan solving the abduction issue. Washington and Tokyo have already agreed to handle North Korea's abduction of Japanese citizens, and South Korea is also involved in this matter because it has seen many of its own citizens abducted by North Korea. Japan should refrain from a unilateral pursuit of talks with North Korea, as it ended up failing to normalize their ties in the 1990s. It is true that Japan needs cooperation from South Korea and the U.S., but a more careful approach should be made toward cooperation between South Korea, Japan and the U.S. so that it might not be seen by North Korea and possibly by China, too, as a threat.

— **HYUN Seungsoo** I basically agree with Prof. Kim Seok Hwan's view that North Korea's nuclear development and other military provocations are of less importance from a broader perspective of international politics. North Korea's nuclear arms development is nothing but a smaller individual incident that took place amid greater changes in international politics, such as the fall of the Soviet Union and China's adoption of a reform and door-opening policy. As implied by the dispute over the THAAD issue, North Korea's missile and nuclear programs seem to matter only within the context of Washington's grand strategy toward Asia, judging from the perspective of China and Russia. In this respect, it would not be easy for South Korea to win support from China and Russia over issues like THAAD, unless the U.S. changes its strategies. Without the cooperation of China and Russia, it would be difficult to discuss reunification of the Korean Peninsula. In connection with the Korean reunification issue, Russia is most concerned with where the U.S. troops, currently stationed in South Korea, will be relocated in the future.

South Korea should adopt a more clear-cut stance on the U.S. forces in Korea and present concrete

plans about it to draw support and cooperation from Russia. It is important for South Korea to build a high level of trust first with Russia, starting with the cooperation on the project of a natural gas pipeline connecting the two Koreas and Russia, which has been discussed since South Korea's special envoy to Russia, Rep. Song Young-gil, visited Moscow earlier this year. A thorough examination should also be carried out on how the relations between Russia and North Korea will develop in the future.

#### Keywords

Security of Northeast Asia, Reunification of the Korean Peninsula, North Korea policies



#### Policy Implications

- The uncertainty in the Northeast Asian region is increasing as the U.S. and China are at odds over economic, military, diplomatic and security issues. But the most important factor behind the tension in Northeast Asia is the threat of North Korea's nuclear program.
- The new South Korean government is required to handle North Korean issues as well as the THAAD issue while it seeks to improve relations with the North. And it is essential that South Korea maintain pressure through economic sanctions on North Korea and implement its engagement policy through dialogue and exchanges with the North simultaneously, not sequentially.
- This session contributed to a better and detailed analysis and understanding of the security conditions on the Korean Peninsula in terms of international politics by presenting different views of the major powers about the unification of the Korean Peninsula as well as the political situation in Northeast Asia.
- The comparative analysis of the interests that major powers around the Korean Peninsula have in connection with the issues of the two Koreas also helps people to understand what kind of political challenges the Moon administration is facing and provides indications about how to cope with the challenges and work out policies on national unification and North Korea.

## Historical Reconciliation in East Asia and Europe



Moderator	<b>KIM Namkook</b> Professor, Korea University
Opening Remarks	<b>YOO Euysang</b> Ambassador for Geographic Naming, Northeast Asian History Foundation
Presenter	<b>Haruki WADA</b> Emeritus Professor, Tokyo University, Japan <b>Mirosław FILIPOWICZ</b> Professor, John Paul II Catholic University of Lublin, Poland / Director, Institute of East-Central Europe <b>Alexis DUDDEN</b> Professor, University of Connecticut, United States
Discussant	<b>KIM Yongdeog</b> Professor, Hankuk University of Foreign Studies <b>LEE Won-Deog</b> Professor, Kookmin University <b>NAM Sanggu</b> Research Fellow, Northeast Asian History Foundation
Rapporteur	<b>YUN Jihoon</b> Cooperation Officer, Northeast Asian History Foundation

**— YOO Euysang** This session on “Historical Reconciliation in East Asia and Europe” sets itself apart from other meetings with similar topics because it will discuss Europe's historical reconciliation in terms of Poland-Russia relations instead of Poland-Germany relations. The history of conflict between Poland and Russia dates back to earlier than the 19th century, long before the Nazi regime's relations with other European countries became worse. I believe the presentation by Director Mirosław Filipowicz about how the long history of conflict has been resolved and what has been done in the spirit of historical reconciliation will teach us another lesson. Concerning historical reconciliation in Northeast Asia, I suggest that we discuss ways on how to resolve the historical disputes between Korea and Japan, most notably the comfort women issue. There is no doubt that the normalization of Korea-Japan relations will mostly depend on how the two nations deal with the lingering conflicts over the controversial bilateral agreement on the comfort women

issue in December 2015. With these circumstances in mind, I expect today's presentation by professor Haruki Wada, who has been critical of how the Japanese government handled the comfort women issue, and another by professor Alexis Dudden, who has held critical views of the Abe administration's interpretation of history, will live up to our expectations.

We have consistently called on the Japanese government for actions to overcome the bitter historical legacies of the Japanese colonial rule of Korea, including Japan's recognition of its legal responsibility and a formal apology and compensation based on it. The Korean public does not approve of the 2015 comfort women agreement because these demands have not been met. It is hard to imagine the Japanese government taking action in favor of the comfort women, victims of wartime Japan, as long as Prime Minister Shinzo Abe keeps his job. I think how to settle the long-standing historical issues and promote true historical reconciliation is an important topic that deserves sincere discussion among diplo-

matic policy makers and all of us here.

— **Haruki WADA** Today, overcoming the legacies of colonialism is one of the most pressing tasks for mankind. The comfort women issue which became a diplomatic issue for the first time in 1990 has been thought to be the most important problem to both of our peoples. For 25 years, sincere efforts have been made incessantly in the ROK and Japan. The movement to resolve the comfort women issue is divided into three rounds. The first began in 1990 when the Korean women's organization that later became Chongdaehyop, the Korean Council for the Women Drafted for Military Sexual Slavery by Japan War raised six comfort women's demands. After the "coming out" of Kim Hak-sun as a comfort woman in 1991, the Japanese government began to investigate the problem and in 1993 issued the Statement of Apology by Chief Cabinet Secretary Kono. The second round began with the birth of the Democratic Party of Japan(DPJ) government in 2009. Then, Japanese civic groups organized a "National Action 2010" to seek a legislative resolution on the comfort women issue, but the DPJ government refused to do this. On the part of Korea, the Korean Constitutional Court ruled in 2011 that the Korean government's inaction concerning the comfort women issue was in breach of the Constitution. In 2012, the Korean government approved a three-point proposal for the resolution of the comfort women issue, calling for: an apology that would resonate in the hearts of the victims; atonement money to be provided from a government fund; and the Japanese government's assumption of humanitarian responsibility. But this was rejected by the Japanese government. The third round followed the birth of the Shinzo Abe cabinet in 2012. The historical revisionist Abe called for a probe into and revision of the Kono and Murayama statements. When President Park Geun-hye took office in March 2012, she put pressure on Prime Minister Abe by refusing to hold any Korea-Japan leadership talks until the resolution of the issue. Korea-Japan relations sank to a dangerously low level, and U.S. President Barack Obama then intervened.

Prime Minister Abe was forced in March 2014 to honor the Kono Statement. At this time, the 12th Asian Solidarity Conference adopted a proposal for the resolution of the Comfort women problem in the principle of the Kono Statement. In April 2015, Prime Minister Abe visited the U.S. and changed his position on the comfort women issue. In November 2015, a Korea-Japan summit was held in Seoul and came to an agreement to seek an early solution. And suddenly, on Dec. 28, a Foreign Ministers' meeting was held in Seoul and an agreement was announced.

The expression of apology contained a new element. The Japanese government admitted its responsibility straightforwardly for the first time without limiting it with the modifier "moral." And payment of one billion yen was a completely new measure from the Japanese government for the victims. However, Prime Minister Abe made every effort not to give the impression that he made an official apology and promised the compensation as a token of atonement. His efforts appeared in various forms. He never allowed his words of apology to be printed in the form of a letter to the victims. It is natural that Korean victims and activists criticized such an attitude of Abe. But the significance of the December 2015 agreement can never be denied totally. The Japanese government handed over one billion yen to the Korean government, and the newly formed Foundation for Reconciliation and Healing gave "cure money" to 35 out of 45 victim-survivors. No one can deprive victims of their right to receive atonement money from the Japanese government. What is necessary from now on is to officially record the fact that Japanese Prime Minister has apologized to the victims. The Foundation for Reconciliation and Healing is advised to construct a memorial monument for the deceased victims and former Comfort women jointly with the new government of Korea. The monument's epitaph should contain Abe's words of apology so that the Japanese government's apology and atonement will be irreversible. And this measure should be taken for the victims of other countries.

— **Miroslaw FILIPOWICZ** As neighbors, Russia and Poland have influenced each other to a great extent. But tragic and negative elements have prevailed over positive experiences in their relations. I would like to emphasize that historical issues should not be left to politicians and there is no one true, universal version of history. Every nation has its own interpretation of the same history. It is natural to see the facts of history differently. History has many facets. Russia and Poland decided to establish a "Polish-Russian Group for Difficult Issues" in 2002 with the governments playing a central role. Though its initial activities were led by the governments, the group has engaged in fruitful activities since experts and scholars took part in 2008, producing tangible achievements. Some of the group's positive achievements include the publishing of a book titled *White Spots-Black Spots* on difficult matters in Polish-Russian relations from 1918 to 2008, which deals with the major conflicts over history between the two nations.

Others include the beginning of historical dialogue in 2012 between Polish and Russian historians and teachers of history, the partnership between the Institute of East-Central Europe, the Russian Academy of Sciences and the Institute of World History in publishing a three-volume edition of essays and historical sources on the history of Polish-Russian relations. We should stop thinking there is only one history book to write to tell about only one neutral history and start to think of history in the spirit of mutual empathy. Historians of both countries need to meet each other to exchange views over sensitive bilateral issues and get to know about each other's perspectives better by listening to each other carefully. These approaches will never harm the national identity or our patriotism. We should be more sensible to each other. In the history of relations, positive and negative elements coexist. We need to pay attention to both sides.

— **KIM Namkook** A growing number of Koreans recently have an interest in Poland because the country has several things in common with Korea, including its geographical location between powerful states

and the historical consequences from this. A lot has been discussed regarding relations between Poland and Germany, but this session provided a fresh opportunity to look into Poland-Russia relations as well as deeply insightful, interesting and touching proposals.

— **Alexis DUDDEN** It is necessary to note the Abe administration's maneuver not only in terms of "Korea versus Japan" or "China versus Japan" but also in terms of the ongoing and more fundamental "Japan versus Japan" divide within Japan. A way to understand this "Japan-Japan" divide is to begin by understanding that the Abe administration's preoccupation with history runs counter to Japan's economic and security interests. Since late 2012, the administration made clear its will to erase the "Asian" component of "Asia-Pacific" reconciliation efforts. Why? Prime Minister Abe and his supporters seemingly want to view the history of Japanese imperialism in Asia as being irrelevant to today's Japan. Thus, concerted efforts and policies to erase or distort its history are underway, causing intense friction throughout Northeast Asia.

Abe made it clear enough that his administration's views would fly in the face of decades of discussions in Japan and Asia that held the Japanese empire accountable for the war crime. Moreover, Abe's remarks about the year 1905 clearly demonstrated that he would not care about improving relations with Korea, Japan's closest neighbor. In 2017, Abe recalled Japanese Ambassador to Seoul over the peace statues in Seoul and Busan dedicated to the comfort women. And just because of a small bronze statue known as the "Comfort Woman Peace Statue?" Today, it is commonplace for groups around the world to demand the removal of statues of perpetrators of war crimes. Only Japan is seeking the removal of a statue of victims of its past crimes. Because of this, the Japanese government finds it difficult to justify its position to seek to redefine its security posture for the first time since 1945 to engage militarily abroad for peace.

Sociologist Akiko Hashimoto at the University of Pittsburgh has lucidly explained what this "peace"

would entail in real terms for the Japanese generations to come. In her recent book, *The Long Defeat*, Hashimoto argues that: "... this choice of strategy is not geared toward raising nascent critical thinkers who would assume responsibility for past atrocious deeds of their forefathers as in a culture of contrition like Germany, but focused instead on not raising the type of Japanese people who could perpetrate another abhorrent war in the future."

Fast forward to Hirohito's death in 1989 when public discussion about the emperor's guilt and responsibility came into renewed focus within Japan. Bookstores throughout Tokyo gradually added shelves dedicated to the sections of "War Responsibility" studies and "Peace Studies." Ironically, such behavior radically contradicts that of the incumbent Prime Minister Shinzo Abe and the Japanese who long to break free from the constitutional ban on war.

The imperative now for all throughout Northeast Asia who seek to build a peaceful and stable future of the region is to accept an internationally coordinated understanding of modern history and to work with Japanese scholars, politicians and activists seeking to preserve the universalisms inherent to Japan's standing Constitution. Education is as critical as is leadership, and the need to engage Japan with Asia has never been more important. And I wish history education in the region will provide not a division of the region, but a new opportunity for the region.

— **KIM Yongdeog** What do we have to do to settle the history disputes between the two countries? Is it reconciliation, repentance or agreement? Korea has always sought apologies, among other options, in its relations with Japan. But European countries, particularly Germany, chose reconciliation. Although Poland suffered the most from the German occupation, Germany pulled off reconciliation with Poland on history. The joint publication of a German-Polish history textbook during the reconciliation between the two countries has significant implications for us.

Korea and Japan have made efforts to jointly publish a history textbook since 2009, but it ended up as

a non-binding wishful thinking. I think that the governments' support is critical to materializing commitments by historians from both nations, as seen in the case of Poland and Russia. Russian President Putin agreed to set up a joint Russian-Polish commission on historical issues when he visited Warsaw in 2002. What was behind the agreement between the presidents of both countries? Their once chilly relations have improved since they resumed talks in 2008, which resulted in the release of a book titled *White Spots-Black Spots* last year. We need to look into whether the two nations' move towards reconciliation on history had any effect on the three countries located between Russia and Poland—Lithuania, Belarus and Ukraine. Poland has always been on the victim's side, while the three countries bordering Poland, on the other hand, were victimized by Poland. It remains to be seen if Poland has any plans or intention to seek historical reconciliation with them.

— **LEE Won-Deog** There are two points I need to make. First, I see the importance of broadening our perspectives by conducting a comparative study when addressing the history issues involving Japan's wartime past, post-war measures and legacies of Japan's colonial rule. Second, it will be difficult to resolve historical issues if governments start to intervene in them with the means of policies. I think, therefore, that we should approach and resolve history issues with civic and academic efforts, instead of by diplomatic or political means.

I interpret the comfort women agreement of December 2015 as a "3+3 deal" that has three essential provisions with three complimentary ones. The first half of the statement read by the foreign ministers of the two countries constitutes the core part of the deal: the Japanese government's admission to its involvement in the wartime sexual slavery; Prime Minister Abe's expression of apologies to the comfort women; and Japan's agreement to provide compensation to surviving comfort women with its government's budget. I believe this was the core part of the deal and I think there would have been no disputes, if the deal had had no more than this. Howev-

er, there were complementary provisions that Seoul should make efforts to solve the issue of peace statues in an appropriate way; the agreement should be irreversible; and Seoul should refrain from accusing or criticizing Tokyo in the international community regarding the issue.

As the limitations of the agreement, first of all, the failure to stipulate an official apology and legal responsibility for the compensation. The deal provided something close to the concept of compensation, but failed to provide legally binding compensation. Second, as regards the comfort women statues and the irreversibility, the agreement has no provision for the removal of the statues. But the provision requiring the Korean government to strive to solve the issue aroused suspicion among the Korean people that the two governments struck a backdoor deal. Their confirmation of the issue being "resolved finally and irreversibly" should be interpreted as meaning they will not discuss it as a diplomatic issue, not as disallowing any mentioning of the issue, as the Japan's right-wing has asserted. The word, "irreversible," also leaves room for ambiguity, but Korea's Foreign Ministry interprets it as meaning that the issue should be considered resolved irreversibly, only as long as there are no remarks from the Japanese government contradicting the spirit of the agreement and the apology extended by Abe.

It is very important for the new Korean government led by Moon Jae-in to formulate its own stance on this issue when it normalizes ties with Japan. I personally think the new government does not have to invalidate or renegotiate the agreement, if the backbone of the agreement remains intact and the two governments manage to abide by the spirit of the bilateral agreement without any misunderstanding.

— **NAM Sanggu** I think more opportunities should be provided to historians, and historians should go further to provide more opportunities. It is up to historians to collect and arrange historical facts. They have trouble making their voices heard, however, because they are often overwhelmed by rank-and-file citizens who take to social media and other means to

offer their own interpretations of history. That is, I believe, why historians should have more opportunities than any others to express their views.

Then, what should we do with the comfort women statues? I have two points to make. Some see the statues as a symbol of the issue of how to remember Japan's wartime sex slavery, how history should be understood without just blaming Japan and what should be remembered and done to correct past injustices. Others, on the other hand, say that the installation of a statue in front of the Japanese Embassy is a violation of international treaties.

I see the issue of comfort women as one involving universal human rights of women as well as peace. The memories of comfort women should be respected and shared by the community. Therefore, the comfort women statue in front of the Japanese Embassy should not be seen as an illegal exhibition or a violation of international treaties, but as a symbol of a common value to be remembered and to heal the wounds of the victims.

The essence of the statue is the demand that victims of Japan's wartime slavery be remembered, and actions taken to resolve the issue. I think the issue will be settled naturally if the Japanese government takes measures accordingly. It is important to take actions to move the hearts of the victims in the course of reconciliation and resolution of this historical issue.

### Policy Implications

- The session stressed the necessity of a comparative study on the case of historical reconciliation between Russia and Poland, noting the similarity of the geographical features of Korea and Poland, surrounded by powerful countries. Particular emphasis was placed on the importance of broadening perspectives through a comparative study to have a better insight into the universal issues of colonization and aggression in world history.
- Regarding the comfort women agreement on Dec. 28th, 2015, experts from Korea, the U.S. and Japan presented diverse views and interpretations, as well as suggesting solutions to the issue.

## US-China-Korea Cooperation in Transition

### Korea Foundation for Advanced Studies

한 국 고 등 교 육 재 단

**Moderator** **PARK In-kook** President, Korea Foundation for Advanced Studies

**Presenter** **Gary SAMORE** Executive Director for Research, Belfer Center for Science and International Affairs, Kennedy School of Government, Harvard University, United States

**Douglas H. PAAL** Vice President for Studies, Carnegie Endowment for International Peace

**JIA Qingguo** Dean, School of International Studies, Peking University

**ZHANG Yunling** Director, Academic Division of International Studies, Chinese Academy of Social Sciences

**ZHANG Tuosheng** Chairman, Academic Committee, China Foundation for International and Strategic Studies

**YOON Young-kwan** Former Minister of Foreign Affairs and Trade / Professor Emeritus, Department of Political Science and International Relations at Seoul National University

**CHUN Chaesung** Professor, Department of Political Science and International Relations, Seoul National University / Chair, Center for International Relations Studies, East Asia Institute

**Rapporteur** **KIM Kyungwon** Program Officer, Korea Foundation for Advanced Studies

— **Gary SAMORE** Beijing seems to make a distinction between missile tests, which do not warrant additional UN sanctions, and a nuclear test, which would cause Beijing to support an additional sanctions resolution. The problem with this distinction is that it leaves Kim Jong-Un free to conduct missile tests with impunity. I think we can agree on a staged approach that would begin with a moratorium on nuclear and missile testing, then an interim stage preventing North Korea from advancing its capability—for example a freeze on the fissile missile production—and finally a stage when North Korea gives up its nuclear and missile programs entirely. But if Kim Jong-Un is determined to continue testing until he demonstrates an ability to threaten the U.S. directly with a nuclear armed missile, we will be trapped in a cycle of testing and sanctions. Even if Kim Jong-Un accepts a pause in testing, there is no guarantee that a comprehensive agreement can be reached. And even if an agreement is reached,

we know from experience that Pyongyang cannot be trusted to comply with or honor the agreement. Nonetheless, if we are able to achieve a temporary limit, that would help to address tensions.

— **PARK In-kook** China seems much more focused on nuclear tests. But based on our information, utility of the nuclear test is usually focused on weaponization of the warhead, which can normally be achieved within five years after the first nuclear test. But it has already been eleven years. Why additional nuclear tests are so important for China?

— **Gary SAMORE** If I was China, I would worry more about missile tests. It is missile tests that led to the decision by the ROK to deploy THAAD. As long as North Korea continues to test missiles that can threaten Korea, it makes it impossible for President Moon to suspend or reverse the THAAD decision. Eventually, if North Korea acquires the ability to threaten the U.S. with long-range missiles, that will increase pressure on the ROK and Japan to develop

nuclear weapons. I want to hear from our Chinese colleagues on this.

— **Douglas H. PAAL** Given the exhilarating evolution of events, we have little choice but to negotiate with Pyongyang on the basis of its existing capabilities at first, placing our hopes for the comprehensive, verifiable, irreversible dismantlement (CVID) of the North Korean nuclear capabilities onto a long-term time horizon. In light of the fact that North Korea's nuclear weapons tests and development are more an approximate threat to China today and the missile threats are the enabling factor in the threat to the U.S., we might consider a division of labor between the U.S. and China where China will focus its efforts on containment and eventual rollback of nuclear capability of North Korea and the U.S. on the missile threat. South Korea could focus on inter-Korean tension reduction that does not undermine the international pressure on North Korea. The U.S., China, and South Korea might consider procedurally assembling a small, expert team that can devise negotiating framework. If they produce worthwhile results, the three partners should devise a larger, even maximum package of incentives containing security, economic, and political elements in a coherent whole that will address Pyongyang's longstanding concerns.

— **PARK In-kook** You mentioned the division of labor, but as we can see in the case of re-entry technology, the missile and nuclear programs cannot be separated. What specific picture do you have in mind on the division of labor?

— **Douglas H. PAAL** Of course nuclear weapons and missiles cannot be separated, but I think there is an imbalance of fervor. The Chinese are more interested in nuclear, so maybe they will put more on the table to resolve it, and we have got an interest in not having those weapons reach our territory or our allies' territory. There are definitely inseparable components but we ought to be able to play it on the principle that one will not undermine activities of the other.

— **JIA Qingguo** After the Mar-a-Lago Summit in

April, there is a rising expectation on the role of China over North Korean nuclear issue, but cooperation can only proceed when the concerned parties have realistic expectations of each other. In the short run, China, the U.S. and South Korea probably can reach a consensus on how to deal with North Korea. In the long run, however, when North Korea acquires long range missile capabilities that can reach the U.S., this may change the U.S.'s calculus of the costs, making it more inclined to take the preemptive strike option. Then China and South Korea would face a very difficult decision whether to support the U.S. or not on that issue.

— **PARK In-kook** If North Korea really crosses the red line, South Korea would have to consider going nuclear. If everyone believes that now we can't count on anybody, we would have to depend on our own muscles.

— **JIA Qingguo** As long as the U.S. provides nuclear protection to South Korea, there is no need to rush for that because it is highly risky. Even if Trump does not want to extend the nuclear umbrella to South Korea, China and Russia may have the interest to provide necessary protection as to avoid nuclear proliferation.

— **ZHANG Yunling** There are upcoming summit meetings between South Korea and China, and South Korea and the U.S. The three countries face the question of whether they could continue to have trilateral consensus on matters such as how long the pressure upon North Korea could be maintained. Recently, China and Russia made a joint statement that peace is the only solution for the Korean Peninsula and we must oppose any kind of military actions. Not only the three countries but also Russia and Japan would have to think hard about how to forge new agreements and put them into action.

— **ZHANG Tuosheng** Resuming talks is the most urgent matter. The Six-Party Talks is the best platform for it, but any kind of dialogue, either be it a bilateral or tripartite one, for disarmament of the Korean Peninsula should be accepted. North Korea may not attend it, but the other five countries, while allowing

the North to join the talks anytime, should explore measures to resolve the nuclear issue, such as steps to deter additional nuclear and missile tests, risk management, and establishing a package of solutions in the long run. Now in China, especially in the academic circle, more and more people agree that the top priority is denuclearization, and that without it there will be no peace and stability on the Korean Peninsula. I would like to make a few points on THAAD. Delaying or suspending the deployment of THAAD would not only strengthen the South's cooperative ties with China to denuclearize the Korean Peninsula, but also help reopen dialogue with North Korea. South Korea and the U.S. can formally declare that THAAD will never be aimed at China and agree to establish a verification measure. South Korea can also reiterate its position that it will not join the Theater Missile Defense(TMD). To help China allay its security concern, the U.S. and South Korea can take some technical measures, such as sharing data with China or fixing the direction of the THAAD radar.

— **PARK In-kook** In 2009, China's Foreign Affairs Leading Group made a decision to prioritize peace and security on the Korean Peninsula over denuclearization, which gave a wrong signal to North Korea. Now it is high time for China to officially declare a change in its position on the North Korean nuclear issue. THAAD is an issue that should be discussed by South Korea, the U.S. and China, not a matter which North Korea can meddle in and take advantage of as a pretext to continue their nuclear weapons program.

— **ZHANG Tuosheng** I agree with the argument that China should send a clearer message to North Korea. Not only the scholars but also Foreign Minister Wang Yi said several times that there would be no peace without denuclearization. It is not right to link THAAD with denuclearization, but I would like to point out that the THAAD issue made it difficult for China and South Korea to cooperate with each other. On Dr. Samore's point, I can hardly agree with the assessment that the U.S. focuses just on ICBMs and

China just on the nuclear. Nowadays in China, more people have concerns about the nuclear weapons on the Korean Peninsula. It is true that the North cannot attack the U.S. without ICBM, but the nuclear war on the Korean Peninsula would be a disaster for China. Recently, China has more concern about nuclear security and safety issue because the nuclear facilities are concentrated in the border areas between China and North Korea.

— **YOON Young-kwan** Many argue for making a deal based on the freeze of nuclear and missile programs of North Korea these days. The argument seems to suppose that a full rollback of North Korea's nuclear project is unrealistic, but starting from freeze has the danger of accepting North Korea as a de facto nuclear state like Pakistan. It is difficult to verify whether the North has actually halted its nuclear program – the North will never accept an IAEA inspection. If South Korea accepts the freeze option, it should consider what kind of additional concrete security assurance to request of the U.S.

As regards the THAAD issue, China should honor the security concerns of South Korea. The North Korean threat is a matter of life and death for South Korea. The South attempted to explain that the radius of X-band radar is within 800 kilometers, falling short of covering Chinese territory, but China would not listen. I cannot understand why China opposes the THAAD deployment in South Korea, as China can monitor the movement of the THAAD radar with its own radars already covering the Korean Peninsula. Two X-band radars were already deployed in Japan, but China raised no opposition to it.

— **CHUN Chaesung** With the enhancement of North Korea's nuclear capabilities, both the U.S. and China have started to regard the North Korean threat as their own problem. The talk about "Korea passing," for example, reflects the fact that the nature of the North Korean nuclear problem is changing, rather than being the result of the U.S. and China trying to bypass South Korea. Regarding economic sanctions on the North, the problem lies with the strategic calculation of China. Since China wants to keep North

Korea as a strategic buffer, South Korea would have to reassure China that we will not pursue the North's collapse, which is very hard for China to believe. If Kim Jong-Un continues to develop ICBMs and even Submarine-Launched Ballistic Missile(SLBM), it may cause the decoupling of South Korea and the U.S., thus possibly prodding the South to pursue nuclear armament. It could also make the U.S. strengthen the secondary boycott, which would have a bad impact on the Chinese position. The three countries all talk about engagement with North Korea, but the North has its own concerns about being engaged, because being engaged may mean being absorbed to South Korea's system. So unless we present a very detailed program of engagement where Kim can maintain his own regime, he will not accept it.

#### [ Q & A ]

**Q. CHUN Yung-woo (Chairman of Korean Peninsula Future Forum, former presidential secretary on diplomacy and security affairs)** Even though the immediate practical goal may be a freeze, we should pursue a freeze in the context of the ultimate denuclearization. Otherwise, we may play into the game of legitimizing their nuclear armament. On THAAD, the strategic value of missile defense is that it raises the threshold for preemption. If South Korea have a weak, faulty missile defense system, that will increase pressure for preemptive strike. China may have to think about whether you prefer a lower threshold for preemptive strike or missile defense, THAAD.

**A. JIA Qingguo** I do not think the Chinese government has seriously thought about that issue. China is on a learning curve on such issues like strategic stability and how things like missile defense and THAAD play together.

**Q. KIM Duyeon (Visiting senior fellow, Korean Peninsula Future Forum)** (to ZHANG Tuosheng) You mentioned that you would like to see more technical data provided to China on THAAD. My understanding has been that senior Obama administration officials have offered to provide technical briefings, which

Beijing denied or rejected. On your proposal to convene Five Party Talks, conventional wisdom has always been that China and Russia would not come to table if North Korea was not present. Is it your understanding that Beijing will now be willing to engage in Five Party Talks without North Korea?

**A. ZHANG Tuosheng** It is not a matter that can be discussed in black-and-white terms. Even with THAAD in South Korea, the North can still wreak serious havoc with its conventional weapons. The South should bear this in mind. It may raise a question: why does China have such huge concerns about the THAAD issue, while not about the radars in Japan? It is because China has had good relations with the South, whereas our relationship with Japan was not so. We expected too much. Then, South Korea made the announcement of THAAD deployment without any consultation with China just two days before the Permanent Court of Arbitration ruling on the South China Sea. This is a communication problem. On the Five Party Talks, now that the situation has changed with the improvement of China-U.S. relations, for instance, we can adopt new ways of thinking.

#### Keywords

North Korean nuclear program, South Korea-U.S.-China cooperation, THAAD, denuclearization, U.S.-China relations, Trump, Xi Jinping, Six-Party Talks, North Korean missile

## Changing International Order and New Challenges of Peace and Multilateralism



<b>Moderator</b>	<b>CHO Changbeom</b> Vice President, World Federation of the United Nations Associations
<b>Congratulatory Remarks</b>	<b>PARK Soogil</b> President, World Federation of the United Nations Associations
<b>Keynote Speaker</b>	<b>CHOI Jongmoon</b> Deputy Minister, Ministry of Foreign Affairs
<b>Presenter</b>	<b>KWON Gibung</b> Rector, Graduate Institute of Peace Studies, Kyunghee University <b>PAIK Jinhyun</b> Professor, Graduate School of International Studies, Seoul National University <b>Naveed HUSSAIN</b> Representative, United Nations High Commissioner for Refugees (UNHCR) Seoul Office <b>Signe PAULSEN</b> Representative, Office of the United Nations High Commissioner for Human Rights (UN OHCHR) Seoul
<b>Discussant</b>	<b>KIM Wonsoo</b> Former Under-Secretary General for Disarmament & High Representative for Disarmament Affairs, United Nations <b>PARK Heungsoon</b> Professor, Graduate School, Sunmoon University / Vice President, United Nations Association of the Republic of Korea
<b>Rapporteur</b>	<b>KIM Jaeun</b> Secretary, World Federation of the United Nations Associations

— **PARK Soogil** Today's international order is undergoing significant changes. The promotion of rule of law, and the respect for the UN charter and principles are vital in terms of promoting sustainable peace and a rules-based international order. The UN's new conceptual framework of "Sustaining Peace" encompasses the three pillars of the UN: peace and security, development and human rights, which are complementary and mutually reinforcing. Global challenges require global efforts. The UN needs to be reinvigorated and the international community should renew its commitment to multilateralism. The World Federation of the United Nations Associations (WFUNA) will continue to render its support for the UN and its collective vision of the world for a safer, more prosperous and dignified future for humanity.

— **CHOI Jongmoon** Against the turmoil of global challenges today, the expectation for the rule of the UN-led multilateralism is continuing to grow. The

UN cannot be replaced by a certain association of member states, let alone through the unilateral action of any particular nation. However, it is high time to make the UN a more solid global governance institution. First, the UN should be transformed into a more efficient, accountable and transparent organization. Second, there is a need to pursue a holistic and comprehensive approach that integrates the three pillars of the UN: peace and security, human rights and development. The Republic of Korea has long been a partner to the UN in preserving international peace and security. It is also continuing to work with relevant bodies to mainstream the concept of sustaining peace. Today's meeting will serve as a useful platform to explore ways to strengthen multilateralism, which will provide the way toward peace and prosperity.

— **PAIK Jinhyun** The rule of law matters in international relations and is gaining greater significance. In a decentralized system where each state is sov-

eign with autonomy and freedom of action, it is not difficult to expect the rule of force to inevitably prevail. This is why the UN stresses the rule of law both at a national and international level. There are three elements required to achieve the rule of law in international relations: a well-developed body of laws, a well-developed institution to implement, apply and enforce such laws, and the positive attitude of members of the international community toward the rule of law. Rule of law has made steady progress in Asia, which can be seen through one index: the number of disputes submitted for international adjudication. The numbers are continuing to rise, which provide an optimistic view toward the rule of law in Asia.

— **KWON Gibung** The world is at a tumultuous period, where existing rules and mechanisms are getting too stretched and thinned out to be a viable governance mechanism for the unexpected and unaccountable. North Korea is the most imminent destabilizing element to the existing East Asian regional order, due to the system-wide ramifications which cannot be easily confined to or controlled by the directly concerned parties. Hence, this requires a renewed and creative approach toward North Korea, before specific North Korean threats are addressed in policy and diplomacy. The first step is constructing and reconstructing the North Korean state identity. It is only through the common identity reconfiguration, that other powers can be persuaded in joining the governance order for a peaceful and prosperous existence in the future.

— **Naveed HUSSAIN** The changing international order raises questions toward the fundamentals. The United Nations High Commissioner for Refugees (UNHCR) always talks about "international burden sharing" especially on refugee issues, and mobilizes member states to provide support to countries most affected by this issue through humanitarian funding, resettlement options and diplomatic support. In 2016, the New York Declaration on Refugees and Migrants was adopted by the UN General Assembly in order to find solutions to their plight and prevent refugee outflows. The declaration

reaffirms the urgent need to prevent conflict and to address the root causes of large outflows. It reaffirms the commitment to the principles of the 1951 Refugees Convention. In 2018 a Global Compact on Refugees will be presented to the General Assembly. It is one of the most critical multilateral endeavors on the agenda of the international community, which will hopefully invigorate a new level of commitment to working together to address not only the global refugee crisis but also our own vital self-interest as a human community.

— **Signe PAULSEN** In 2014, the Commission of Inquiry on the Democratic People's Republic of Korea (DPRK) came out with a groundbreaking report that there were crimes against humanity being committed. The UN, through resolutions, expressed a commitment to addressing the human rights situation in the DPRK. This led to the establishment of a field office in Seoul, which is mandated above all to monitor and document the human rights situation in North Korea with a view to ensuring accountability. Additionally, the findings of the group of independent experts in March 2017 recommended a human rights-based and comprehensive approach to accountability processes. The approach of the Office of the United Nations High Commissioner for Human Rights (OHCHR) provides for a dual approach; ensuring accountability, and engagement to improve the human rights situation on the ground.

— **KIM Wonsoo** Global challenges require global leadership, which is required to mobilize global resources and sustain a global normative consensus. The need for reform, which involves the improvement of efficiency and effectiveness, along with help from member states that need to be reminded by civil society, is crucial. Political leaders must also be convinced that global solutions are in their interest, for a global public advocacy. Therefore the WFUNA's role is very crucial in bringing civil society to influence domestic political leaders to push for a global as well as domestic solution. When dealing with North Korea, creative and flexible approaches are encouraged, as long as the international regime

is closely considered. North Korea must be carefully considered when devising a new order, with existing global normative standards in mind.

— **PARK Heungsoon** The Chinese establishment of a new international organization, the Asian Infrastructure Investment Bank, signifies a push for multilateral diplomacy, which contrasts greatly with the U.S. administration under President Trump. Such an isolationist and protectionist posture of the American government is greatly helping China become a champion of free trade and multilateral approaches, as revealed by Xi Jinping.

— **CHO Changbeom** The importance of the rule of law is growing. Despite the optimistic assessments of recent developments, how can the rule of law be more effective, and also have all players, including China fully comply with the decision to solve the challenges the world is facing today? Maintaining stability in the existing order is important, yet it also risks no further reforms in terms of the international communities' interests and order. The international community should do more in unison to fill the gap between what is believed as right, and what the existing international order or reality can accommodate.

Along with the new administration whose priority is "Humanity First," what is the realistic role South Korea can play when engaging with North Korea? What must be done, in terms of helping the problems of North Korea, with humanitarian assistance? Is the protection of the refugees from North Korea solely the responsibility of South Korea or, based on the principles of international burden sharing, can countries with huge territories such as U.S., Canada and Australia play a role?

— **PAIK Jinhyun** It takes several centuries for the rule of law to be firmly rooted in international relations. The rise of protectionism, isolationism, nationalism and the sentiment of anti-international cooperation have all led to the current period of uncertainty. However, looking at the accomplishments made seven decades ago, the international community will hopefully withstand this difficult period.

— **KIM Wonsoo** Certain order must be preserved be-

fore attempting creatively to add something. Despite the criticism about the UN's multilateralism, the relevance and validity of the values presented by the UN must be kept.

— **Signe PAULSEN** Yet the special relationship between South and North Korea also plays into all of these dynamics, as the South Korean government provides humanitarian aid through World Food Programme(WFP) or other local organizations. Although, it is important to consider the targets receiving this aid and to make sure that the vulnerable population is reached.

— **CHOI Jongmoon** Political consideration on humanitarian assistance to North Korea is never made together. However, last year, the reality on the Korean Peninsula was extremely unfavorable to offer humanitarian assistance to North Korea. Hopefully things will be different this year.

— **Naveed HUSSAIN** The principles of international humanitarian law and international refugee laws are to be applied in respect to refugees. North Korea is not only South Korea's responsibility, since it is an international issue. Hence it is an issue that must be addressed by the global community.

#### Keywords

Multilateralism, Humanitarian aid, UN's 3 pillars: peace and security, development, human rights, North Korea, China, refugee issues

#### Policy Implications

- When dealing with global challenges, global efforts are required that demand the active engagement of various stakeholders in the global community.
- We need to work together on the basis of a shared vision of common prosperity of balanced interests and a sustaining peace. Let us strengthen our support for the reinvigorated role of the UN and multilateralism for a safer, more prosperous and dignified future for humanity.

## South Korea's Multilateral Diplomacy: Evaluation and Future Strategy for Track 1.5 Network Building on Northeast Asia Peace and Cooperation Initiative



Moderator	<b>JIN ChangSoo</b> President, The Sejong Institute
Presenter	<b>MA Sang-yeon</b> Director-General for Policy Planning, Ministry of Foreign Affairs of the Republic of Korea <b>LEE Sang-Hyun</b> Vice President of Research Planning, The Sejong Institute <b>Michael REITERER</b> Ambassador, Delegation of the European Union to the Republic of Korea
Discussant	<b>LEE Saeyul</b> Director, Korea Institute of Nuclear Safety <b>PARK Kwang-Kook</b> President, Korea Environment Institute <b>LIM Jong-In</b> Professor, Graduate School of Information Security at Korea University / Former National Security Adviser to the President for Cyber Security
Rapporteur	<b>CHOI Eunmi</b> Visiting Research Fellow, The Sejong Institute

— **MA Sang-yeon** A consultative body to enhance multilateral security and cooperation in the Northeast Asian region, the Northeast Asia Peace and Cooperation Initiative(NAPCI), was designed to accumulate experiences of dialogue and cooperation on soft security issues that have less of a political burden and the higher possibility of cooperation to the ultimate purpose of creating a community in Northeast Asia based on mutual trust. It held inter-governmental consultations on three occasions from 2014 until 2016, seeking to establish civil-government networks in the fields of safety of nuclear power, energy safety and security, disaster management, the environment and cyberspace.

The regional environment was not favorable for the NAPCI for four years, due to worsening ties between some intra-regional countries and the development of nuclear arms by North Korea. In spite of the adverse conditions, it organized three inter-governmental consultation sessions and created a consensus through outreach activities on the need for

multilateral security cooperation among countries in the region. In addition, it provided the countries with momentum, in its early stages, to forge practical cooperative ties in technical fields such as the safety of nuclear power and disaster management. With the cooperative ties, it established civil-governmental networks, which private institutions with expertise voluntarily joined with the support of the governments that heightened the viability and sustainability of the network. There were various obstacles to the NAPCI. The nuclear issue in North Korea, above all, worsened bilateral ties among some countries, and the deterioration of the security environment functioned as a negative element in soliciting participation of countries in the apparatus. In addition, the NAPCI is yet to improve its awareness in the region, despite the higher awareness of the brand and the apparatus itself in extra-regional society. The apparatus has encouraged member countries to participate in the field of technical cooperation, but some member countries have failed to show interest.

Based on an overall examination of its achievements and limitations, we could learn some lessons as follows.

First, cooperation between governments and the civil sector is important for the success of inter-governmental consultative apparatus. Therefore, there should be a clear guidance from governments and free and active exchanges within the civil sector. Second, regional multilateral accords should be maintained on a long term basis. The election pledge of the new government of South Korea, “Responsible Northeast Asia plus Community,” could inherit substantial parts of NAPCI projects promoted since 2013, because it is also pursuing the establishment of a multilateral cooperative system in the region. Basically, it shares many things in common with the NAPCI, in that it seeks to establish a multilateral cooperative body for security and economic affairs in the Northeast Asian region. But it goes beyond the scope of the NAPCI, as it seeks a cooperative network to cover all of East Asia in connection with the Six-Party Talks, tripartite cooperation among Korea, China and Japan, and the pursuit of an economic community. The civil-government network envisioned in the election pledge is to expand the scope of cooperation between the civil sector and governments. Therefore, it is desirable for the civil sector to lead in cooperation on soft security affairs under the guidance of the government within their divided roles. It would also be necessary to institutionalize the NAPCI in order to establish it as a sustainable cooperation mechanism. To that end, the countries involved should recognize the importance and effectiveness of multilateral cooperation and share responsibility for it. The NAPCI emphasized the concept of co-ownership, and this was translated into responsibility in the Responsible Northeast Asia plus Community of the new government. The South Korean government should continue to operate the inter-governmental consultative body and seek efforts to institutionalize multilateral cooperation for regional security.

— **LEE Sang-Hyun** In the recent world order dominat-

ed by superpowers, middle powers like South Korea need multilateral cooperation as a buffer to the impact from the power politics of the superpowers. All of the previous governments made efforts, varying in formality, though to create a multilateral cooperation mechanism in Northeast Asia in whichever form. Most recently, the Park Geun-hye government pushed for the NAPCI; and the new government faces a situation in which it has to, inevitably, not selectively, engage in diplomacy for multilateral cooperation in Northeast Asia. In these circumstances, I hope the government will engage in diplomacy with consistent ideas and certain values. The Moon Jae-in government came up with the Responsible Northeast Asia plus Community, explaining that its core concept is the expansion of the spatial and geographical scope of cooperation and responsible communities. I believe the value of a responsible community is what the Moon government is pursuing with this policy. After all, the South Korean government is expected to focus on diplomacy for multilateral cooperation, but should also strive for global diplomacy, as well as implementing policies to fulfill its obligation as a middle power playing a leading role in international society.

Richard Haass, president of the Council on Foreign Relations, used the expression, “World Order 2.0,” meaning that countries should not be confined to narrow national interests, but perform the obligations as sovereign states. All countries should bear this in mind when administering foreign policies. We already have the answer to how South Korea should engage in cooperative multilateral diplomacy in Northeast Asia. It is the diplomacy of a middle power that is to address the global or regional issues superpowers neglect. Middle power diplomacy is often said to have two characteristics. One is niche diplomacy focusing on value-oriented affairs, ignored by the military and economic power-based diplomacy of powerful countries. Another is multilateral diplomacy to cooperate with multiple partners because a middle power does not have the power to enforce its will by itself. South Korea has to engage

in niche diplomacy, and it should be reflected in the identity of its diplomacy. It should embed its policy identity in its diplomacy so that it might be clearly known in global society as a value-oriented one for multilateral cooperation. In this respect, I hope the Moon administration will engage in diplomacy for multilateral cooperation in Northeast Asia.

Multilateral cooperation is destined to produce its effect later, and the five-year single term of the South Korean presidency makes the government vulnerable to criticism in the absence of the immediate effects. Nevertheless, I think a civic-government network could build, with a little more effort, a solid basis for peace and cooperation in Northeast Asia. To this end, we have to consider the three following measures. First, it is necessary to institutionalize the NAPCI for the success of multilateral diplomacy. It may start with the establishment of a secretariat or regular meetings of the NAPCI in the initial stages. Second, we should consider a way to guarantee continuation of policies. Under the five-year single term government in South Korea, policies are subject to change with a change of government, and the Moon government’s policy might have to start over again under the next government. There should be a measure to retain core policies of the previous government, at least.

The expansion of a civic-government network requires a government’s policy-based support. If a government presents a guideline as well as financial support, diplomacy for multilateral cooperation in Northeast Asia will make considerable progress. Lastly, I would like to stress that Moon’s government should initiate the Responsible Northeast Asia plus Community project as early as possible, given the practices of previous governments spending two to three years in promoting the concepts of their diplomatic policies, alone.

— **Michael REITERER** The European Union has a strong will to cooperate with Asia. Right after Brexit, the EU has manifested its will to cooperate with other distant regions, particularly Asia, as part of its global strategy. The new government of South Korea

also made it clear that it will set up comprehensive ties with the EU for cooperation on a wide range of issues, including North Korea’s nuclear crisis. Ten EU countries have embassies in North Korea. What is more important, concerning the NAPCI, is its concept. To enhance public awareness of the NAPCI, it should get its message across all over the world. It is risky to believe that hard diplomacy can solve everything. Soft diplomacy may help, but it should not be regarded as the only solution, either.

Meanwhile, there are two opposite sides of the institutionalization of the NAPCI. The institutionalization entails additional burdens and costs, as well as the need to introduce a new administrative culture among others. The Asia-Europe Meeting(ASEM) has somehow achieved “soft,” not permanent, though institutionalization, with a coordinator in charge of its process. The ASEM commemorated its 20th anniversary last year, and the 53 member countries operate the apparatus well without a secretariat. I wish the NAPCI will follow the suit of the ASEM. For the NAPCI to do so, each member country should perform a leading role, assume the responsibility of stakeholders and recognize their obligations. Through this process, they can have the ownership of the multilateral apparatus. If the three major countries in Northeast Asia could create a certain mechanism for cooperation, the NAPCI could play more roles and forge a cooperative network to address such technical affairs as cyberspace security, the safety of nuclear power, regional security, climate change and disaster management. It should also deal with the North Korean issue, after all. If the NGOs take the initiative of visiting the North without politicizing the North Korean issue, it would open a channel for exchanges with it. The NAPCI may join the exchange as a key player and make a contribution to resolving the issue.

— **LEE Saeyul** I would like to present the future roles of the Korea Institute of Nuclear Safety after a brief review of what it has achieved jointly with the NAPCI, and the problems and limitations it found during the process. In the field of the safety

of nuclear power, the NAPCI operated mainly a bilateral partnership until 2008, but launched the Top Regulators Meeting(TRM) of South Korea, China and Japan, a core mechanism for cooperation on the safety of nuclear power, in 2008. The TRM is a consultative body organized by the three countries to share information about safety issues, accidents and malfunctions, and to come up with joint responses to contingencies.

There were limitations in its function. The member countries wanted open and active cooperation on the safety of nuclear power, but were unwilling to introduce a new mechanism in addition to the TRM, asking for a clear explanation about the relations of the two. This indicates that the Asian countries, separated by seas, were not as keen on nuclear safety as European countries, which are exposed directly to the risks of neighboring countries. It is also due to the lack of interest of Japan in the Asian apparatus. Japan participates in EuroSafe and the European Technical and Scientific Support Organizations(T-SO) under the wing of the International Atomic Energy Agency(IAEA), an indication of Japan's bigger interest in the European organization than in the Asian one. Third, the three Asian countries have different level of interests in nuclear power. Japan already has advanced technology and experience in nuclear safety. After suffering the nuclear mishap in Fukushima, it is deactivating many nuclear power plants. South Korea terminally ended the operation of Gori Nuclear Power Plant Unit 1, the nation's first, on June. 18, this year. While South Korea shifts its nuclear power policy to dismantling nuclear plants, China still actively pursues nuclear power generation.

— **PARK Kwang-Kook** The 2015 NAPCI Forum was an unprecedentedly important one in South Korea, in that it presented the concrete achievements of the apparatus over the past three years. It was also an initiative of the NAPCI to restore the endangered tigers of Mt. Baektu started in Mongolia, Russia, China and North Korea. However, the NAPCI needs to present concrete reasons for holding the forum, and

what counts is not the forum itself but the results the forum can make. There should also be a systematic approach to the forum. It is desirable that the Foreign Ministry serves the role of a hub while the Sejong Institute invites the civic sector to the forum, with the presidential office, Cheong Wa Dae, joining it too. The presidential office should assume the role of a control tower to decide the values the forum should pursue and the means to realize them. The participation of the civic-government network in the forum will make the forum more sustainable.

— **LIM Jong-In** The cyber attack by the ransomware, WannaCry, across the world on May. 18 dealt huge damages to 300,000 in 150 countries in just three days. Starting from Poland, it spread to the United Kingdom, France, Germany and Russia, wreaking havoc in Europe, particularly. The cyber attacks against the Korea Hydro & Nuclear Power Corporation in 2014, and a Nigerian dam facility, as well as North Korean cyber terrorism are examples of cyber threats going global. I acknowledge the efforts of the NAPCI to address the cyber issues in many countries, which are hard to tackle without international cooperation. I think the NAPCI should deal with the cyber threat of North Korea, in particular.

— **Ju Chulki(President of Overseas Koreans Foundation)** The NAPCI is known over the world, but not enough to Korean communities overseas, yet. It should make more efforts to solicit the participation of the Korean people and scholars overseas as well as expanding its 1.5 track diplomacy encompassing governments, think tanks and civic groups. It should also consider ways to accommodate the policies of the new government. I think it is desirable to retain the NAPCI as a sub-concept of the Responsible Northeast Asia plus Community and get new diplomacy concepts represented by the terms coming after “plus.” I believe the alliance with the ASEAN Regional Forum(ARF) and cooperation with the EU are the concentric circles of the NAPCI. The concept of the NAPCI might be incorporated into the Responsible Northeast Asia plus Community. Culture should be taken into account when the government seeks

cooperation with civic groups. The new apparatus of the government could make achievements by cooperating with the government, presidential office and ministries based on shared values. It should also explore ways to seek a solution to the North Korea nuclear issue, as part of its project.

#### Keywords

Northeast Asian Peace and Cooperation Initiative, Responsible Northeast Asia plus Community, Multilateral cooperation in Northeast Asia, Cooperation on soft security, Multilateral diplomacy



#### Policy Implications

- Multilateral cooperation is a long-term task of the state, not government, and countries should clearly spell out its value, necessity, objectives, attainable goals and processes.
- To produce sustainability and continuity of diplomacy in multilateral cooperation, it is necessary for the government and the civil sector to divide their roles into guidance and financial support(on the part of government) and civil exchanges(civil sector).
- The government, think tanks and civic groups should launch a cooperative system among themselves.
- The institutionalization of government-civic networks should start from a low level and be developed on a gradual basis.

# Denuclearizing North Korea under a New Security Environment in Northeast Asia



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— **HAN Yong-sup** Amid the complicated security issues involving the Korean Peninsula such as the hegemonic rivalry between the U.S. and China, China's opposition to the Terminal High Altitude Area Defense (THAAD) missile deployment in South Korea; conflicts between Korea and Japan; and the inauguration of the Moon Jae-in government and North Korean leader Kim Jong-Un's firm grip on power, governments in the East Asian region are expected to take new approaches to the North Korean nuclear issue. The South Korean government also needs a new North Korea policy, and it is still questionable whether its engagement with the North can resolve the issue. If the South-North Korea talks resume, the Korean unification would emerge as a long-term task.

— **JUN Bong-geun** The North Korean nuclear issue should be resolved as early as possible. The nuclear materials possessed by the North increase two-fold every seven to eight years. As the North improves its nuclear capability, it poses a greater threat to the security of the South. Upon the South's demand for the denuclearization, the North would demand

more political and economic rewards. Therefore, the South should settle the nuclear issue at the earliest date. Also, it should not rely on the scenario of a collapse of the North. In spite of the rife speculation about this, no one knows when the North Korean regime would crumble. China is poised to provide whatever the North needs, including a security guarantee. Amid the rivalry with the U.S. in particular, China would highly evaluate the strategic value of North Korea. Therefore, the South needs to make a deal with the North by applying hard pressure on and suggesting to the North a reward for the denuclearization. The South has tried both pressure and dialogue thus far, but they seemed to fail to give incentives enough to make the North abandon its nuclear weapons. By figuring out what the North really wants and why it will not cooperate with the denuclearization, the South should present additional incentives, based on the Geneva agreement in 1994 and the Joint Statement of the Fourth Round of the Six-Party Talks on Sept. 19, 2005, to get the North to accept the offer.

A vicious cycle of provocation by the North with

nuclear and missile tests, followed by sanctions by the South against it, is being repeated. The South needs to take more aggressive measures, including seeking a temporary freeze of the nuclear program to prevent a further aggravation of the status quo. I propose a "2.29 Agreement plus something," based on the mutual threat reduction principle with which the two Koreas may explore ways to reduce security threats.

Lastly, we should develop a "Korean-style" denuclearization model, specific to the Korean Peninsula, as there is no nuclear disarmament solution here. Brazil and Argentina produced the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC) program in 1991 to stop their development of nuclear arms and to conduct mutual surveillance, and agreed to end their nuclear development when their military governments were replaced by civilian ones. The U.S. has tried to implement the ABACC program on the Korean Peninsula, but it did not fit the situation here. The Geneva agreement between the U.S. and North Korea was also modeled after the Ukrainian model of agreement under which Ukraine gave up the nuclear arms that it took over from Russia. The Korean-style denuclearization model should make reference to these, but be fit to the unique situation of the Korean Peninsula.

— **PARK Hyeong-Jung** Tensions could remain high on the Korean Peninsula, accompanied by policies of high risk for three to four years ahead. There might be a few crises in the process. Judging by the intentions and plans of the North, it will try to complete its nuclear missile program, most importantly developing an Inter-Continental Ballistic Missile (ICBM), within three to four years. The U.S., on its part, will have to not only prevent the North from being able to attack its mainland, but also avoid suffering damages to its status as superpower. North Korea has tested various missiles, as well as nuclear arms in 2016. The U.S. then started to engage in a risky response towards it.

The objective of the North, I believe, is to create a

situation where negotiation is impossible by raising tensions and to induce its counterparts to resort to hard pressure so that it can justify its nuclear arms and missile development. North Korea conducted nuclear tests right before the inauguration of the Obama administration in 2009, Park Geun-hye government in South Korea in 2013 and the new Trump administration in 2016. As seen with the Geneva agreement in 1994 and the Six-Party Talks in 2003, the North came to the negotiation table only when it was driven into a corner.

If the North judges that it might not be on the defensive for the next three to four years, it would never come to the negotiation. Many cite the freeze on the nuclear program as a solution and calls for negotiation with the North on the freeze in the first hand. But judging in the position of Kim Jong-Un, there is no reason to come to the table for negotiation on the nuclear freeze measure which is acceptable by the U.S. and South Korea. To bring the North to the table, it is important to create a situation in which the North could accept the freeze overture. It is also crucial that the U.S. and South Korea maintain a unity in their policies toward the North. When the South and the U.S. join hands, they can move to China. It would be difficult for the South alone to move China.

— **LEE Dong Hwi** Thus far, the progressive, liberal governments of South Korea thought that the North was more intent on using nuclear arms as a negotiation tool rather than on possessing them, but the conservative governments have concluded that the North is striving to possess nuclear arms, ultimately. I think both sides have made mistakes by judging North Korean strategies in terms of only one side, thus failing to come up with other solutions for the last two years. To properly address the nuclear issue, the concept of security itself should be expanded. As military security was viewed as a centerpiece of national security, there was no room for diplomatic security or negotiations. In this respect, it is truly meaningful that the National Security Office is now in charge of both military and diplomatic security affairs in the new government of South Korea.

As President Trump thinks he is a master of the art of negotiation, his negotiation strategy became a steering wheel of the U.S. foreign policy. His negotiation strategy is imbued with unpredictability, unexpectedness and aggressiveness. Whenever he uttered a few words about the ROK-U.S. alliance, the cost of THAAD and the ROK-U.S. Free Trade Agreement, the South tried hard to give the right answer to him. As proverb says, "Give a silly answer to a silly question," I think the South does not have to give the right answer to a silly question in negotiations with the U.S. It will not be helpful in the negotiations.

— **HAN Intaek** There are two misunderstandings about the nuclear issue. First, it is about whether the North Korean nuclear arms are threats or not. For the South, the short-range conventional missiles were older and greater threats than ICBMs. In the future, the mid- and long-range missiles of the North will pose threats to China, Japan and the U.S. As the U.S. and China come within range of the nuclear missiles, the U.S. and China may form cooperative ties as opposed to the opinion of Prof. Jun Bong-guen. There also are misunderstandings about the intention of the nuclear development. North Korea started the development in 1994, when the Cold War ended and all tactical nuclear weapons were withdrawn from the South under the declaration of a nuclear disarmament of Korea. In the early 2000s, when the South and North held a summit, the North went against the nuclear freeze by developing nuclear weapons. Given the fact that the North developed nuclear arms when tension was low, it was not the alleged means to respond to an external threat to the North.

As such, the solution to nuclear disarmament should change. The South has to remove the motive for developing nuclear arms, after figuring out the reason. The South does not fully understand the motives, either. Security experts almost blindly believed that the nuclear arms have a war deterrence effect. There were some cases of deterrence and many cases of failing to do so. On the contrary, there is the possibility of a war due to the nuclear arms. The North Korean possession of nuclear arms in spite

of the non-nuclear proliferation efforts of the South indicates that we were wrong about the nuclear arms of the North.

— **HAN Yong-sup** The Moon Jae-in administration of the South has to come up with a solution to the nuclear issue in the next three to four years. Let us have somewhat in-depth discussions on how the nuclear issue could evolve in the years to come and what kind of dialogue could ensue to resolve the issue.

— **JUN Bong-geun** I agree with the argument of Dr. Park Hyeong-Jung. Now that the North has its own nuclear program, whatever we do will be useless. The reason why I think that the North will continue nuclear arms development is because it is a very strange state suffering a regime crisis, government crisis and state crisis at the same time, and because it is now facing preemptive strikes after having threatened a nuclear missile attack against the South and the U.S. The North might be thinking that it has to have the capacity to launch a second strike earlier. North Korea could become a virtual nuclear state with 50-100 nuclear arms, and international society would treat it as such. We have to stop this early.

I also believe that this is a good opportunity to solve the North Korean nuclear issue. The strategic patience of the U.S. for the last ten years was a passive policy to wait for the North to collapse or yield to international pressure. The U.S. and China are two critical variants in the nuclear issue, and the Trump administration joined the policy line of South Korea by focusing its efforts on the nuclear issue. Thus far, the U.S. has virtually left the nuclear issue abandoned, while applying pressure upon the North, but now it is attempting to solve the nuclear issue first of all, even by shelving commerce deals with China to use China as leverage on the North Korean issue. It is not certain yet how long the U.S. will maintain the current policy, therefore the South should now make the most of the existing U.S. position.

— **PARK Hyeong-Jung** North Korea might already have a short-term plan. I think the North may have set up foreign, military and domestic plans in expectation of the consequences of its behavior worsening

the situation. A change in the South Korean attitude will never change the North. The North will figure out negotiable items for a deal with the South. It would weigh the possibility that the South could change the U.S. policy and increase its economic support to the North. The North will not negotiate with the South if it judges that the South cannot change U.S. policy and cannot extend economic aid. Nevertheless, it may pretend to hold talks with the South. What counts is the possible intention of the North to earn time with the negotiations to make internal preparations for the risks its provocations might bring. It will also test how many concessions the South can make and how seriously it could disrupt the society and ROK-U.S. ties. To enhance its negotiation power, the South will have to improve its relations with neighboring countries. The South should convince the North that the U.S. and Japan will not interfere with negotiations behind the stage.

— **LEE Dong Hwi** Trump underestimates the value of collective defense in the world. It is a matter directly connected to the value of the ROK-U.S. alliance. He does not recognize the value of free trade, either. Trump's negotiation tactics are, therefore, dismantling free trade and collective defense systems, resulting in the move to renegotiate the ROK-U.S. FTA and questioning the military alliance.

It is a risky maneuver to use the ROK-U.S. alliance as a card for negotiations. If the U.S. takes advantage of the alliance as a negotiation tool, and the nuclear issue is bartered for a peace treaty, as China suggests, it would decouple the South and the U.S., thus driving the former into a critical dilemma. The Moon Jae-in government should prepare for this kind of dilemma.

— **HAN Intaek** What matters is how the North and South will behave. Prof. Jun said that one of the critical factors of North Korean behavior is whether it acquires the capacity for a second attack, the retaliatory nuclear strike. The hardware threshold for a retaliatory attack remains very low. The North might have a nuclear retaliation capacity now. Therefore, the second attack might not affect how

the North will behave two to three years from now. Possibly, there might be a more important factor. I guess that there may be more cases of decoupling, as Prof. Lee expects. The North's ICBMs are aimed at striking China, the U.S. and Japan. As the South feels no further threat from ICBMs, it may lead to its decoupling with international cooperation on the nuclear issue. The skepticism of President Trump about the ROK-U.S. alliance is expected to make the decoupling more certain. After all, it might become a crucial task for the global society to make the South engage again in international cooperation on the nuclear issue.

— **HAN Yong-sup** In the face of direct threats from North Korean nuclear weapons, the South needs the U.S. nuclear umbrella and deterrence, as it has no means to respond to it. Thus, North Korean nuclear arms are perceived as a threat both to the two countries. And this is the *raison d'être* of the ROK-U.S. alliance. This discussion proceeds upon the premise that North Korea's nuclear arms and missiles pose threats to the South and the U.S. I will take questions from the floor, now.

#### [ Q & A ]

**Q.** There are more than 300 treaties and agreements between the two Koreas, but none of them have been implemented. Basically, why do we have to negotiate with the North? The negotiations, I think, are to earn time, as the North does. The simplest solution is to replace the North Korean government. I think it would be one good option to make this intention public during the negotiations.

**A.** **JUN Bong-geun** We have to weigh the options' viability, costs and effects of deterrence when considering and comparing the Sun Shine policy, regime change and strategic patience as North Korea policies. As to the measure to bring the North Korean regime down, there is a doubt if it can be implemented in the North and how we could persuade international society. We need to approach the North Korea nuclear issue after finding out the motives for

its nuclear development. According to Prof. Scott Sagan, the nuclear states often develop the weapon with three motives: national security, domestic politics and international status. In the case of North Korea, national security and political reasons are the two major motives. Then, pressure alone can hardly solve the issue. We have to bring a change in the motives of the North.

**A. HAN Yong-sup** I attended the first round of the South-North Korean negotiations on the nuclear issue for two years. Others thought at that time that Korea was denuclearized with the declaration of nuclear disarmament, but I voiced a minority opinion, after watching the behavior of North Korean participants in the negotiations for two years, that they would violate the accord and continue to develop nuclear weapons. Eventually, the North did so for the survival of the Kim dynasty. But, after possessing the nuclear arms, the purpose of the possession changed. It is an achievement for the North Korean regime that it succeeded in developing nuclear arms, braving the opposition of the U.S. and international society, and made it known all over the world. The North is expected to keep developing nuclear weapons and ICBMs until it has a showdown with the U.S., and if the U.S. ditches its alliance with the South and leaves the Korean Peninsula, it would be seen as the victory for the North. The problem is that the North regards the South as a powerless state that cannot do anything without the support of the U.S. Trump is said to be a genius or master of the art of negotiations, but Kim Jong-Un is no less than him. The North Korean people at the negotiation table do exactly what Kim Jong-Un has told them to do. The U.S., however, sends the State Secretary and Under Secretary to the negotiation table. They are different from Trump and might be taken advantage of by the North at possible talks between the U.S. and North Korea.

There are many reasons for the failure of the Six-Party Talks but the most notable one is the differences among South Korea, the U.S. China, Japan and Russia in their objectives, priorities and

approaches. Not to repeat the failure of the Six-Party Talks, I suggest eight-party talks joined by the five permanent members of the Security Council(P-5). South Korea, Japan and the P-5 should hold talks with the North with a firm resolution to safeguard the NPT system and denuclearize the North. As the nuclear issue is hard to solve immediately, experts both from the conservative and progressive camps should gather their wisdom.

### Policy Implications

- A nuclear freeze as a short-term measure and a strategic roadmap towards denuclearization as a long-term measure are desperately needed to prevent further aggravation of the North Korea nuclear issue. A mini-package deal is suggested as a short-term measure to build mutual trust in the talks on denuclearization. To that end, it is necessary to restore, by utilizing economic incentives to the North, the 2.29 Agreement between the U.S. and North Korea that stipulated the nuclear freeze. As a dialogue channel, they might choose a meeting of high level officials from the South and North, the U.S.-North Korea talks and even an unofficial chief delegates' meeting at the Six-Party Talks, if necessary.
- Talks on a nuclear freeze or peace treaty might resume at any time, considering the more sophisticated North Korean nuclear arsenal and unpredictable negotiation tactics of the Trump administration. During the talks, the South is likely to exercise less influence, due to its weaker power vis-a-vis its neighboring states and the widening gap between its own perception about the North Korean threats and that of its neighbors. The South is required to actively engage in diplomacy with neighboring powers to forge an international alliance to correct North Korean behavior as well as seeking, based on its alliance with the U.S., a change to the North Korea policy of China.
- There is an argument that the South should prepare for more escalated tension and uncertainties on the Korean Peninsula. As instability is expected to prevail on the peninsula for three-to-four more years due to the brinkmanship of the U.S. and the North, security and North Korea policies should be readjusted in consideration of this. South Korea should examine and brace for the worst case scenario.
- In spite of radical changes in the security environment turning for the worse, there are few changes in the diplomatic and security organizations of the South Korean government, and its competence. To respond to the explosive growth of the need to independently address pending diplomatic and security issues, there should be measures to strengthen diplomatic and security organizations by bolstering the strategic role of the National Security Office and establishing a committee to assess the national security situation.

## Rethinking Asia: A Need for Adaptive Leadership amid Global Changes



Chair	<b>PARK Jin</b> President, Asia Future Institute
Moderator	<b>Heungsoo Samuel KIM</b> President, Center for Asia Leadership Initiatives / Executive Director, Asia Future Institute
Presenter	<b>Adam MALATY-UHR</b> Founder & President, Growing at Work <b>Ami VALDEMORO</b> Founder & CEO, Three Point Ventures <b>Umar SHAVUROV</b> Regional Director of Central Asia, Center for Asia Leadership Initiatives <b>KIM Duyeon</b> Visiting Senior Fellow, Korean Peninsula Future Forum
Rapporteur	<b>KIM Christina</b> Program Officer, Asia Future Institute

— **Heungsoo Samuel KIM** Currently the world is undergoing a political crisis, and issues like unemployment and polarization in income and Information Technology(IT) are emerging as the biggest challenges. Under these circumstances, we need a process under which the definition of leadership is drastically changed. Leadership in the past, unsuitable for the present and insufficient in many ways, needs to undergo new challenges and change itself. In this session today, how leadership is changing and how it should change will be discussed.

— **PARK Jin** Anyone can be a leader. But leadership requires more than will, and ability. The most important thing is how to cultivate and develop this willingness and ability. Full of the youngest participants, will talk with four gentlemen armed with progressive ideas and future-oriented attitudes, which can be represented by the word “youth.”

— **Ami VALDEMORO** I am a Filipino-American. I was born and raised in the U.S. After I grew up, I moved to live in the Philippines and I worked for a company named Three Point Ventures. The company focuses on improvement of leadership that is required in the

Philippines. Working there, I thought a lot about leadership and could define it. In a community, whether it is a small gathering, or a family, or a big society or a nation, problems at any scale will happen at any time. There should be a proper leadership to redress problems and guide one's own community.

— **KIM Duyeon** Security is the most important issue in the U.S. The same goes to South Korea, where concerns and uncertainties over security prevail for geopolitical reasons. The liberal order after the end of the World War II in 1945 has been exposed fissures since the inauguration of the Trump administration in the U.S. The administration puts more priority on military power and financial lobbying than diplomacy or communication. In accordance with this, the Chinese government is jumping into the armament race. Amid the missing leadership of Trump, and competition with China for military buildups, South Korea is faced with a growing sense of insecurity and uncertainties.

— **Adam MALATY-UHR** Today's trend is “change and revolution.” The millennial generation is at the center of change and revolution. All conflicts arise

from generational gaps and differences. Millennials want to cultivate themselves, but the environment discourages them, and this hinders a new leadership from appearing. The older generation says young people do not understand the society they belong to. But in most cases, it is rather the older generation that fails to properly understand a changing society. What is most important is leadership and teamwork that can join change and revolution.

— **Umar SHAVUROV** In my opinion, “incessant conflicts” are the main trend. Conflicts do not only belong to the past. Countries and histories have evolved through conflicts. The conflicts thought to appear only in the past are occurring now and will arise in the future. Those who call themselves “leaders” are only interested in passing responsibility on to others. When leaders have a positive influence on other societies beyond their own, and when they realize this and have a sense of responsibility about it, true leadership will be exercised. Conflicts can work as an energy that promote the progress.

The definition of leadership keeps changing and evolving as society does. A paradox pops up naturally in this process. The past leaderships were not wrong, but a leadership suitable for the present and the future is more important. Horizontal relationships and non-authoritative attitudes should be the basis. Leaders also need to have a participatory attitude. Various studies are underway on the practice of leadership and plans for this. To lead community members who have different religious, ethnic, cultural and linguistic backgrounds, different forms of leadership should be planned and practiced. Leaders should ask questions incessantly of themselves and members of their communities. Only through questions and doubts, will we arrive at the “goal.”

— **Adam MALATY-UHR** Practicing leadership can be defined in various ways. Empowering and motivating community members can be seen as proper leadership. Increasing burdens in the name of empowerment does not work. “Support” and “help” are necessary. Although there are some “questions” humans cannot answer, leaders should not be afraid

of answering questions. “Challenge” and “participation” are the strongest weapons to overcome fear and difficulty, and this is the only way to newness.

— **KIM Duyeon** Leadership is invisible. But this does not necessarily mean it does not exist. Making change and exercising influence is what leadership is about. Leaders of a community should motivate its members with support, and encourage them to make full use of and develop their ideas. Influence always changes. Leaders should think of this change all the time. Not stopping at “thinking,” they need a step leading to “practice” through communication and dialogue. It is the role of leaders to make this step.

— **Ami VALDEMORO** Leadership needs training. Leaders should train their minds and strengthen their will. They should continue mind training and learn new frameworks. Too many things stop at the stage of “the potential.” Ceaseless pressure and challenge will follow young people who make efforts to realize their new ideas but they should never stop trying. This will be challenging in countries with big regulations but the youth should continue to try and learn to accept these challenges. When they go through the challenges, they will find people who will support them, as they have found before.

— **Adam MALATY-UHR** When I was a student, I had so many difficulties. I was always anxious and lacked confidence. Before I was twenty, my father passed away and the hard times went on. And then I met some people who helped me with pleasure. I wanted to become an influential person to pay back what they gave me. Now I look back on what influences I have had upon my community members before taking actions.

— **Umar SHAVUROV** The collapse of the former Soviet Union had a great impact on me when I was a child. The state-centric society broke down in an instant, and the people of that society, including my family, were not capable of coping with the uncertain future. Most of them had no strength to overcome the difficulties and began to give up on their lives. My father was one of them. The incident became a big motivation for me.

## Asian Soft Power: Facing the Fourth Industrial Revolution



Chair	<b>PARK Enna</b> Ambassador for Public Diplomacy, Ministry of Foreign Affairs of the Republic of Korea
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Rapporteur	<b>HONG Seokyeong</b> Third Secretary, Ministry of Foreign Affairs

— **PARK Enna** The world economy has reached a level at which technological development does not guarantee a proportionate increase in profit. To tide over this limitation, a new, unconventional approach to the industry is necessary. The ability to find connectivity between different things and creative thinking are cited as the competences required for the Fourth Industrial Revolution. Finding connectivity requires imaginative thinking and new concepts about things, which create many new fields of business. Newfangled electronics goods linked with computer technologies and customized shopping malls catering to the individual needs of drivers are representative examples of them. Many new businesses are created out of creativity. Taxi and lodging businesses were operated by the owners of cabs and lodging facilities previously, but it is possible now to operate such businesses without such assets, as seen in the case of Air BnB and Uber taxi. However, Asian soft power is deemed to be inferior to the Western model. Western countries have various

content, including the services above and Google’s auto-driving cars. Asian countries are said to have many technologies, but lack the ability to utilize them.

— **SUN Seung-hye** Asian countries are trying to find new direction of diplomacy based on information technologies. They have to explore a new future through in-depth discussions on cooperative projects within integrated networks. The cultural diplomacy of Asia should come up with an initiative to organize a virtual community based on e-culture. A joint project will help Asian countries better understand each other. Using and mixing various mediums, in addition to letters, to describe cultural heritages will produce various effects. The project will provide information about cultural heritage sites and culture. In addition to Internet education for the next generation, the project also offers inspiration for artists to create visual information and new images through the e-platform. With these attempts, the e-platform will expand its basis and the database on Asian arts.

Asian countries will open a silk road, based on the e-platform, through cultural diplomacy and business activities by the private sector.

— **ZHANG Zheng** Culture and creativity are the locomotive of the world economy and social development. Many Asian countries have different intentions about the culture industry, but are implementing policies to promote it. Culture is the core element of soft power. China has a long and rich history, and adopted the culture industry as a key industry for promotion in its 13th five-year plan. The Chinese culture industry has made significant contributions to the social and economic development of China. With the “Internet plus” strategy, the culture industry is making efforts for globalization. Users of super apps such as WeChat and Tao Bao almost total 800 million a month. The culture industry of China has seen big growth over the last ten years. China and other countries can help each other in the following fields: strategic policy cooperation; industrial cooperation on goods, service and assets financial service on technology development, design, ads and exhibitions; and education for cultural production,

— **Ichiya NAKAMURA** The Japanese government is focusing on the value of culture, implementing a “Cool Japan” policy for the last ten years. Japanese pop culture has the characteristics of what people call “Otaku,” and has contributed to the dissemination of Japanese culture overseas without government support. The government is focusing its efforts on nurturing creativity on a long-term basis and enhancing expressiveness in education. After World War II, Japan concentrated on economic development, but is now on culture after a 20 year-long depression. Toyota, Honda and Sony were replaced by Pikachu, Dragon Ball and Sailor Moon as representative Japanese products. Japanese companies compete with Asian countries and cooperate with them at the same time to expand the Asian market. Japan has witnessed the achievements of its efforts to export its culture for the last few years, but the Fourth Industrial Revolution is bringing a change to the infrastructure of these exports. Japan is well aware

of the importance of the Internet of Things(IoT) or Artificial Intelligence(AI) and is exerting great efforts to develop such technologies for the future. The Japanese strategy for the future is to link pop culture with new technologies in such a way as integrating AI and robotics with cartoons and video games to produce new value. One of the goals is to present life-size Gundam and Atom at the Tokyo 2020 Olympic Games. The Fourth Industrial Revolution is both an opportunity and crisis for Asian countries. They should cooperate with each other to produce a strategy to strengthen their soft power.

— **PAIK Woo Yeal** In the 2010s, the Asian region has become a venue where the powerful countries, such as the U.S., China, Russia and Japan, and middle powers like South Korea, Australia and Southeast Asian countries are vying and cooperating with each other with their soft power. Also public diplomacy as an instrument for soft power is engaging many players in various ways and on various levels. With the advent of the Fourth Industrial Revolution, Asia is being seriously affected. The key of the revolution is a technology revolution based on a computer revolution in which machines and computers equipped with artificial intelligence and linked by the IoT create a new ecology. How does soft power change on the national and Asian regional level amid the Fourth Industrial Revolution and its subsequent political, economic, social and cultural changes? How does the ecology of soft power interact with hard power? Will and how will the policies for public diplomacy evolve amid the efforts of each country and politicians to increase and expand soft power? It is now urgently called on for South Korea and other Asian countries to provide alternative policies based on the understanding of public diplomacy and soft power. It is also necessary to conduct a study on how the Northeast and Southeast Asian countries could create the “Asian soft power.”

— **CHOI Sun Wook** Global political and economic power is shifting from the West to Asia, as Asian countries are more interested in a soft power that is based on attractiveness and cultural power. Soft

power promoting exchanges among people and non-profit organizations is dependent upon two technological infrastructures; digital technology and networks. The technological infrastructure is bringing the Fourth Industrial Revolution, which removes the divider between the real world and the technological world. It is not clear yet how the Fourth Industrial Revolution, which has been discussed in world economic forums for the last several years, will affect soft power. However, we can make a few projections about it. First, the Fourth Industrial Revolution will contribute to enhancing the soft power of culture, education, government and business activities. Second, it will expand the influence of soft power based on digital media over public diplomacy. The borderlines between countries are likely to be blurred, and the language barrier will be lowered, in particular. The public will have more access to positive or negative views about each country. Lastly, the gap between countries might be widened by the Fourth Industrial Revolution. Amid these prospects, the future vision of soft power depends on how the people of each country respect the culture of other Asian countries and on how to make them recognize that their lives affect other Asian people.

— **Barry WELSH** After the Fourth Industrial Revolution emerged as a hot issue at the Davos Forum in January 2016, many believe that the technological revolution is about to bring about huge and unprecedented changes. It is expected to fundamentally change everything from everyday life and work to personal exchanges. However, no one can expect how this change will happen and who will get benefits or sustain damages. The Fourth Industrial Revolution is tearing down physical, digital and biological divisions and is set to affect the human race, itself. We already see it with AI, drones, nanorobotics, 3D printing and bioengineering. South Korea started to note the Fourth Industrial Revolution after the go game between Alpha Go and Yi Se-dol, and a presidential election pledge containing the establishment of a presidential ad hoc committee. The South Korean government has various policies on the Fourth

Industrial Revolution, but not all agree with the policies, and controversies continue over whether the government is properly coping with the revolution.

— **Artine UTOMO** Indonesia, a younger country with half of the population under 50, has a population of some 250 million. As it has a large territory and many islands, there are wide gaps in development between regions. The gaps in connectivity are large between urban and rural areas. In the case of Jakarta, traffic jams are so severe that one cannot have a business meeting more than once a day; but IT-related motorbike and taxi services are enjoying a boom thanks to the traffic jams. There are IT companies which collect and distribute news across the country for commercial purposes. Many young Indonesian people are setting up venture businesses with creative ideas, and they are supported by active venture funding.

#### Keywords

Fourth Industrial Revolution, Soft power, Connectivity, Creativity, Public diplomacy



#### Policy Implications

- The importance of soft power is being emphasized in the face of the Fourth Industrial Revolution.
- Asian countries are said to have relatively weak soft power to utilize technologies, compared to Western countries.
- Asian countries should cooperate with each other to overcome this.
- Consideration should be given to those who suffer from the new environment with technological advances.

## Searching for Peace in East Asia and Vision of South-North Korean Cooperation



Moderator	<b>LIM Kang-Taeg</b> Senior Research Fellow, Korea Institute for National Unification
Keynote Speaker	<b>KOH Yu-hwan</b> Professor, North Korean Studies, Dongguk University
	<b>JIN Shizhu</b> Professor, Northeast Asia Research Institute, Yanbian University, China
	<b>Mitsuhiro MIMURA</b> Senior Research Fellow, Research Division, Economic Research Institute for Northeast Asia
Discussant	<b>KIM Jinho</b> Professor, Department of Political Science, Dankook University
	<b>YOON Sung-Hak</b> Core Professor, Institute of Russia-Commonwealth of Independent States Studies, Korea University
	<b>Jeon Young-sun</b> Humanities Korea Research Professor, Institute of Humanities for Unification, Konkuk University
Rapporteur	<b>PARK Ji-yong</b> Executive Director, Korean Council for Reconciliation and Cooperation
	<b>LEE Hyun-hee</b> Team leader, Korean Council for Reconciliation and Cooperation

— **KOH Yu-hwan** As North Korea regards its nuclear arms as the ultimate safeguard for its regime, it will be difficult to make it abandon them. There should be a measure to guarantee the security of the Kim Jong-Un regime and its socialist system through such institutionalized mechanisms as a peace treaty. The North traditionally used to cite its confrontation with the U.S. for its nuclear armament. During the Cold War era, it could maintain its regime under the nuclear umbrella of the Soviet Union amid the bipolar system of the U.S. and Soviet Union, but after the collapse of the Soviet Union, it pushed for the development of nuclear arms to brace for confrontation with the U.S. However, as China and Russia joined the UN Security Council sanctions led by the U.S. on North Korea, the North defined the recent development around the Korean Peninsula as a standoff between the allied imperialist forces and itself, and concentrates its efforts on “weaponizing the nuclear devices” under a policy to pursue both economic development and nuclear armament. Con-

cerning the nuclear issue, there were some positive developments, on the other hand, such as the move by South Korea, the U.S. and China to admit to the urgency of the denuclearization of the North and confirm the principle, not to tolerate a nuclear armed North, while the South and the U.S. gave up on their anticipation of the collapse of the North Korean regime. The only notable difference among the three countries is that South Korea and China prefer a gradual and comprehensive solution and simultaneous actions under the Sept. 19 Joint Statement to the measure of enforcing the North to abolish its nuclear arms in advance, while the Trump administration of the U.S. wishes for the Complete, Verifiable and Irreversible Dismantlement(CVID) of the nuclear program.

As the Moon Jae-in government has settled for “denuclearization after the prevention of sophistication of the nuclear arms” during the presidential election campaign and suggested a comprehensive deal seeking nuclear disarmament and a peace treaty

as its ultimate goals, it is likely to pursue a package deal for a freeze on the nuclear program in the North; a declaration of peace; a temporary agreement; and a declaration of the end of the war as preparatory steps toward a peace treaty between the North and the U.S. As international society’s sanctions on the North continue, it is difficult for the Moon’s government to resolve inter-Korean issues. However, it should try to restore dialogue channels with the North immediately by reopening the South-North liaison office to prevent additional acts by the North worsen the situation. It also needs to put contingencies under control with its policy to pursue both sanctions and dialogue, and explore ways to restore normalcy to inter-Korean relations.

— **JIN Shizhu** As part of the strategies of the One Belt One Road(OBOR) initiative, China is trying to use its northeastern province as a bridgehead for advancing to the northern maritime route. For North Korea, the OBOR project is an economically important factor, given its connectivity with the world, but it has yet to show any response to it. For the North to join the OBOR project, it has to abandon its nuclear arms, and this would be possible only when the U.S. provides such an environment for the North to do so. Though Japan has had a conflicting interest with the OBOR initiative of China, so far, it has begun to see the possibility of gains from it, and thus is considering ways to join the project. Also, there is a move by Japan to cooperate with Russia in the project to link the Japanese railway system to the Russian continent. If this is realized, South Korea might face the risk of being treated as an island country. Russia is out to develop its maritime province in the northeastern region, while trying to link Vladivostok with Jilin and Heilongjiang provinces for joint economic development of the area with China. Mongolia is also actively joining the project eyeing its possible connection with the land Silk Road, while China seeks to utilize it as a midway route for the OBOR project, fanning prospects of more active cooperation with Mongolia.

South Korea used to actively join the OBOR proj-

ects of China, but recently there were more cases of South Korea being excluded from projects possibly due to the dispute over the Terminal High Altitude Area Defense(THAAD) missile deployment. The objective of the Chinese project with a historical motive originating from the ancient Silk Road is to develop economic partnerships among countries along the Belt and establish a regional community of shared interests, fate and responsibility through mutual political trust, economic integration and cultural tolerance, which is compatible with the theme of the Jeju Forum’s “Peace and Prosperity of East Asia.” Because of its geopolitical location, the East Sea rim area has a painful history as a battleground for neighboring powers. To heal the scars, the countries around the region should respect each other and be ready to put themselves in each other’s position. To this end, I suggest that they learn from Élysée Treaty concluded by Germany and France in 1963.

— **Mitsuhiro MIMURA** East Asian countries became underdogs, with North Korea and Taiwan being excluded from the hegemonic order, but it is necessary for East Asian countries to take the initiative in forging cooperation with each other for peace in East Asia. As regards the denuclearization of the Korean Peninsula, the U.S., North Korea and China play central roles, with the South excluded from the issue, but it is more desirable for the two Koreas to take the initiative in the denuclearization in cooperation with the U.S., China, Japan and Russia. In the process of solving the North Korean nuclear issue, South Korea needs to play an active role based on its alliance with the U.S. by helping the U.S. and North Korea ease tensions with each other; agreeing with the North on a unification formula and schedule; and suggesting to the North the possibility of prosperity after national unification. The improvement and stabilization of inter-Korean relations are the pre-condition for nuclear disarmament by North Korea, and the South would be the main beneficiary of the solution of this. South Korea should administer consistent policies toward the North to help the North Korean people have positive perceptions about the South.

When North Korean nuclear arms is eased through the improvement of inter-Korean ties, it would help the East Asian countries cooperate with each other. Japanese companies shun installing factories in the Northeast Asian region for fear of the possible exports from the factories to North Korea. Japan also needs to improve its relations with Northeast Asian countries. If the South takes the lead in resolving the North Korean nuclear issue, it would benefit Japan. I would like to suggest that South Korea actively engage North Korea by presenting a unification policy based on universal values; making efforts to mend ties with the North in cooperation with its neighboring countries; offering policies appealing to North Korean people; and formulating unification discourse free from its domestic politics.

— **KIM Jinho** As regards THAAD, the Chinese leadership judges that the U.S. is laying siege to China with the missile defense system. The OBOR project has not only economic efficacy, but also elements contributing to peace and security on the Korean Peninsula. As long as the North Korean nuclear issue remains unresolved, the THAAD deployment is likely to continue to be a bone of contention between South Korea and China. Chinese policy toward the Korean Peninsula has now shifted its emphasis from its national security through the means of North Korea to exchanges with the South in consideration of the Chinese interest in the entire Korean Peninsula. Therefore, it should be noted that China considers inter-Korean exchanges and integration of the two Koreas in the light of its own interest without advocating the North unconditionally.

— **YOON Sung-Hak** The recent move of Russia with its new eastern policy was designed to respond to the rise of East Asian countries, including China, as an economic center of the world, and to the advance of the U.S. to the Eurasian continent as well as to develop its energy resources in the Far East region and diversify its export market, as to include the Northeast Asian region. The policy is largely divided into the fields of energy and natural resources; transportation and logistics; and industrial cooperation.

Russia is trying, first of all, to expand its exports to the Asian region by developing energy resources jointly with Northeast Asian countries. Emphasizing that the energy link will be the basic framework of cooperation with Northeast Asian countries, Putin proposed the establishment of an inter-governmental working group to consider a submarine power grid project linking Russia, Korea and Japan. He is also spearheading the integrated power grid project in Northeast Asia and proposing the Asian Energy Super Ring, which encompasses the power grids of Russia, North Korea and South Korea, and the Russo-Japan energy bridge project.

The Northeast Asian super grid project, started with the suggestion of the Asia Super Grid by Soft-Bank chairman, Masayoshi Son, is now expected to be realized in the near future. As the EU started as a steel-producing community, Asian countries are likely to form a regional community with the super grid project. Recently, Russia and North Korea are also strengthening their relations, with Russia seemingly poised to utilize the ties with North Korea in exerting more influence in Northeast Asia. Considering these moves, South Korea needs to involve Russia in resolving the North Korean nuclear issue and make it support the unification of Korea. To that end, South Korea should join the Far East development project Russian President Putin is pushing for, as well as cooperating with the Asian Energy Super Ring. One of the most promising fields of cooperation with Russia is power production, as Russia virtually has no gas to deliver to the South, and the railway linkage with Russia is not compatible with the existing logistics system. Gone are the days of importing energy resources to process them. To import the electricity, itself, is the most cost-effective and environmentally friendly. If the North joins the energy project, it may provide a phenomenal turning point to improve inter-Korean relations.

— **JEON Young-sun** The effort to explore new approaches toward peace and inter-Korean cooperation is obviously underway since the inauguration of Moon Jae-in government in South Korea, along

with changes in the security conditions on the Korean Peninsula such as contacts between the U.S. and North Korea, although it is too early to expect any immediate changes to the status quo.

A two track approach in terms of security and peace is necessary to solve the crisis on the Korean Peninsula, in addition to a proper response to the missile and nuclear arms of North Korea. South Korea should implement a peace-building process in multilateral cooperation with the East Asian countries, based on its military alliance with the U.S. For the restoration of normalcy in inter-Korean ties, it would be more appropriate to start inter-Korean cooperation with humanitarian projects and to take an external approach, first, to the North Korean issue, based on a favorable international and domestic environment, before engaging with the North. Now, it is extremely difficult to bring any change to the stalemated inter-Korean relations, and it will take more time to create proper conditions for inter-Korean dialogue, as long as concerns over North Korean nuclear arms development linger.

It would be better to seek cooperation with the North, starting with exchanges in the academic, linguistic, healthcare, cultural assets, environment and purely scientific sectors, as well as family reunions, before addressing such thorny issues as the May 24 measures and the reopening of the Gaeseong Industrial Complex and Mt. Geumgang tour program. The exchanges should also be accompanied by the restoration of the cooperative ties on issues something easy to agree on; and the promotion of cooperation projects between local governments to develop local economies and civil projects.

— **PARK Ji-yong** Inter-Korean exchanges are important as they narrow the gap and make a connection between the Korean people in the South and North, thus laying the groundwork for national integration. These exchanges are oriented towards expansion of the basis for national community; changes of both societies through contact; lessening conflicts in the course of national unification; door opening and changes in North Korean society on the principle

of reciprocity and diversity of a democratic society; and voluntary changes in North Korean society. Civil participants in the exchanges should recognize themselves as responsible players engaging in a solution to inter-Korean issues and have patience until the new government of South Korea comes up with new policies to improve ties with the North on a firm basis.

The civil exchange projects also have the tasks to forge a social consensus on inter-Korean cooperation; to develop effective strategies to approach the North Korean people; to expand civil and academic exchanges by diversifying agendas; and to produce consistent policies for orderly and practical exchanges.

### • • • Policy Implications

- As North Korea regards its nuclear arms as the ultimate safeguard for its leadership and regime, it is extremely difficult to make it abandon them. South Korea should explore a step-by-step and comprehensive solution to the nuclear issue by discarding strategic patience and giving up on the anticipation of the collapse of the North Korean regime, as the North has categorically precluded negotiations on its nuclear arms, while sticking to the policy to pursue economic development after securing nuclear deterrence.
- It is imperative for South Korea to play a leading role in defusing the nuclear crisis by improving its ties with the North. As the improvement of the inter-Korean ties will help Northeast Asian countries cooperate with each other, South Korea would become the main beneficiary of a solution to the nuclear issue. Therefore, the South should make efforts to assume a leading role in resolving the North Korean nuclear issue.
- As regards the role of neighboring countries in connection with the North Korean nuclear issue, South Korea should explore ways to cooperate with Russia, as Russia is increasingly becoming an important partner of North Korea amid the strain in the ties between North Korea and China. Russia may provide a nuclear umbrella to the North, and the North may secure its survival strategy with its ties to Russia.
- The Moon Jae-in government should make efforts to prevent the North from worsening the security condition on the Korean Peninsula under the principle of pursuing both sanctions and dialogue. It also needs to normalize inter-Korean relations by restoring contact points and a dialogue channel at an early date.

## Chapter TWO

# PROSPERITY

# The Fourth Industrial Revolution and the Future of Capitalism



**Moderator** CHO Dongsung Chancellor, Incheon National University  
**Discussant** George HARA Chairman and Chief Executive Officer, DEFTA Partners  
**ZHOU Li** Assistant Dean, Cheung Kong Graduate School of Business, China  
**Rapporteur** PARK Hanna Edu-Consulting Manager, Korea Human Development Institute

— **George HARA** In the past, I served as ambassador to the U.S., and my work as an archaeologist took me to places like Honduras, India, and Guatemala. I went on to get my M.B.A. at Stanford University, and it was during this time that I became aware of all of the successes coming out of Silicon Valley. In 1985, I founded a venture capital firm, and we made considerable contributions to nurturing the Information and Communications Technologies (ICT) and high-tech industries in San Francisco and Israel. After we went public on NASDAQ in the 1990s, I began exploring the idea of a self-initiated capitalism. I started doing research on businesses in Europe, Israel and the U.S., focusing specifically on corporate social initiatives. I also did work in Japan, providing consultations for the finance ministry and for the Prime Minister. I developed an interest during this time in developing countries, for example in Africa. I became aware that 40 percent of the three billion people who live on the African continent are impoverished. This got me interested in the issue of public interest.

Public interest capitalism is concerned with the creation of an environment where companies, vendors, employees, and society as a whole can thrive. It

makes possible the redistribution of wealth through the redistribution of the power that the capitalism thus far, has been concentrated in the hands of a few. Companies use this redistributed capital in their efforts to create healthy communities. People and companies become linked in a virtuous circle, which enhances the value of companies and ultimately benefits shareholders. This is what public interest capitalism entails.

— **ZHOU Li** The Fourth Industrial Revolution is unlike previous industrial revolutions. As has been discussed at Davos, we can expect numerous concurrent technological breakthroughs that will profoundly alter our lives. China, having missed out to a large extent on the previous revolutions, has been working to get quickly up to speed. And China has made a rapid strides toward the forefront of the new industrial revolution on the back of its state capitalist system. At the start of industrialization, China's growth figures were lower than the average, while in Japan, industrialization drove broad growth, and in Korea, the Third Industrial Revolution enabled the country to surpass the global average and achieve many successes. China's development began in the 1970s, and today, the country is a major economic

power that is recording continued growth. By shifting from the planned economy maintained until the 1970s to a partially market-oriented economy, it has been able to catch up to much of the world.

For China, the advent of the Fourth Industrial Revolution coincides with several important factors. First, China's market size is among the largest, and the country ranks third in the world in patent applications. Second, China's data and computer sectors are growing rapidly, and the Chinese robotics industry is on par with the rest of the world. With China's upper middle class expected to exercise significant purchasing power, accounting for over 56 percent of the country's consumer market by 2022, the Chinese market will no doubt present attractive opportunities for many companies around the world. China is making rapid gains in R&D as well. China Produces more college graduates than the U.S., large numbers of Chinese have been educated abroad which brings high exposure to the latest technologies. The country may have once lagged behind in growth, but today it is catching up at a tremendous pace.

Though capitalism in China differs from capitalism in Western countries, the Chinese state-run system is running stably. Progress is being made on the "Made in China 2025 Initiative," and efforts are being made to promote the development of growth of major industries. Views on China's state capitalism model remain divided, but in the words of Deng Xiaoping, "It does not matter whether a cat is white or black, as long as it catches mice." In my view, the state-owned enterprises that have proceeded according to central planning are the main drivers of the Chinese economy.

— **CHO Dongsung** Before going into an explanation of the Fourth Industrial Revolution, I would like to first look at a few examples of national economic strategies. In Japan, ultra-nationalist policies have been advanced under the guise of constitutional reform and savvy diplomacy, and the quantitative easing measures central to "Abenomics" have helped the Japanese overcome their prior defeatism. Germany has opened smart factories equipped with

Internet of Things (IoT) solutions and set a goal to improve industrial productivity by 30 percent. The Trump administration has introduced a model of politics that returns to the protectionism that characterized the period between the 1890s and 1930s, with an executive order issued to withdraw the country from the Trans-Pacific Partnership (TPP) and indications that a similar withdrawal from the North American Free Trade Agreement (NAFTA) may be next. Korea has weak monetary policies and institutions, but the economy has a strong manufacturing sector at its core which means that the country needs to target the Fourth Industrial Revolution in the short term and devise a smart national strategy for the long term.

For a sounder capitalism to take root in Korea, a consensus needs to be reached between management and labor, and the advanced manufacturing base needs to be harmonized with state-of-the-art science and technology. For Korea to become a smart nation, it will have to satisfy conditions like the popularization of ICT, economies of scale, and the alleviation of social and economic polarization, and shared value creation will need to take place on the basis of a consensus between business and society. Capitalism in its current form is unpredictable, but the capitalism of the future should be centered on people and shared values. Shared value creation can happen through clusters, where you can achieve the dynamic of simultaneously pursuing the interests of the individual company as well as the interests of the cluster. It will be necessary to explore ways to develop these clusters. Creating shared values is a truly Korean idea. In some respects, to enhance cooperative value is a way forward not just for Korea but for Asia as a whole.

## [ Q & A ]

**Q. CHO Dongsung** Would you say that Japanese companies, given the choice between corporate values and social values, are inclined to prioritize on the latter?

**A. George HARA** Traditional owners would prioritize social values because they recognize that economic value creation happens in the process of pursuing social values.

**Q. CHO Dongsung** I want to ask Korean businesspeople in the audience the same question. If you found yourself in a situation where you had to choose between social values and corporate values, that is, profit generation, which would you choose?

**A. MIN Namkyu(CEO, JK Materials)** If it was a situation where the survival of the company was at stake, corporate values would be a higher priority. In our current situation, I think we might put social values first.

**A. KOO Jakwan(CEO, Samkoo Inc.)** In terms of shared values, the role of shareholders interested in the company's growth is important, but the employees are also extremely important. I think the answer would vary depending on the life stage of a company. I would say companies have a responsibility to society, and it is their duty to carry out this responsibility faithfully.

**Q. CHO Dongsung** Chairman Chang Mankey, of the Korea Human Development Institute, could you give us your take?

**A. CHANG Mankey(President, Korea Human Development Institute)** The solutions to any problems lie in the people. If a company finds itself in a situation where the interests of society and the interests of the company conflict, the company probably was not doing things properly in the first place. In my opinion, it would be more important to focus on resolving that problem than to go on about social and corporate values.

**A. Japanese businessman** If we enter the Fourth Industrial Revolution and engage in competition without principles, both Japan and the U.S. will fall into a crisis. If the crisis prolonged they will make both difficult to survive into the next century. This is why sound management principles are important. We need to have the mindset that we are going to change the world together.



### Policy Implications

- Capitalism as it exists today is far from perfect, and it will have to change in step with future developments. Before such changes can take place, there are principles that must be realized first, for example, a virtuous-circle relationship between the creation of shared value, wealth redistribution, and power. Preparing for the Fourth Industrial Revolution and beyond will only be possible when distribution and sharing of wealth are prioritized over its concentration.
- Growth can be considered healthy when people are the primary consideration. Proper management ideals and philosophies based on this understanding need to be established.

## New Value Creation and Management Philosophy of Longevity Corporation in Asia



Moderator	<b>CHO Woojin</b> Professor, Tama University
Keynote Speaker	<b>Hideaki OTAKA</b> Vice Chairman, Pasona / Former President, Toyota Motor North America <b>PARK Jinsun</b> CEO, Sempio Foods Company
Discussant	<b>CHANG Mankey</b> Chairman, Korea Human Development Institute
Rapporteur	<b>CHOI Yong Jun</b> Section Chief, Korea Human Development Institute

**Hideaki OTAKA** In Japan, more than 25,000 companies have been in business for over 100 years and of these, more than 10,000 have operated for over 200 years. The U.S. has the second largest number of companies, 11,000 of which have been in business for more than 100 years. Germany comes in third with 7,600 businesses still running after 100 years. I have been doing research on the keywords and development plans for long-lived corporations and how they managed to stay in business for so many years. Among the oldest companies in Japan, Kongo Gumi has the longest history. Kongo Gumi is well-known as one of the oldest companies in the world. This construction company was established in the year 578 to build temples and flourished during the Nara Period(710–784). A variety of long-lived Japanese businesses that operate today include Ikenobo Kodokai, a company which teaches flower arrangement, and Japanese traditional hotels situated around hot springs.

One needs to look at the different aspects of running a business, rather than just focusing on profit generation, to answer the question “What positive effects do long-lived corporations bring?” In modern

American society, making money is considered the most important value, but Adam Smith, who was once called the father of capitalism in the middle of the 18th century, noted in his book *The Wealth of Nations* that corporations should be allowed to freely pursue its business aims without state regulations. Smith afterwards emphasized in his book *The Theory of Moral Sentiments* that business leaders must be equipped with their own ethics, philosophies, and sentiments.

This year marks the 80th anniversary of the establishment of Toyota Motor Corporation. The management philosophies developed by founder Toyoda Kiichiro are still embraced by the entire company. All Toyota employees should not flaunt their wealth based on the assumption that their industry creates high profits and contributes to the national economy; be diligent and honest; and create a virtuous culture with the spirit of fraternity. The founder consistently emphasized that Toyota was owned by society at large and not by its stakeholders or any one individual. Ishida Baigan founded a religious movement called Sekimon Shingaku in the Edo Period. The philosophy of Shingaku, literally meaning heart

learning, argues that labor is a path to self-perfection as well as a stage of building one's character, and true merchants do make profits, but can benefit both parties by aiming to facilitate mutually beneficial trades instead of merely pursuing profits. Ishida also noted that the key to running a business long-term is to focus on its quality rather than quantity, to be content with even an 80 percent profit, and to benefit one's business partners instead of chasing after merely short-term gains. If one pursues the virtues of benevolence, righteousness, propriety, wisdom, and sincerity, one will earn the trust of others. In other words, both public and private interests are important for society. It was the business leaders who rebuilt the impoverished nation of Japan after World War II. I think this philosophy of growing a corporation, one which prospers with the society, was the main driver for the country's economic success.

— **PARK Jinsun** Sempio Foods Company was founded in 1946 by my grandfather Park Kyuhwe to serve soy sauce to homeless refugees at the time. The oldest brand registered in Korea, Sempio accounts for 60 percent of the soy sauce market in Korea. The company started after it took over a small sauce factory across from the Daehan Cinema in Chungmu-ro, Seoul. When I took charge of the management in 1997, things were not in good shape. I replaced the old facilities with new ones and focused on developing our technology. Back then, Korea was only able to imitate Japan's advanced technologies. We began the operation of our new production facilities that use cutting-edge technologies to mass produce soy sauce in 2001. During those difficult times I suddenly realized that a corporation's reason for being is to contribute to the local community, and since then I have established the values of the company to reflect that "Sempio contributes to local communities and promotes the well-being of all its members."

A corporation has a number of elements which can contribute to the unhappiness of the employees. The management must work to eliminate these. I determined that our company's team leaders, people generally in their 40s and 50s, were used to a hier-

archical culture where superiors give orders and the subordinates follow. So I tried to turn our corporate culture into a horizontal one. I also made a bold decision to abolish overtime work and work on holidays, as I saw these extra working hours limit the time for employees' personal enrichment and family life. I expect three qualities from my employees; being humble, pursuing more than personal interest, and being absorbed in work. Korean society has undergone a tremendous transformation since the 1990s. Production is no longer a central feature to today's society and corporations have to differentiate themselves to survive and contribute to society. Above all, the well-being of members of society has to be a priority.

— **CHANG Mankey** Many companies in Korea went bankrupt during the IMF Crisis in 1997. Those with solid foundations survived, while those without perished. The sustainability of a corporation depends on this solid foundation. The foundation of a corporation is people. Everyone in a corporation, including its CEO, the executive board of directors, employees working with customers, are all the foundation that supports the company. Peter Drucker once said the aim of the corporation is creating customers. If people stay with a company, it survives. If they leave, it goes under. The examples of Toyota and Sempio highlight the importance of people. Business leaders should establish a philosophy of harnessing the potential that people have and of cultivating the talents of all their employees. The willingness of an individual employee to serve the company is the true driving force for the longevity of a corporation.

#### Keywords

Giving, well-being of members, the corporation is people, management philosophy, corporate management

## Prospects and Strategies for Northeast Asian Economies in the 'Trump Era'



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Keynote Speaker	<b>KIM Yong Joon</b> Professor, Sungkyunkwan University
Discussant	<b>TONG Jiadong</b> Vice-President, Nankai University, China <b>Yukiko FUKAGAWA</b> Professor, Waseda University, Japan <b>JANG Yoon Jong</b> Senior Researcher, Korea Institute for Industrial Economics & Trade
Rapporteur	<b>KIM Shin Hyo</b> Director, International Free City Center

— **JUN Yong Wook** Uncertainties about the global economy have been surging since President Trump took office. The post-war growth and development of the global economy driven by the U.S.-led free trade system have accelerated capital outflows from the U.S. over a prolonged period, weakening its economy in relative terms. As such, the new Trump administration is expected to push forward with anti-free-trade policies, putting interests of the U.S. ahead of others. There is a high risk of trade disputes between the U.S. and countries in the Northeast Asia, which rely heavily on international trade and record significant trade surpluses with the U.S. changes in the global economic environment are likely to present challenges and opportunities for companies in Northeast Asia, especially China, Japan, and Korea(CJK). Now is the time to discuss the effects of Trump's policies on the economy and businesses, and to identify countermeasures and areas of cooperation in the future.

— **KIM Yong Joon** The age of Trump signals a transition from internationalization to nationalism. In his inauguration speech, President Trump declared that "America First" is the one and only principle.

Deglobalization is underway, driven by the United Kingdom leaving the European Union and China's "China First" stance and its "China Dream." The age of Trump heralds changes in the political and economic paradigm for China, Korea and Japan and uncertainties over trade, currency exchange rates and investments in Korea, the U.S., China and Japan. President Trump has pressured Korea, China and Japan to reshape the geopolitical landscape in Northeast Asia and to tip the balance of trade, currency exchange rates and investments in favor of the U.S. Japan has made a quick response to Trump's moves, while China is still in negotiations, and Korea could not reach out to the Trump's administration due to internal political turmoil.

During the Korean presidential election campaign, Moon Jae-in, as a presidential candidate, appeared on the cover of *Time* magazine under the coverline of "The Negotiator." The title does not vouch for his competency as a negotiator, but highlights the need for Korea's new president to exercise leadership in negotiations with the U.S., Japan and China. CJK are key trade partners which record trade surpluses with the U.S. The Trump administration's agenda

underline improvements in trade balances with major trading partners, including CJK greater manufacturing investments in the U.S. and tighter currency exchange rate management. In reality, it is not easy for the U.S. to designate China and Korea as currency manipulators or adjust tariff rates, as the U.S. has limited room to maneuver within the frameworks of the World Trade Organization(WTO). The Trump administration's agenda has brought up a number of issues that CJK should address through bilateral and multilateral negotiations.

— **TONG Jiadong** President Trump's protectionist policies are causing concerns about the shift toward deglobalization, which may derail the U.S. and other regions from their bumpy paths to recovery. At a time when European countries such as the U.K. are leaning towards a departure from economic integration, it is imperative to find ways to sustain globalization, free trade or good investment environments. The Trump administration's protectionist policies led to a withdrawal from the Trans-Pacific Partnership(TPP), a renegotiation of FTAs with Canada and Mexico and renegotiation of the Transatlantic Trade and Investment Partnership(TTIP) with Europe. The U.S. is going down the path of protectionism, threatening China with higher tariff rates. As such, the Trump administration's policies will likely undermine the already shaky recovery of the global economy over the next nine years. Experts caution that the Trump administration's policies are anti-globalization in nature, and pose a new threat to the world. As such, it is time to deter deglobalization. It is essential to pursue free trade by creating a better trade environment in various areas such as tangible and intangible products through FTAs, China's One Belt One Road initiative, and the reform of the WTO. In addition, CJK should pursue economic cooperation within institutional frameworks such as FTAs to enhance their collective bargaining power against the U.S.

— **Yukiko FUKAGAWA** CJK should tackle trade protectionism through the development of free trade, which is a common denominator, market-led Supply

Value Chain(SVC), improvements in SVC to meet the needs of an ageing society and sharing of knowledge and ideas. By doing so, they will be able to achieve comprehensive, standardized, and sustainable advanced economic partnerships.

CJK are experiencing delays in reforms, changes in the competitive environment and a rapidly ageing society. The delayed reforms are the legacy of growth theory and there are dilemmas such as deregulation in the financial sector, protections for small to midsize enterprises, the privatization of public services, new growth strategies such as the Internet of Things(IoT), transparency strategies between the government and businesses, and affordable welfare. It is imperative to spearhead innovation and reform the labor, education and financial service sectors by ensuring sustainable wages, increasing productivity growth, refraining from intervening in foreign exchange markets, enhancing the domestic market, which serves as the foundation for innovation, and creating macro sustainability. Which is to say, a new growth model should be presented. The strategy of regional integration for growth raises the question of whether CJK need a deeply integrated market, and whether growth strategies should be aligned with existing FTAs in terms of their substance and quality. Reforming the labor and education sectors is essential to create an interface between integration and growth, and to translate growth into new jobs. It is necessary for CJK to institutionalize FTAs and pursue ways of cooperation that goes beyond FTAs.

A judgement call should be made on whether the Japanese economy should be defined as a competitor in the old industries or a partner in new businesses. It is also important to identify the strengths of China's One Belt and One Road Initiative and the Asian Infrastructure Investment Bank(AIIB), and establish a cross-border industry coordination mechanism.

In conclusion, new paradigms for reform and growth are needed. The growth paradigm should depart from government-led, hardware-led, export-driven models. CJK should focus on integration and recognize that Korea-Japan cooperation has

strategic value in that it enables solution-seeking, innovation-oriented competition based on a mutually complementary environment. In addition, it is necessary to concentrate on innovative businesses and to share economic geography that is favorable for an integrated market in terms of scale and scope. Now it is time for CJK to devise concrete, strategic ways of cooperation.

— **JANG Yoon Jong** The Trump administration is fundamentally reshaping trade policies by prioritizing the U.S. trade balance and job creation over the development of international trade rules. The changes in U.S. trade policies will likely have a significant impact on the Korean economy, given that the U.S. is calling on Korea to revise the Korea-U.S. FTA and narrow its trade surplus with the U.S. Korea's exports to the U.S. are driven by global companies operating in Korea. As such, global manufacturers doing business in Korea are expected to expand their production in the U.S. to address trade issues. Korea is voluntarily expanding imports from the U.S. to expand the trade balance with the U.S., or Korea promotes new trade-oriented industries and stimulates technology innovation that is needed for Korean companies operating in the U.S. and abroad. Asian countries should seek new ways of cooperation according to the principles of regionalism to meet challenges from the U.S. and to respond to new developments in technology.

#### [ Q & A ]

**Q. YUAN Tao(Nankai University, Joint Director of the Confucius Institute at Cheju Halla University)** I believe "China First" differs in nature from "America First." The U.S. seeks to prioritize its own interest even at the expense of others. However, that is not the case for China.

**A. KIM Yong Joon** From philosophical and economic perspectives, I find it difficult to agree. Despite the "America First" principle, the Trump administration is addressing U.S.-Sino relations within the frameworks and rules of the international economy

in diverse areas such as trade, investment, tariffs and currency issues. Moreover, the "China First" principle may risk negatively affecting its trading partners. The global economy should be a place for coexistence, rather than a zero-sum game.

**Q. YUAN Tao** Most presenters argued that CJK should join hands to enhance their negotiating power to tackle the Trump phenomenon. Japanese Prime Minister Abe's moves after the U.S. election and during their first summit suggest that Japan pursues its own interests in U.S. relations, rather than enhancing collective bargaining power through a tripartite partnership with China and Korea.

**A. Yukiko FUKAGAWA** Japanese Prime Minister Shinzo Abe's policies are facing a lot of opposition in Japan. Japan has made its relations with the U.S. a priority and relies on the U.S. for fear of security threats from China and North Korea. Due to President Trump's antagonistic relations with the media, it is often portrayed negatively around the world. However, the Japanese people do not pay much attention to prejudices in the media and thus do not have such a negative perception of him. Japan has a keen interest in economic cooperation in the region, especially in the tourism industry and cultural exchanges. Japan values tripartite cooperation with China and Korea to play a key role in Asia.



#### Policy Implications

- The Trump administration's negotiating strategies vary according to the power and status of its counterparts. CJK should pursue economic cooperation through institutions such as FTAs to enhance their negotiating power, as the European Union did.
- CJK should tackle trade protectionism through trilateral cooperation, improvements in the market-led SVC, and share knowledge and ideas. By doing so, they will be able to achieve comprehensive, standardized, sustainable, high-level economic partnerships.
- The growth paradigm should shift away from government-led, hardware-led, export-driven models. Globalization may slow or come to an end, which puts the onus on CJK to share economic geography with a focus on integration.

# Asian Cooperation Network and Korean International Development Cooperation



Chair	<b>LEE Heejin</b> President, Korea Association of International Development and Cooperation
Opening Remarks	<b>CHUNG Wooyong</b> Vice President, Korea International Cooperation Agency
Presenter	<b>TIAN Huifang</b> Deputy Director, Chinese Academy of Social Sciences <b>Sanae ITO</b> Professor, Nagoya University, Japan <b>KIM Taekyoon</b> Professor, Seoul National University
Discussant	<b>MOON Kyungyon</b> Professor, Chonbuk National University <b>KIM Sunggyu</b> Senior Research Fellow, Seoul National University Asia Center
Rapporteur	<b>OH Suhyon</b> Researcher, Korea International Cooperation Agency

— **CHUNG Wooyong** The 17 Sustainable Development Goals(SDGs) address a range of global development targets relating to poverty, inequality, health, education, and climate change, with an emphasis on strategies for their implementation. Development financing has been highlighted as one important strategy, as illustrated in the adoption of the Addis Ababa Action Agenda(AAAA), which stresses the importance of development financing in achieving the SDGs, at the Third International Conference on Financing for Development. If the SDGs are to be realized, an annual 2.5 trillion dollars in additional financing is urgently needed. And while Official Development Assistance(ODA), the conventional development financing instrument, remains important, it on its own is insufficient to achieve the SDGs. ODA must be used to catalyze other sources of financing. This could be private capital, financing from taxation, and transfers, all of which would help expand the pool of resources. Comprehensive and transformational partnerships are also vital to meeting the objectives of the SDGs and carrying

out effective development cooperation. Partnerships between governments, donor organizations, international agencies, private companies, and NGOs make effective development cooperation possible, so it is important to recognize the complementary roles of the different approaches and perspectives of each actor. As we at KOICA have worked to strengthen cooperation with various partners, and neighboring countries in particular, we are pleased at the opportunity to partake in today's discussion with experts from China and Japan.

— **Sanae ITO** If we look at the recent changes in the development field, we find on the one hand donor countries, mainly in the Organization for Economic Cooperation and Development's Development Assistance Committee(OECD DAC), that are pursuing national interests in the name of universality, and on the other hand emerging donor countries that are emphasizing solidarity and seeking ways to tie in national interests. The objectives of development cooperation must align with the national and international development priorities and not be shaped

by the drive for profits. The needs of developing countries must come first, the empowerment of developing countries must be the underlying basis of cooperation.

Japan has revised its ODA charter in February 2015, and is seeking to utilize ODA as a catalyst to build peace, stability, and prosperity and to mobilize a variety of sources of financing. We are beginning to strategically rework our approach to development cooperation in consideration of national interests. In May 2016, Prime Minister Shinzo Abe established a SDGs Promotion Headquarters, and guidelines for their implementation were adopted in December. In order for the SDGs to become mainstream, they must be incorporated as much as possible into government plans, strategies, and policies. As policy incentives, steps must be taken to explore necessary systemic reforms and secure the required financial resources, and partnerships must be established with the relevant stakeholders.

In the changing development cooperation landscape, the lines have blurred between national interests and international development priorities, and some have taken critical attitudes toward what they see as Japan's catalyzing private investment through development aid for use in the country's own private sector. Statistics show that Japan is upping its allocation of ODA for infrastructure investments in middle-income countries and also encouraging investments by Japanese companies in infrastructure projects within Asia. Ultimately, though there is nothing wrong with trying to make development more effective through private-public partnerships for development cooperation, ODA must be used specifically for development objectives, and profitability of private-sector investments must not be valued above development outcomes.

— **KIM Taekyoon** I will answer the question of why tax reform is a critical part of development financing for the achievement of the SDGs in two parts. I will first analyze overall trends in development cooperation, particularly as regards development financing, and offer a critical perspective on the

same. Next, I will explain, using the case of Korea, why tax reform is an important objective. The history of development financing stretches from Monterrey to Addis Ababa. The Monterrey Consensus of 2002 highlighted the importance of tax reform for the mobilization of domestic resources in developing countries. The Doha Declaration of 2008 reiterated what had been stated at Monterrey, and the AAAA, adopted in 2015, preserved the content of both of the preceding statements, adding to them points regarding innovations in science and technology and capacity-building. Another important achievement of Addis Ababa was the Addis Tax Initiative on domestic financing, which outlined very important ideas on the responsibility of developing country governments in domestic resource mobilization.

SDG 17, which is about strengthening global partnerships and strengthening the means for implementation of the SDGs, also emphasizes development financing. A discussion of securing tax revenue for domestic resource mobilization is included here as well. Development financing can be understood as having two categories: domestic resources, which can be further divided into public and private resources, and international resources, which also include public resources, namely, ODA and Other Official Flows(OOF), as well as private resources, including foreign direct investment and transfers. We are also seeing new forms of blended public-private finance, and alongside ODA, there has been discussion of a new financing instrument, Total Official Support for Sustainable Development(TOSSD). TOSSD includes concessional grants and loans, non-concessional loans, private-sector financing, and Purchasing Power Parity(PPP). A major component of such discussions has been debate on mobilizing private financing. Critics find fault with the lack of clear additionality, accountability, the sense of ownership, an excessive focus on profit, the risk of accumulated loans, tax evasion through overseas financial institutions, and distortion of local financial markets. There is also criticism that donor countries

are trying to avoid being held accountable by sharing this responsibility with the private sector.

Tax revenues are important because by paying taxes, citizens essentially earn the right to hold their governments responsible and accountable for their actions. This establishes transparency around how tax money is spent. In Korea, for example, after the country gained independence in 1945, legislation was passed to modernize the tax system through the creation of an income tax, a corporate income tax, and a gift tax. In the 1960s, under President Park Chung-hee, tax reforms were enacted to promote rapid economic growth. The existing tax law was scrapped and a new system put in place with economic growth in mind. There was an active tax administration and an emphasis on saving and investment. In the 1970s, under the Yushin System, the tax system was manipulated to strengthen government power vis-a-vis the larger society and legitimize an unlawful regime. Thus we can say that there were pros and cons to the tax reforms of this time.

In conclusion, tax reform can be a key tool for developing countries in the consolidation of governments. The mainstreaming of taxes as an instrument for national consolidation will enable the securing of financing needed for the implementation of the 2030 Agenda for Sustainable Development. Development cooperation in the area of tax reform can include the sharing of Korea's experiences related to tax policies and national development with developing countries, or the carrying out of joint projects on tax reform by Korea, China, and Japan.

— **TIAN Huifang** Numerous challenges are discussed with regard to the goal of achieving sustainable development, including sustainable growth, employment, productivity, competitiveness, the middle-income trap, inclusive growth, and human capital. Diverse forms of development financing are needed to address all of these. Investments in infrastructure, for example, play an important role in economic growth, and include such things as ripple effects, network effects, forward and backward linkages, a division of roles among developing and developed

countries, a growth in linked external demand such as the Mekong region development program, the One Belt and One Road Initiative and the 2030 Agenda for Sustainable Development, as well as the Paris climate accord. The World Bank has reported that maintaining current levels of economic growth and meeting future demand from developing countries will require annual investments of over 1 trillion dollars through 2020. In Africa, finance disparities amount to 100 billion dollars every year. In short, the global development finance system is not supplying the necessary resources to meet development demands.

Other challenges are also present, including various risks that plague the implementation of infrastructure projects, as well as disparities in the quality of policies and institutions, in the progress of projects, and in financial resources. Such factors make project implementation, sustainability, and financing very costly.

For example, China's approach to infrastructure investments played a major role in China's economic growth. The 13th Five-Year Plan outlined 303 projects to develop railroads, highways, water supply systems, airports, and urban railways, and a total 4.7 trillion dollars was invested in these projects. According to the statistics for the period between 2010 and 2012, 44.8 percent of China's foreign aid was invested in economic infrastructure, along with 27.6 percent in social infrastructure. China also has several overseas infrastructure projects underway. Through such projects, China has gained extensive technological experience and developed a sense of global responsibility as well as a philosophy on mutually beneficial coexistence. Nevertheless, the country also faces such challenges as protectionism in international investment and trade, intensifying competition, and insufficient financial resources due to limited financing channels, and a lack of the professional talent needed for international-level management.

Through the 13th Five-Year Plan, China aims to strengthen cooperation with international financial

institutions, broaden infrastructure coverage, and promote linkages with infrastructure development. New development banks like the Asian Infrastructure Investment Bank(AIIB) can play a catalyzing role in these efforts, as they are well-suited for the work of helping investment opportunities translate into actual demand and resolving the limitations hampering policies and institutions. The presence of this kind of bank will boost confidence, reduce risk, and encourage financial flows through the appropriate financial instruments. It will be a trustworthy intermediary in the blending of various financial resources, highlighting the possibility of direct contributions as well as mobilization and change.

— **KIM Sunggyu** An examination of recent trends in development financing helps us answer three fundamental questions: Can ODA be used to mobilize private investment? What is the objective in mobilizing development financing? And how can development financing be mobilized effectively? For starters, ODA can be a helpful catalyst for mobilizing private-sector financing, but we must recognize that the objectives of ODA and private investment are inherently different. Effective mobilization of resources will require taxation, which in turn necessitate effective tax-related mechanisms and governance. At Addis Ababa, it was suggested that an UN agency be developed for this purpose, but due to opposition from developed countries, it was decided instead that the Committee of Experts on International Cooperation in Tax Matters be maintained.

— **MOON Kyungyon** This was an excellent opportunity to hear about China's perspective, as China does not typically make explicit its rules concerning ODA. Prof. Kim Taekyoon's presentation was an informative look at Korea's experience with tax reform. All three of the presentations provide a helpful base for thinking about the challenges of linking national interests and the SDGs and about ways Korea, China, and Japan might be able to work together promote tax reforms as a part of development cooperation.

#### Keywords

Asian development cooperation network, Korea–China–Japan development cooperation, development financing, Sustainable Development Goals(SDGs), Addis Ababa Action Agenda(AAAA), ODA as catalyst, infrastructure investments in developing countries, supporting tax reforms, development effectiveness, partnerships for development cooperation



#### Policy Implications

- Mainstreaming SDGs can be achieved through maximum incorporation of SDGs into government plans, strategies, and policies. Policy incentives could include measures to explore necessary systemic reforms and secure the required financial resources, and partnerships must be established with the relevant stakeholders.
- There is a definite trend toward the use of ODA as a catalyst for the mobilization of private-sector financing to expand development financing. However, the development outcomes of this strategy must be explicitly established in order to prevent the use of public resources to generate profits for private companies.
- Tax reform can be an essential tool for developing countries in national consolidation or rebuilding. The mainstreaming of taxes as an instrument for national consolidation can make possible the securing of financing needed for the implementation of the 2030 Agenda for Sustainable Development. Development cooperation in the area of tax reform can include the sharing of Korea's experiences related to tax policies and national development with developing countries, or the carrying out of joint projects on tax reform by Korea, China, and Japan.
- In order to expand infrastructure investments in developing countries, a pipeline of sustainable and profitable projects should be created. The investment framework should be strengthened by reducing high development and transaction costs so as to attract more private-sector investment. The financial assets of large institutional investors and longer-term bond investors should be strengthened during the initial stages and throughout the management of long-term financing in order to resolve the issue of viability gaps. Lastly, cooperation for development and distribution of technologies should be strengthened.

## Cooperation of Growth Center among Korea, China and Japan



Chair	<b>JEONG Hyung-Gon</b> Vice President, Korea Institute for International Economic Policy
Moderator	<b>PARK Yu-Jin</b> Director, Incheon Free Economic Zone Authority
Keynote Speaker	<b>LEE Young-Geun</b> Commissioner, Incheon Free Economic Zone Authority
Presenter	<b>KIM Myoungah</b> Senior Research Fellow, Korea Legislation Research Institute <b>LEE Jooyoung</b> Research Professor, Incheon National University <b>Douglas Zhihua ZENG</b> Senior Economist, World Bank <b>Kazutomo ABE</b> Professor, Tokyo Denki University, Japan <b>Tamai TAKESHI</b> Executive Officer, Olympus Korea <b>JANG Eun-young</b> Director of Economic Affairs, Trilateral Cooperation Secretariat
Rapporteur	<b>YOO Yeonsung</b> Assistant Director, Incheon Free Economic Zone Authority

— **LEE Young-Geun** The cities of the future are set to assume more intensive functions and manifest their potential as state-of-the-art cities combining environment with technology. Our dream is to have cities that are competitive, convenient, appealing, and clean. The cities we look forward to seeing by 2050 are smart cities, environmentally friendly cities, low-carbon cities, and cities made up of ubiquitous systems. The Incheon Free Economic Zone(FEZ) is a business hub city for Northeast Asia and a forward base for global business. The three regions of Songdo, Yeongjong, and Cheongna form a base that is functioning as a new engine for economic growth and gearing up for global growth by means of inclusive growth. With the arrival of the Fourth Industrial Revolution, the Incheon FEZ is focused on attracting and nurturing cutting-edge convergence industry and developing a global convergence test bed with its vision and strategy for 2030, through which it is working to attract companies and foster convergence industries with a focus on things like Information

Technology(IT) and Biotechnology(BT), Research and Development(R&D), future cars, and smart cities. To create a global economic platform, it is involved in international business districts and casino resort development projects with outstanding capital sources in the U.S., Japan, and China, while cooperating with Chinese economic zones like Tianjin and new zones in the region in areas such as smart cities. It has also been involved in collaborative efforts like opening a Weihai Center in Korea as part of a Korea-China FTA local economic cooperation pilot city effort with the city of Weihai, or opening an Incheon Center in China. Through its active efforts to attract investment from Japanese businesses, it is working to establish a business value chain relationship with Korean companies. Ultimately, the Incheon FEZ is preparing for a pilot city role in a China-Japan-Korea(CJK) FTA and cooperation by local economies in Korea, China, and Japan. I hope this meeting today will be an occasion for further encouraging cooperation for the shared benefit of Korea, China, and Japan.

— **KIM Myoungah & LEE Jooyoung** With the United Kingdom leaving the European Union and the advent of a new wave of protectionism, economic cooperation by Korea, China, and Japan has been decreasing, and people have been talking about the need for ideas to overcome this and achieve development with regional economies. China has led the way in terms of pilot projects and ideas for local economic cooperation by Korea, China, and Japan. It has pursued cooperation by local economies in the three countries, an approach that originates in a September 2012 idea for collaborating with neighboring Chinese regions on an economic collaboration system with local governments on the Shandong Peninsula. Korea, China, and Japan have long used their proximity and cultural similarity as a basis for economic exchange, but economic cooperation remains at a low level relative to economic or population scale. At a time when cooperation or dialogue at a government level is difficult to implement, cooperation by local economies may offer a new model for trilateral cooperation. The goal of our research is to discuss bases for trilateral economic cooperation and propose ways of building platforms to drive economic cooperation by local governments and achieve shared growth. The findings have shown places like Dalian, Tianjin, and Qingdao, which have been designated as Chinese free trade test zones and new districts at the state level to be base regions for trilateral economic cooperation, in the Incheon area of Korea and the Tokyo and Fukuoka regions in Japan.

Incheon functions as a base for goods and services trading in the Seoul Capital Area. Our proposal is that the process of trilateral economic cooperation through special economic zone regional specialization strategies should be focused less on linear, point-to-point cooperation than on cooperation on a regional basis that allows for value chain linkage in a way that suits the industrial characteristics of different special zones. Economic cooperation among cities in Korea, China, and Japan will require strong policy implementation.

First of all, there needs to be policy collaboration, which involves discussions on cooperation between governments in legal and operational terms. Second, we need to build transportation infrastructure and promote distribution among the three sides. Third, trade needs to be made more convenient through plans for addressing non-tariff barriers(including hygiene and quarantine regulations and technology barriers), the simplification of the customs process, simplified overseas purchasing, and electronic customs systems. Fourth, we need ideas for encouraging trade activities involving economic cooperation base regions in Korea, China, and Japan. Fifth, we need industry finance cooperation. Sixth, we propose that there need to be additional discussions at the level of government and private exchanges on things such as the development of specialized tourism for base regions in the three countries, exchanges of government employees, looser immigration regulations, and openness in healthcare and education.

The idea of economic cooperation bases in Korea, China, and Japan involves the division of regions into northeastern Dalian, southern Qingdao, and south central Tianjin in China. The development of individual cooperation projects is seen as essential, and Japan will need to pursue its own projects involving the Tokyo and Fukuoka regions. Recently, there has been a rapid increase in traffic in Incheon and investment in its FEZ. As it establishes itself as a leading FEZ in Korea, it will need to be connected into a network of bases in Korea, China, and Japan. In addition to cooperation among regions, there will also need to be cooperation among zones, which will have to be connected to the one-on-one policies currently being intensively pursued by China. The thing we have to consider here is an examination of each base region's industrial policies and openness when deciding on the types of businesses that will enter and the means of investment. This will be accompanied by discussions on exchanges, cooperation, and future development of economic cooperation base regions in Korea, China, and Japan. The key thing is commitment and cooperation in policies by individ-

ual governments, which will then serve as a basis for government and private exchanges and the commissioning of various private-government collaboration projects on joint development, joint investment, and the like. Details have to be shared among countries and backed by industry finance and cooperation, and ultimately there will need to be trade liberalization through mutual certification based on more convenient trade.

— **Douglas Zhihua ZENG** The special economic zone system involves designating specific individual regions, which are subject to different regulations and provided with one-stop services not found in other economic regions. They are also offered a number of different benefits, including well-equipped infrastructure (ports, harbors, roads, and electricity) and tax benefits. Direct benefits of special economic zones include job creation, exchange rates, government support, and export support, while indirect benefits can also be gained in terms of technology transfer, observing examples of modern management, export diversification, increased trade efficiency, and promotion of green growth as the zones play the role of pilot regions for economic reforms.

Since there are different kinds of special economic zones, this means there is an element of choice. In the case of the Chinese provinces, there are at least two different types of special economic zones. For cities that have experienced rapid increases in population and economic scale, China has attempted a broad range of policy reforms, including tax reform and labor market and price policies. As a result, around seven megacities in China have been designated as special economic zones, producing the equivalent of 22 percent of national GDP and creating 30 million jobs (60 percent of them for women). The ten special economic zones in China—which include the Zhongguancun High-Tech Zone in Beijing, Zhangjiang Hi-Tech Park in Shanghai, Suzhou Industrial Park, high-tech complexes in Guangzhou and Wuhan, the new high-tech development zones, and the Qingdao Economic and Technical Development Zone—were among the fastest-growing cities as of

2016 and are leading the way in terms of economic indicators.

If we look at areas for potential cooperation on growth bases for Korea, China, and Japan, the most important area for collaboration is in science and technology innovation, with things like technology training in areas related to mobile technology, developing education programs and sharing R&D and knowledge through short-term training programs. This also entails linking company value chains and developing platforms for service industry development and Information and Communication Technology (ICT). For this kind of trilateral cooperation to capitalize on its potential, we can reduce tariff and non-tariff barriers and continue pursuing regional integration through a Regional Comprehensive Economic Partnership (RCEP), organize regular trilateral special economic zone forums, and establish a consultative group for trilateral cooperation. One way I think we can achieve this is if each country selects two to three special economic zones to begin concrete cooperation activities, with international development organizations like the World Bank taking part to help them further realize their potential.

— **Kazutomo ABE** Japan's National Development Plans (NDPs) have set a basic framework for the development of regional economies in Japan. Already formulated by the 1960s, these plans involved establishing steel, petrochemical, and other industrial cities to achieve the goals of local economic development and infrastructure building. The most salient component of the first NDP's approach was its new industrial cities and other special economic zones. With the new industrial cities, the targets were heavy industry and chemical product manufacturing complexes, including combines and petrochemical complexes. The plan was implemented in an effort to decentralize production bases, with the government investing massive amounts in ports, roads, rail systems, and other infrastructure. On the whole, the plan was a success. The second NDP was launched in 1969 and adopted the approach of a large-scale development project aimed at completely fleshing out

the development potential of various regions through the promotion of locally specialized industry, with a target date of 1975. This plan was an overall failure and its objectives were not reached due to the oil shocks and sluggish economic growth of the time. After that, there needed to be a shift in NDPs toward high technology, without the previous emphasis on regionally based approaches.

Since 2010, Japan has been pushing deregulation policies for the sake of regional development. The establishment of its National Strategic Special Zones (NSSZs), which were approved in 2013, resulted in regulations on specific economic activities being lifted as a way of boosting competitiveness and building an axis for international economic activity. Twelve regions received designation according to the law, with a focus on deregulation in the service sector. The aim with this approach has been to begin deregulation in certain regions and gradually expand it elsewhere in Japan, but the effects in the NSSZs where regulations were lifted are still under way.

With special economic zones, the focus is on deregulation of healthcare and welfare services, construction permits, regulations on foreign visitors and workers, and the establishment of global venture businesses and farming projects. There are some opponents of deregulation in Japan, along with criticisms of the Trans-Pacific Partnership (TPP). In terms of the international context, Japan's special economic zones are no longer interested in manufacturing; their focus is on deregulation in the service sector, taking foreign direct investment inflows into account. Given the criticisms of the TPP, we take overseas direct investment into account when it is needed by the manufacturing sector, but our role consists of building manufacturing bases in the special economic zones in Korea, China, and Japan. As specific areas, pharmaceuticals and medicine are especially promising and will offer a lot of opportunities to businesses in China and Korea.

— **Tamai TAKESHI** This year, we are scheduled to open a Korean training center for Olympus in the

Incheon FEZ's Songdo district. In selecting Songdo for this center, we first of all took into account its regional location, the demand for healthcare education in Seoul and Gyeonggi-do, and its accessibility to Busan, Gwangju, and Daegu. We also see great potential for future development because of Korea's high standard of medicine and surgery.

— **JANG Eun-young** The Korea-China-Japan Trilateral Cooperation Secretariat (TCS) was founded in September 2011 as a result of a trilateral summit by Korea, China, and Japan. The TCS has four sectors. It includes things like the economy, society, and culture, with director positions alternating among the three countries every two years. So far, around 20 meetings have been held on an ongoing basis. With the TCS meeting in 2016, we decided on and carried out research on CJK supply chain connectedness. There are plans for continued support on supply chain linkages, and because local economic cooperation is so important at the current stage, I think there is a good deal of potential for cooperation in the area of special economic zones in particular. The TCS is also involved in things such as economic cooperation around the Yellow Sea, and we hope to see continued, problem-free cooperation in the future with things like this FEZ roundtable.

— **JEONG Hyung-Gon** Uncertainty in the economic environment has been on the increase since the arrival of the Trump administration. There has been a rise in protectionism recently, and the trade conflict between China and the U.S. is deepening. It is a situation that could potentially deal a blow to exports, which means that collaboration and increased trade by Korea, China, and Japan are more important than ever before. It also seems like we need to remove tariff and non-tariff barriers.

#### [ Q & A ]

**Q. Kyrgyzstan government agency official** I am curious about how you actually evaluate investment inflows. Do you think there is a trickle-down effect from the establishment of special economic zones? I would

like to know about the actual effects from special economic zone designation.

**A. LEE Young-Geun** Of the 9.5 billion U.S. dollars in Foreign Direct Investment(FDI), 45 percent counts as delivered FDI. It has been very effective in attracting foreign environment, with private contracts offered for real estate and free leasing made contingent on job creation.

**A. Douglas Zhuhua ZENG** Special economic zones can be taken advantage of through the development of national mechanisms and industry policies. Incheon has a hub infrastructure, and costs and effects need to be assigned accurately.

#### Keywords

CJK growth base cooperation, Incheon Free Economic Zone, CJK economic cooperation base, Chinese special economic zones, Japanese National Strategic Special Zones, new protectionism, eliminating tariff and non-tariff barriers, company value chain linkage, deregulation, consultative group for CJK special economic zone collaboration

#### Policy Implications

- Production bases with a mutually complementary character and potential for collaboration at the industry development stage(including the special economic zones in Korea, China, and Japan) are capable of establishing company value chain linkages and cooperating in mutually beneficial ways in areas such as trade and investment, capital and projects, electronic transactions, and distribution.
- The Incheon FEZ is gearing up to take on a pilot city role in trilateral local economy collaboration and a CJK Free Trade Agreement. Hopefully, the FEZ roundtable will be a stimulus for mutually beneficial cooperation by special economic zones as growth bases in Korea, China, and Japan.
- A permanent consultative body for trilateral special economic zone cooperation and annual events like the FEZ roundtable at the Jeju Forum for Peace and Prosperity need to be provided as ongoing forums for establishing a consensus and discussing ideas for mutually beneficial cooperation among special economic zones as growth bases for the three countries.
- The designation of 12 National Strategic Special Zones in Japan and policies for deregulation in the service sector offers potential for trilateral business cooperation in areas where Japanese manufacturing companies are involved in foreign direct investment, while Japan's special economic zone system for service deregulation may offer many opportunities for new Chinese and Korean businesses in areas such as pharmaceuticals and healthcare.
- The means of capitalizing on the potential for trilateral cooperation include pursuing regional integration by abolishing tariff and non-tariff barriers under an RCEP platform, holding regular trilateral special economic zone forums, and establishing a consultative group for trilateral cooperation. As a first step upon establishment of such a group, each country can select two to three special economic zones to begin concrete cooperation, with international development organizations like the World Bank taking part to further realize their potential.

## Empowering Women's Leadership: Expanding Influence and Innovation



Chair	<b>KIM Yanghee</b> Director, Gender & Leadership
Moderator	<b>CHO Haelim</b> Professor, Korean Institute for Gender Equality Promotion and Education
Opening Remarks	<b>MIN Moosuk</b> President, Korean Institute for Gender Equality Promotion and Education
Congratulatory Remarks	<b>KANG Yoonhyung</b> Spouse of Governor of Jeju Special Self-Governing Province / Child Psychiatric Specialist
Keynote Speaker	<b>Melissa ALVARADO</b> Programme Manager, UN Women
Presenter	<b>PARK Nansook</b> Director General, Ministry of Gender Equality and Family <b>Sophia ZHAO</b> Senior Research Faculty, Center for Creative Leadership <b>Miho WATANABE</b> Researcher, National Women's Education Center of Japan
Discussant	<b>LEE Eunhee</b> President, Jeju Women and Family Research Institute <b>DOH Yang Hoi</b> Professor, Jeju National University
Rapporteur	<b>JUNG Yi Man</b> Director, Women Resource Development Center, Korean Institute for Gender Equality Promotion and Education <b>KIM Jeonggi</b> Officer, Korean Institute for Gender Equality Promotion and Education

— **MIN Moosuk** It has been said that women leaders not only have a positive impact, but are a driving force for new change. Unfortunately, in countries such as Korea, women's participation is declining as there are obstacles they face in their community and work environment. In response to the changes in society, it is desirable to invite women experts to work in the private and public sectors to picture a desirable foundation for social change driven by a new leadership. Empowering young women will be discussed as well as a new direction for leadership to be the driving force for empowering women. Last March, we co-hosted an international seminar with the European Union delegates on sexual crimes via the Internet. I sincerely hope this symposium will give us another opportunity to have thought provoking leadership discussions.

— **KANG Yoonhyung** Working as a psychiatrist, specializing in young children, I am helping with school

violence and community based mental health. I have two daughters and I am concerned for their opportunities as women. Women have always been a minority in leadership. To get rid of discrimination in this new era, we need more responsible leaders. What we have to do is not just complaining about this discrimination, but having women's voices heard. Responsible leadership is vital to the identity of future women leaders, and I hope this session will shed some light on women in the future.

— **Melissa ALVARADO** In Port Moresby, Papua New Guinea, 80 percent of market vendors that sell food are women. Many are extremely poor. Among the women vendors, 55 percent experienced some sort of sexual violence. Vendors have expressed fear daily about men who sexually harass them. In response, a safe city program was introduced by the local government in Port Moresby. As part of the program, a safe haven was built in local cities. The results were

that over 3,000 women got together and formed unions; libraries were built; and shower rooms and restrooms have been updated. Market stalls were renovated with running water, and shelters for the women under the threats of sexual violence were established. Women are powerful agents of change. Women promote peace, although undeniable gender discrimination still exists. The UN is focused on increasing women's participation at all levels, starting from the national level all the way down to the community level. Fostering women's leadership in the local community helps growth within their own economic sectors. Partnership is the key to success of this movement, and it is vital to empower women to gain control of their own life by giving them proper education. Violence and discrimination are the obstacles for women all over the world, and there is not a simple answer to solving this problem.

The UN is out to reach the poorest, as well as those in developed countries. Our goal is to promote awareness of the women's issue and to give women access to education, and to political and economic decision making. Women need a stronger role in decision making to have their voices heard. One out of three women is a victim of sexual violence which has profound effects on them and their community. These effects hurt their ability to gain employment and their educational potential. Women who are victims are less likely to pursue education and job careers. Too early marriage is a major factor that prevents them from completing their education, as well.

The programs gave them a land to live on without the fear of getting kicked out and a control of their lives. They help women learn that they have rights and the ability to possess land and to be given opportunities. Women invest roughly 90 percent of their income back into their family, children and the community. This formula helps women and has a ripple effect as it stimulates economic growth. Women leadership requires a wider range of effort to improve it as they are the agents of change.

Women have specific social and civil responsibilities. Paving a path to equality strengthens peace ne-

gotiations. On a national level, women are becoming a key part since they have been the missing element in political parties in the past. Women and men need to come together in decision making for the whole population. The gender gap can be narrowed, and women should be given more of a voice in key decision making. Since conflicts affect women and men differently, more diverse knowledge can help them make better decisions that strengthen women and men through family friendly policies. Studies have shown that there is 22 percent more likelihood that a peace lasting two years can be achieved with women involved in the decision making. Also, it is 35 percent more likely to have an agreement that lasts more than 15 years. Overall, we need more women involved in the peace process. Appropriate responses to safety issues, education, women's rights and gender discrimination are critical in these multidimensional approaches and efforts.

— **PARK Nansook** The development of society depends on women's empowerment and how much we build their capacity in our society. Their participation rate remains low, but if they participate in social activities as actively as men, it will boost our economy. Women have a low representation in the recruitment area. We are reaching levels closer to men, but women are still facing discrimination. In this regard, we should realize how much pressure women face due to gender discrimination and gender stereotypes. This barrier also prevents women from climbing the corporate ladder. Ministries related to women's issue and the government are working together to take affirmative action. Women are underrepresented, and we can see their absence in upper levels of management. These programs are set up to help women gain access to these positions.

We are fostering many talented young women by setting up a women's database pool to put them in the right positions. A goal of talented women's academy has been established to build up their capacity. Women's talent still fails to be appreciated by society. Women lack networking skills and this is one of the programs' focal points. Through a further

evaluation of their backgrounds, 23,000 participants have received this education. We expect that this program will foster the talents of more women, as organizations and corporations started similar programs. The newly elected president of South Korea has pledged that the number of women in his Cabinet will increase to 30 percent, a very innovative policy to fight gender inequality. To expand the pool of talented women, we need to narrow the income gap by gender at business corporations. A governmental effort is needed. The government is making active progress towards change, and we must continue this drive.

— **Sophia ZHAO** The mission of the Center for Creative Leadership(CCL) is to advance the proactive development of leadership among both men and women worldwide. Research shows that women's leadership brings benefits to organizations, such as better financial outcomes and better decision making. Overall, the average women members of the leadership in Asia is 8.7 percent lower than in the U.S. and the United Kingdom. A glimpse into leadership pipelines shows that an average of 50 percent of talented women drop out the contest for promotion.

Unconscious bias is rooted beyond our awareness, and this exists at work sites. Research shows that women leaders have difficulty in showing their potential to others. Women are perceived as too soft or, conversely, too tough. Women may work twice as hard only to get half the credit, compared to men. Senior-level women are perceived as competent but not liked much. Three components are needed to resolve this: research, community building, and leadership solutions by building networks with other women. The leadership solution at the CCL has three phases: prepare, engage and apply. Women come to the class, and their journey has already started. Implementing an assessment to help them understand themselves, the CCL focuses on reflection, experience setting(-less lecture-based), follow up, e-learning, coaching and mentoring. Focusing on these five themes, we help women build connections, and we build our

solutions around this philosophy. The CCL's society advancement program provides the same leadership development opportunities to women who are less privileged. Whether they are from local communities, universities or work sites, the goal is to give them the tools to become better mothers, and business and government leaders.

— **Miho WATANABE** The National Women's Education Center(NWEC), a national women's education center in Japan, was established in 1977 to conduct training for women all over the country. Providing the opportunities of training, research and information gathering for women every year, it has scored a great success. When the Convention on the Elimination of All Forms of Discrimination Against Women(CEDAW) was established in 1980, men were solely regarded as breadwinners and women as housewives. Compared to that period, a majority of women have jobs now. In 1985, equal employment opportunity laws were put in place to give them equality in applying for jobs. In 1991, policies made it easier for women to return to work after they gave birth. Since 2001, a domestic violence law and other laws have helped reduce gender inequality.

The economic and political sectors lack women's participation, not even reaching 30 percent in some fields. Married women have increased their labor participation but this drops in their 30s to 40s. Women with the same education as men earn less. Glass ceilings hinder women from achieving corporate promotion to senior-levels. Survey data show women and men have a higher satisfaction in their jobs when they start to work. But while this satisfaction rate decline for men, it is even more so for women. Having more women participate in economic activities is imperative, as the number of women who continue working shows a decline after the first year. Ninety-four percent of men desire to work at the management, compared to 63 percent of women. Over time, those numbers drop to 86 percent among men, compared to 47 percent among women. Women evaluate themselves as being less skilled than men. About 75.8 percent of men, compared to 63

percent of women, say they have leadership skills.

The NWEC hosts seminars for women and the corporate organizations in anticipation of a ripple effect of managers and corporate leaders practicing what they learned at the seminars at their work places. Leaders and managers in senior positions all participate in this program. Universities and private companies are targets of the NWEC's education programs. As more women hold jobs, we need to reach directly out to the individual workers to expand the scope of the data. Our two goals are to provide young women with networking skills and to have them return as mentors for younger women in the future years. To support women's leadership and reduce gender inequality, we need to make different approaches to each target audience.

— **LEE Eunhee** When it comes to Jeju Island, strong women are cited as a symbol of this island. This meaningful symbol stands for as much as the term, women's leadership, does on the global stage. Women's leadership is gaining more attention, thus emphasizing the need to promote their education. However, we need to use the term, women's leadership, very cautiously, because it might imply discrimination by stressing biological characteristics. Jeju women record the highest rate of participation in economic activities across the nation. Women's participation in the workforce increase naturally, but we need to think over if it has something to do with the growth of women's leadership.

We need local representatives and local government to support this women empowerment movement. It has been 20 years since we first started the movement, but there still are glass ceilings to break for women to gain access to senior-level corporate positions. People's perception of gender norms needs to change. All of Jeju women cannot go to the mainland to join others, but we need to make a connection to the mainland to support women's participation in the workforce across the nation. Hopefully these seminars will help women to expand their networks to local communities.

— **DOH Yang Hoi** Five years ago, there were not

many discussions on inequality for women, which I call gender blindness. I was fed-up with this discrimination and I became more aware of how serious this problem is. I think women's efforts will not be enough, and we need to bring men in to help with this movement. With a new president in South Korea, we have seen a lot of new policies helping women fill the upper level positions in the government and corporations. The leadership needs to address the women's issue, and we need to take many different approaches. I feel frustrated when I think about the inequality that my daughters will face in their education, career life and social activities in the male dominant culture.

— **JUNG Yi Man** At our institute, we are educating roughly 7,000 women managers a year and have produced a talent pool of 15,000 women. I have learned a lot from male perspective over the years watching this trend shift. What I call the "man box" is the expectation of men having to be strong and not "weeping." In many companies, executives will not survive when women take leadership roles because they are perceived as weak. We need to incorporate strategies to get rid of the "man box" and other gender stereotypes. Raising awareness is the key, as the whole country is caught up in this "man box" outlook. The question is how we can break out of this stereotyping. Women make up about 12 percent of people at high level positions of public offices. They account for less than 1 percent in private companies. Many people focus on short term accomplishments. This practice needs to be redressed for the future through government support. A new trend is happening where many young men workers have a female upper-level manager, and there is more to study about this new trend.

— **Sophia ZHAO** I think these evaluations came up in the past, and the CCL as a specialized research institute conducts evaluations on all levels; on organizations, teams and individuals by using self-reports, totaling 360 evaluations, and building layers of quantitative studies on specific key points. We use these tools to educate women and men so that they

can be role models for others. This training helps by producing multiple effects of spreading role models and networks.

— **PARK Nansook** How do we foster female talent to increase the participation of women in leadership? For the past year, the government has been working to increase the ratio of women from 10 percent to 40 percent. This shows government can drive change. To pursue an equal ratio of women and men in the workforce, the public sector should reach up to 30 percent of female employees in the initial stage. It is important to have the government set up the foundation for the gender equality. Also, improving leadership depends on education. Women's leadership roles can penetrate society when the government programs increase equality for women. Women are important workforce and have many obstacles to overcome, so we must keep working together towards gender equality.



### Policy Implications

- Cultivation of women's leadership is vital for our society, and there should be a solid foundation for the leadership to grow upon. This movement begins with the education of women and the government's role in making policies to keep raising awareness of gender equality.
- A work and life balance is a key part of a women's life as much as it is for men. It is important to create family friendly policies at work places and to break the stereotype that only men can be leaders. To reduce gender gap, women should take part in decision making and perform leadership roles with proper training and education. Overall, it is important to set up foundations that men and women can both build success upon.

## Asia's Contribution to the Global Open Market



**Chair** **John DELURY** Associate Professor, GSIS, Yonsei University  
**Opening Remarks** **Lars-André RICHTER** Head, Friedrich Naumann Foundation for Freedom Korea Office  
**Discussant** **Razeen SALLY** Associate Professor, Lee Kuan Yew School of Public Policy, National University of Singapore  
**Wan Saiful WAN JAN** Chief Executive, Institute for Democracy and Economic Affairs, Malaysia  
**KIM Young-Han** Professor, Department of Economics, Sungkyunkwan University  
**Rapporteur** **Pett JARUPAIBOON** Regional Programme Manager, Friedrich Naumann Foundation

— **Lars-André RICHTER** The Friedrich Naumann Foundation(FNF) is a German non-profit organization founded in 1958 post-war West Germany. The session today at the Jeju Forum is hosted by both the FNF and the Economic Freedom Network Asia(EFN Asia). The FNF supports a network of liberal minded think tanks and individuals.

— **KIM Young-Han** Why protectionism by the billionaire U.S. President? President Trump thinks that the current format of The Global Open Market System is unbearable and unsustainable for U.S. blue collar workers. Are U.S. blue collar workers simply irrational? No, they are absolutely rational. U.S. blue collar workers know that there is not, and will not be, an effective trade adjustment assistance system in the U.S. Winners get everything with no room for losers in the global open market according to the U.S. experience. How much of a threat is caused by Trumpian Protectionism? Very threatening and disastrous. If Trumpian Protectionism spills over to major trading countries, a global trade war is the next stage, just like the experience before the two World Wars. The current one-sided protective measures of the U.S. are highly likely to provoke retaliatory measures from

trading partners. Is Trumpian Protectionism sustainable? Not really, since it is self-defeating. Why? The source of gains from free trade, which are efficiency gains via reallocation of economic resources from inefficient sectors to efficient sectors.

— **Razeen SALLY** He has three main points to make. First, we are in the global economy, particularly on trade. Second is the protectionist threat. Third is on what can be done in and by Asia to keep the market open. Economic globalization has not been reversed, since the global financial crisis, but it has stalled. There has been a global growth slowdown. Trade to GDP worldwide has not increased since about 2006. What is happening to world trade? Why has it slowed down? Is it simply because the world economy is slowing down? If that is the case, then it is not worrisome and only something cyclical. Or is something more structural going on? Are the big liberalization days behind us, since there is no China to liberalize anymore? If this is the case, that trade is going to grow more slowly in the future, then that is very bad for export-driven economies. The big question now is with the new protectionism, will creeping protectionism gallop? The upfront threat is from the

U.S. and Europe, from the populist backlashes. Most worrying is the U.S. with the Trump presidency on North American Free Trade Agreement(NAFTA), the Trans-Pacific Partnership(TPP), China bashing, and obsession with bilateral trade. Another question is with the new protectionist threats from the West, but not just the West, will we see an upsurge in protectionism? If we do see this kind of tit-for-tat retaliation, then that will have a bigger effect on global value chains and on global growth and that is what is there to be contained. The depressing scenario is that we return to a kind of 1930s scenario of depression.

— **Wan Saiful WAN JAN** Asia overall has benefitted from the global open market, such as Hong Kong and Singapore and Malaysia. To narrow it down, the Malaysian government recognizes the value of open trade and liberalization. It recognizes the benefits of the TPP, ASEAN Economic Community(AEC) and Regional Comprehensive Economic Partnership(RCEP). The presence of the U.S., although important, has not always been helpful to the promotion of open markets. When there is a strong American presence, the reaction and resistance is equally strong. For example, in the case of the TPP, one of the key criticisms was that it allowed U.S. companies to dominate. Now that the U.S. is retreating, China is definitely trying to assert its role. We are still grappling with how to deal with the rise of China and with this new normal.

— **John DELURY** We have to weather the storm with the Trump presidency. What can Asian nations do? Any proactive ideas for Asian nations?

— **Razeen SALLY** It is not all doom and gloom. There are significant countervailing forces. They have not translated into actions yet, except for the American exit from the TPP. NAFTA is still there and there has been no increase in protectionism against China yet. Looking at the countervailing forces, American firms are very much woven into the complex global value chains. If noises from President Trump translated into actions, American firms and their workers will be the first to be affected and they will take actions against this. Indeed they have already

successfully prevented the prospect of an American exit from NAFTA under Trump administration.

— **Wan Saiful WAN JAN** We need to stay committed to the reform agenda now that there might not be external pressure anymore. China comes in with no reform agenda. China's huge investments may also affect politics in many countries, especially Malaysia, extending the 60 years of one-party rule.

— **Razeen SALLY** How will these things happen, Wan? Usually these things happen with a combination of domestic and external pressures. We saw a lot of unilateral reforms in Asia, but it was under the US umbrella providing global and regional order, the establishment of multilateral institutions, and the maintenance of global and regional pacts which prevent war from happening. Illiberalism abroad will reinforce illiberalism at home.

— **Wan Saiful WAN JAN** The rise of illiberalism in the background has existed together with the rise of liberalism. It is the result of people feeling left out from the benefits of liberalization. The key drive of politics is how the public at home feel. We have not educated people at home well enough. That is what we need to do.

— **John DELURY** I would like to ask you shortly about the TPP and RCEP.

— **KIM Young-Han** Korea already has bilateral deals with most countries in the TPP and RCEP. Japan is the main exception, so not too much of an effect. However, with the Trump effect, these multilateral deals become more important, even though they may have limited material effect on Korea.

— **Razeen SALLY** The TPP and RCEP are very different. The TPP is a strong trade agreement. It is a real loss for the U.S. itself to withdraw. If it were to implement it, it would be a real positive force for the members. Might it go ahead without U.S. leadership? It depends on Japanese leadership. There is also the prospect for the U.S. to join in four years time and also for Britain to join. The RCEP will most likely follow the pattern of other Chinese and other intra-Asian free trade agreements.

— **Wan Saiful WAN JAN** The RCEP is almost a definite

thing already, but it is not so robust. Malaysians are more excited about the AEC, which is closer to their hearts.

— **John DELURY** Leave your last word in two to three sentences on the topic of Asia's contribution to the global open market.

— **Wan Saiful WAN JAN** We can only make a positive contribution to the world today if we maintain our commitment to our internal reform. And we need to appreciate that external pressure may not continue to be there, but despite that we must continue our unilateral commitment to reform.

— **KIM Young-Han** Talk for the sake of talk really matters in terms of re-establishing multilateralism. So you should continue to talk even if that talk does not produce any real, feasible and imminent benefit in a multilateral format. That is how the WTO could prevent another global trade war.

#### Keywords

Asia, Trump presidency, New protectionism, China, Global trade war, Multilateralism, Global open market, Liberal economic order



#### Policy Implications

- The Trump presidency is a threat to the global open market. It is inclined to erode the liberal economic order which the U.S. has provided in Asia for the past 70 years.
- The U.S. presence in Asia is still necessary, in providing a security platform as well as enforcing the liberal economic order.
- China will definitely assert its role, particularly in Asia, but it has its own severe weaknesses. China's leadership is a dangerous one and the worst kind of capitalism. Moreover, the European Union is unable to fill the vacuum.
- New protectionism could possibly create trade wars if tit-for-tat retaliation occurs, and that could lead to a disastrous outcome. However, in a today's globalized world, with complex and interwoven global value chains, and other countervailing forces, especially in the U.S. itself, the extreme effect is an unlikely scenario.

## The Trump Administration and the Geopolitics of Regional Economic Integration in the Asia-Pacific



**Moderator** **SHIN Sung-won** Director-General, Department of International Economy and Trade Studies, Korea National Diplomatic Academy  
**Presenter** **Malcolm COOK** Senior Fellow, ISEAS-Yusof Ishak Institute, Singapore  
**KANG Seon-jou** Professor, Department of International Economy and Trade Studies, Korea National Diplomatic Academy  
**Jagannath PANDA** Research Fellow, Institute for Defense Studies and Analysis, India  
**Takashi TERADA** Professor, Faculty of Law Department of Political Science, Doshisha University, Japan  
**Rapporteur** **RO Yoo Kyung** Researcher, Department of International Economy and Trade Studies, Korea National Diplomatic Academy

— **Malcolm COOK** The U.S. withdrawal from the Trans-Pacific Partnership Agreement (TPP), President Trump's first executive order, drew attention to the importance of China's role in the economic integration of the Asia Pacific region. The Regional Comprehensive Economic Partnership (RCEP) is also being highlighted as the most promising path toward the Free Trade Area of the Asia-Pacific (FTAAP). However, there are four challenges that China is facing in leveraging the RCEP negotiations to achieve the FTAAP and spearhead regional integration.

First, given the progress made so far, the RCEP negotiations are unlikely to make a significant impact on the opening of markets, but rather are likely to cause complications. For example, China and India, two major participants in the RCEP negotiations, have been caught up in political rows and trade imbalances. A fragile, complex RCEP may discourage other countries in the Asia Pacific region from taking part in the RCEP.

Second, the Trump administration's withdrawal from the TPP does not seal the debate on the TPP. Members of the TPP and the RCEP, such as Australia and Japan, are anticipated to seek to apply

the TPP standards to the RCEP agreement, which should draw opposition from RCEP members such as China, which are not TPP signatories.

Third, the U.S. under the Trump administration is not without challenges. If the FTAAP is pursued within the frameworks of the Asia-Pacific Economic Cooperation (APEC), U.S. intervention is inevitable.

Fourth, the Asia Pacific region's trade agreements such as the TPP, the RCEP and the FTAAP are not China-led initiatives, making it difficult for China to exercise influence that matches its economic power. Measures should be devised to expand China-led initiatives such as the Asian Infrastructure Investment Bank (AIIB) and the One Belt One Road Initiative to ensure China will be able to lead the economic integration of the Asia Pacific region.

— **KANG Seon-jou** Given the economic effects, the TPP is likely to become a mega FTA. The TPP applies new, stricter standards to diverse areas such as intellectual property rights, service, investment, e-commerce, state-owned companies, labor and environmental protection. The TPP serves as a geopolitical vehicle, in that it helps balance regional orders and power dynamics and provides a counterweight

to China, a rising power in the region. That is, the TPP is instrumental in rebalancing the Asian region from the U.S. perspective and a risk hedging vehicle, which enables other participating countries to counter the threats of China through partnerships with the U.S. However, the U.S. withdrawal from the TPP and China's tightening grip on the regional economy will likely reshape the economic order and geopolitical landscape as seen in the following scenarios.

First, an acceleration of the RCEP negotiations. The TPP without the U.S. would force TPP signatories to rely more on China. This would motivate China to show leadership to see to the rapid conclusion of the RCEP and take trade liberalization discussions to a higher level.

Second, move toward the TPP-11. The TPP signatories, including Japan, may pursue a TPP without the U.S. The remaining 11 signatories are expected to be swayed by Japan's leadership and leave the door open for the U.S. to rejoin the TPP in the future.

Third, move toward the FTAAP. A trade agreement can be constructed in a way that coordinates disparate trade policies under the TPP and the RCEP. The APEC may serve as a platform for the U.S. and China to take the lead in this regard.

Fourth, regained leadership by the U.S. A trade agreement structure can be devised, separate from a TPP. Should the U.S. return to the negotiating table, it is expected to win more favorable terms compared to the TPP.

— **Jagannath PANDA** Following the 18th round of negotiations in May 2017, expectations are growing for the conclusion of a RCEP. The launch of the RCEP will likely accelerate the economic integration of the Asia Pacific region. However, the RCEP negotiations and the path toward the agreement have some sticky issues, such as economic interests in the Asia Pacific region surrounding China and geopolitical strategies by respective countries. As such, coordination and negotiation are essential to the launch of an inclusive, comprehensive RCEP. China and India, the major two economies among RCEP members, are pursuing the economic integration of the Asia

Pacific region with their differences remaining over the integration process and procedures. As the U.S. withdrawal from the TPP emphasizes the role of China in the economic integration of the Asia Pacific region, it may aggravate conflicts between India and China. China has been tightening its grip on ASEAN and Asia, while India bowed out of The One Belt and One Road Forum for International Cooperation held in May 2017, fueling tensions in bilateral economic relations. In addition, following the end of the TPP, countries in the Asia Pacific region are making more serious approaches to the RCEP. For example, members of the TPP and the RCEP, such as Australia and Japan, are seeking to revive the TPP and are actively participating in negotiations to bring the RCEP back to life. ASEAN members are quickening their pace to conclude the RCEP, through which they intend to drive economic development and improve the regional economic environment.

In the early stages of the RCEP negotiations, China intended to keep the U.S. from exercising influence on the Asia Pacific region through the TPP and to place ASEAN at the center of the regional economic structure by minimizing the influence of the West in general and the U.S. in particular. An ASEAN-centric economic structure would make it easier for China to exert its influence over the Asia Pacific region and take the lead in regional economic integration. In addition, China was able to expand its negotiating power within the frameworks of the RCEP by separating economic issues from geopolitical issues such as territorial disputes between ASEAN members. China may disregard the India's interest in the RCEP, as the latter has yet to announce political support for China's One Belt One Road initiative. While the TPP was restricted to East Asia and coastal areas of the Asia Pacific region, the RCEP has member countries across the region. Cooperation with China, which may leverage the RCEP to demonstrate economic leadership, is essential for India's Look East policy.

— **Takashi TERADA** TPP negotiating partners, excluding the U.S., show no intention of leaving the TPP

and are seeking to sustain the TPP without the U.S. This may have a negative impact that nation and open the door for America to backpedal from its decision to leave the TPP. First of all, the TPP without the U.S. will likely weaken the competitiveness of U.S. products in the Asian market. Currently, the U.S. has bilateral FTAs in Asia with Singapore, Australia and Korea, whereas Japan and China have more FTA partners in the region. This may undermine the U.S. employment market and widen U.S. trade deficits. President Trump is seeking to enter bilateral agreements with respective TPP members to replace the TPP, but negotiations are time-consuming, and bilateral FTAs cannot generate similarly strong effects or economies of scale as multilateral TPP agreements do. A TPP without the U.S. allows China to leverage other vehicles such as the RCEP to spearhead the economic integration of the region.

In response to President Trump's protectionist trade policies, Japan may consider the following three scenarios. First, the TPP can be revised in a way that satisfies the Trump administration, and Japan and the U.S. thereby implement the TPP. Revisions may include an increase in the use of locally manufactured parts, extension of the data storage period for biologics and the creation of a legally binding mechanism against currency manipulation. Second, a TPP without the U.S. may go into effect, with a few countries such as Japan entering bilateral FTAs with the U.S. Bilateral FTAs will ensure the U.S. will remain engaged in the Asia Pacific region. Third, a de-facto free trade zone may be established in the Asia Pacific region through the creation of a link between the RCEP and the TPP without the U.S. That is, TPP signatories such as Canada, Mexico, Chile and Peru join the RCEP to form a FTA encompassing 20 countries. China's participation in the TPP without the U.S. is useful only when China makes commitment to trade and investment standards under the TPP in areas such as labor and environment. Still, engaging TPP members in the RCEP is achievable and will make the RCEP more effective and ambitious.

#### Keywords

Asia Pacific region, regional economic integration, TPP, RCEP, FTAAP, APEC



#### Policy Implications

- TPP signatories such as Japan and Australia will likely continue their efforts to sustain the TPP without the U.S. As such, Korea, which is not a TPP member, should closely follow how TPP-11 negotiations will unfold going forward.
- Notably, the Trump administration has announced that it will seek bilateral trade agreements with individual TPP signatories. While the U.S. is designing strategic relationships to maintain its influence over the Asia Pacific region, Korea should clearly show where it stands on the economic integration of the Asia Pacific region.
- Although the RCEP negotiations are driven by China and ASEAN member countries, developing and advanced countries have yet to iron out their differences over various issues such as the opening of markets and trade standards. With the U.S. withdrawal from the TPP, the remaining TPP signatories are expected to take the initiative in maintaining high trade standards set by the TPP and at the same time seek to build inclusive, comprehensive economic relations by leveraging existing regional economic groups such as the RCEP and APEC.
- The RCEP is viewed as the most likely driver behind the economic integration of the Asia Pacific region. However, the development of the Free Trade Area of Asia-Pacific (FTAAP) in the Asia Pacific region is closely related to APEC, which includes the U.S. That is, should the U.S. continue to pursue trade protectionism and bilateralism, the economic integration of the Asia Pacific region would face tougher-than-expected challenges.
- Since the new administration came into office, trilateral relations between Korea, Japan and China have made positive progress, providing a momentum for the three countries to resume FTA talks. The end of the TPP and slow progress in RCEP negotiations are expected to incentivize Korea, China and Japan to push forward with a trilateral FTA.
- Korea should play a more active role that corresponds to its economic power, expanding its influence beyond Northeast Asia to the rest of the Asia Pacific region and the Indo-Pacific region. In particular, Korea should enhance economic cooperation and build win-win relations with India by expanding the Korea-India Comprehensive Economic Partnership Agreement (CEPA) to a FTA.

## Cooperation on Joint Management and Utilization of Fisheries Resources in the East China Sea



Chair	<b>ZHANG Chang Ik</b> Professor, Pukyong National University
Keynote Speaker	<b>Rokhmin DAHURI</b> Former Minister of Marine Affairs and Fisheries of Indonesia <b>KIM Su Jeong</b> Deputy Director, Ministry of Oceans and Fisheries
Discussant	<b>Miguel BERNAL</b> Fishery Resources Officer, General Fisheries Commission for the Mediterranean <b>CHO Junghee</b> General Manager, Korea Maritime Institute
Rapporteur	<b>LEE Jungsam</b> Director of Fisheries Resources Department, Korea Maritime Institute

— **ZHANG Chang Ik** As marine resources have declined across the world, fishery production has been in a downturn as well. Korea has seen the lowest output of coastal fishing in 44 years, and Japan in 60 years. This is a combined result of the overexploitation of marine resources and the destruction of the marine ecosystem. In this session, marine specialists will discuss issues regarding how the marine resources in the East China Sea, one of the most productive bodies of water in the world, should be shared and used.

— **Rokhmin DAHURI** As global climate change worsens, changes in marine resources and the deterioration of fishery production are expected to emerge. World leaders have made a number of attempts to tackle the issue. The East China Sea, which borders with the mainland of East Asia and the Pacific Ocean, is shared by Korea, China, Japan, and Taiwan. With the predominant movement of the Kuroshio Current combined with nutrients flowing from the Yangtze River, the sea has an abundance of marine products. For example, the East China Sea accounts for 36 to 54 percent of the Chinese fishery

production in total, which is the highest among its bodies of water, which include the South China Sea, the Yellow Sea, and the Bohai Sea.

Korea, China, Japan, and Taiwan have actively participated in fishery production in the East China Sea. According to a 2016 report released by the Food and Agriculture Organization of the United Nations (FAOU), the fishery output of the four countries is 14.84 million tons, 1.72 million tons, 3.69 million tons, and 930,000 tons respectively. Aquafarming has greatly increased in coastal waters. The existing threats to peaceful and sustainable development of the East China Sea include overfishing, especially Illegal, Unreported and Unregulated (IUU) fishing, marine contamination caused by bordering countries, the destruction of marine ecosystems such as seaweed forests in coastal waters, a decrease of species diversity, erosion, climate change, and maritime safety. Especially problematic are conflicts regarding coastal area utilization and disputes over maritime boundaries (including Dokdo Island).

The marine ecosystem in the Yellow Sea is being severely damaged as 17 million tons of waste wa-

ter flow into it every year. Since 1965, 2.2 million gallons of oil have been spilled into the Asia Pacific area, and 2.12 million gallons, around 96 percent of the total, have been released by East Asian countries. The growth in population and income in these countries led to soaring demand for space, natural resources, and environmental services, exceeding the carrying capacity of the marine environment, which is a fundamental cause for these environmental problems. Other reasons include an insufficient understanding of the strategic importance of marine and fishery resources, few alternatives to the poor livelihoods of coastal communities, and a lack of eco-friendly technologies provided for coastal residents. The greed shown by related government officials and industries is also a contributing factor. The lack or underestimation of the market evaluation of marine ecosystem services, the global food crisis, a loosening of the monitoring and management of marine resource, and a failure of related institutions are also the real culprits. All of these problems, combined together, exceeded the environmental carrying capacity of the ocean and created extremely stressful conditions regarding marine resources.

In this sense, Jeju Island, as a carbon-free island, could set a good example for well-managed coastal waters. The sea boundaries of the East China Sea and related policies have to be established according to the United Nations Convention on the Law of the Sea, or UNCLOS, and an evaluation of the potential of natural resources in the international waters of the East China Sea has to be conducted. Based on the results of that evaluation, a fishing quota for each country in East Asia has to be decided. Nano-biotechnologies to increase the productivity and sustainability of marine resources, sustainable fishery technologies, and contamination control technologies have to be developed. Moreover, resilience in the face of natural disasters has to be enhanced, efforts to restore damaged marine ecosystems should be made, measures to alleviate the effects of, and to adjust to, climate change need to be drawn, and mechanisms for the sustainable development of ma-

rine resources should be created.

— **KIM Su Jeong** Traditionally the sea has provided humans with food and a means of transportation. The East China Sea is cooperatively shared and utilized by Korea, China, and Japan. After UNCLOS was implemented in 1994, the three Asian countries proclaimed an Exclusive Economic Zone (EEZ). However, as the northeastern sea is narrow and each country's EEZ tends to overlap, consultations between these countries are needed. Korea and Japan entered into an agreement on the utilization of their waters in 1999, and as for Korea and China, an agreement was reached in 2001. Currently, as the demarcation of the EEZ is difficult to implement, the three countries are jointly using the marine resources in the overlapping marine areas, but a new fishery order between the three countries has to be established in the future based on UNCLOS. According to the Food and Agriculture Organization of the United Nations (FAOU), the Northeast Asian Sea belongs to Major Fishing Area 61, which boasts the largest fish catch in the world as cold and warm currents meet to create optimal conditions for the fishery. In 1950, four million tons of fish were caught in the Northeast Asian Sea, but since then output has rapidly increased to mark a record-high 24 million tons in 1988, though this number has dropped in recent years. Notably, the recent fish catches of Korea and Japan have massively fallen, while those of China have soared.

The exploitation of marine resources in the ROK-China Provisional Measure Zone has intensified. Currently, there are five provisional zones according to bilateral agreements between Korea, China, and Japan, but the proper management of the resources of those areas is nonexistent and it is proving difficult for one country to exclusively manage its zone. Since such intensive fishing could easily lead to a depletion of marine resources, the three countries need to build a cooperative structure to effectively manage the resources which are their common interest. In particular, cooperation between coastal countries on the use of straddling fish stocks

is needed. For example, the allowable catch of major fish stocks in the Barents Sea is decided by the Joint Norwegian-Russian Fisheries Commission. Since 2001, a series of studies on the co-management of the sea has been conducted at home and abroad, and among these are several studies on fishery co-management between Korea, China, and Japan. When the Korean-Japanese Fisheries Agreement was drawn up, Korea agreed to invest ten billion Korean won with Japan investing one billion Japanese yen to build a marine resources management center in Jeju Island, but since 2000 the implementation of the plan has stalled. A new order for sustainable fishery resources management needs to be created in the future.

— **Miguel BERNAL** Regarding the co-management of the East China Sea, lessons can be learned from the experience of the General Fisheries Commission for the Mediterranean (GFCM). The GFCM was first established in 1949 within the framework of the FAOU and started as a regional fishery management institution. The Mediterranean Sea had similar problems to those of the East China Sea. The regional governance on fishery species was too weak. Later, as more parties saw the need to address the problem by establishing a specialized institute, any country which wanted to join the Mediterranean Sea fishery had to agree to abide by these compulsory rules. In 1997, the institute was transformed into a commission with an executive office running its own budget, and it introduced a performance evaluation system in an effort to strengthen its governance.

The GFCM was built by an agreement between the representatives from different countries just as other management institutes, including the Indian Ocean Tuna Commission (IOTC), were established. In its early years, the commission did not run its own executive office, but in retrospect the efficient working of the executive office was essential in carrying out the commission's tasks. The executive office was situated in Italy since the headquarters of the FAOU was also there and no other countries were sponsoring the organization. The budget was procured from

the national spending budget and external sponsors. The mid-term strategy of the GFCM for the future is to promote its member countries' capabilities and cooperation, to restore fishery resources, to support the livelihood of coastal communities, to prevent IUU fishing, to restore the health of the marine ecosystem, and to enhance fishery productivity. Dialogue between member countries to increase their capabilities and cooperation has been crucial in alleviating competition among themselves and adopting a fair decision-making process. As such, a powerful institute and its control are needed to draw an obligatory decision between the countries. Fishery management also requires the cooperation and will of member countries to balance out various situations such as the current conditions of the marine ecosystem, fishing productivity vis-a-vis marine resources, and maritime contamination.

— **CHO Junghee** Over the last 15 years, there has been much talk about co-management of the North-east Asian Sea, and now it is time to have a more specific discussion on the issue. In other words, the actual subjects and the budget to continue to co-manage the sea have to be specifically discussed. Fortunately, the Jeju Forum for Peace and Prosperity has provided a venue for discussions on continuous co-management to take place. To implement actual and specific plans for co-management of the sea, Jeju Special Self-Governing Province should come up with specific plans for co-management and conduct consultations on how to carry out these plans with the central government in the future.

— **ZHANG Chang Ik** Although the need for cooperation between Korea and China on the utilization of the sea has been felt for the last 30 years, specific plans have yet to be drawn up. China still does not abide by its total allowable fish catch, as Chinese fishing boats illegally overfish and damage the marine ecosystem in their own territory, as well as that of neighboring countries. This situation must be managed and rectified. To form a marine management institute with the help of the FAOU could be an alternative when progress on building an agreement

for a co-management body between three Asian countries is negligible.

#### Keywords

East China Sea, marine resources, co-management, cooperation



#### Policy Implications

- The GFCM was able to gain the authority to procure external funds through its own budget, set up an executive office, and put together an exclusive framework program after it developed from a managing institute to a commission, raising its effectiveness. The fact that the member countries' capabilities and dialogue among themselves have been promoted was crucial in establishing a fair decision-making process between member states.
- To adopt compulsory rules for countries, a strong institute specializing in said issues is needed; the institute has to be able to exert significant influence to balance out the health of the marine ecosystem and productivity vis-à-vis human pressures through maritime management. Accordingly, a fishery co-management body between Korea, China, and Japan has to be established to draw up binding decisions and to maintain a balance between the health of the marine ecosystem and productivity in the East China Sea.
- Creating an implementation structure and budget assistance is essential to promote cooperation between Korea, China, and Japan. Over the last 15 years, there have been many discussions on the need to establish a fishery co-management system, and it is time to materialize them into a working body. As such, now is the time to make specific plans and find a common ground to build a co-management institute through the Jeju Forum for Peace and Prosperity.
- Plans to materialize a regional maritime co-management institute with the help of the FAOU should be given significant consideration if the establishment of a co-management body is difficult to realize despite the individual efforts of Korea to make use of the examples of the GFCM.

## Industry 4.0 in China, Japan and ROK, a Leading Regional Cooperation in the Globalized World



**Moderator** Akima UMEZAWA Deputy Secretary-General, Trilateral Cooperation Secretariat  
**Presenter** CHENG Nan Vice Director, Planning Research Institute of China Center for Information Industry Development  
 Shunsuke MANAGI Distinguished Professor and Director, Urban Institute, Kyushu University, Japan  
 KANG Hakju CEO, ulalaLAB Incorporation  
**Discussant** KIM Jeong-Gon Research Fellow, Global Strategy Research Center, Korea Trade-Investment Promotion Agency  
**Rapporteur** Marina SAKAI Economic Affairs Officer, Trilateral Cooperation Secretariat

— **Akima UMEZAWA** In 2011, Germany created the term “Industry 4.0” in order to deliver strong influence on the concurrent and emerging technologies, which will positively affect the economy as a new social system. While Industry 4.0 is a good movement for development, it also has social significance and implies a shift of the economic system. Thus, this session will focus on analyzing recent developments of Industry 4.0 or innovation in the three countries of China, Japan and Korea; the direction that the three countries are heading to; and how the three countries should cooperate to lead the economy in the global society.

— **CHENG Nan** The background to “China Manufacturing 2025” has external and internal factors. The exponential changes that have happened along with the new industrial revolution were closely related to manufacturing process. The change of the ecosystem has led Internet and manufacturing to converge with each other, and new business such as Internet banking is on the rise. Innovation model has also changed and smart manufacturing has been spreading. These changes have brought about a customization of organization structure. The external changes

also let internal changes. As the growth pace of China slows down, the country enters into the New Normal, and economic development is facing challenges including lack of resources, rising labor cost, sluggish export and decreasing competitiveness of the investment. The Chinese government has carried out reforms and proposed goals, one of which is One Belt, One Road initiative.

China Manufacturing 2025 consists of two pillars of smart manufacturing and promoting productive Internet. Internet will be the drive for innovation. Various innovative models and micro innovations are creating synergies. Towards the goal of smart manufacturing, China should create an ecosystem to enhance the quality of Chinese manufacturing. Two kinds of capability enhancement are needed. First, for the manufacturing industry to innovate itself, innovation centers are being constructed. According to the goals of China Manufacturing 2025, 15 innovation centers will be constructed across the nation by 2020. Second, given that 90 percent of the state of the art facilities are imported and that some countries have banned exports of major facilities to China, basic industrial capabilities need

to be strengthened in order to ensure quality. The government will pursue this through four key points of intelligent manufacturing, green manufacturing, advanced manufacturing and service-oriented manufacturing. One of the goals of China Manufacturing 2025 is to leverage with other countries and adopt foreign investments. The Chinese government has adopted more open policies that target large and foreign companies, as well. As President Xi Jinping said at Davos Forum, trade protectionism is putting oneself in the dark room where you cannot breathe the air or enjoy the sunshine. Going forward, China will work with more international companies.

— **Shunsuke MANAGI** All countries, including China, Japan and Korea, have similarities on the topics of smart city, smart housing, artificial intelligence and big data. Countries should focus on making strengths even stronger. Last year, there was an average of 18 percent stock market price increase in Japan, largely deriving from trading companies. The trend of big companies moving to investment is becoming a new business model. In the era where industrial structure is changing rapidly, what will make the difference in the future is the ability to quickly change business if necessary.

Retail, automobile and electric industries experienced a decrease in the stock market, due to a decrease in individual sales and high Japanese yen compared to U.S. dollar. Some automobile industry is investing on collaborations with bigger universities. Prime Minister Abe has proposed a new target of Society 5.0, following the historical development of society from hunting, agriculture, manufacturing and information. It is important to note that the core strategy for Japan’s future economic growth focuses on artificial intelligence and data. By artificial intelligence, it means that new fields will be connected by data through computer science.

The reality in Japan is that very few international students come to Japan for their studies, and very few also go out, when compared to other countries such as the U.S., Canada and Sweden. Given that the country’s population will decrease by 200,000 per

year, Japan faces the challenge of a larger demand of robotics in medicine and construction. One of Japan’s strengths is the technology assessment for research and development. It is much easier now to access various experts’ viewpoints from different disciplines, and collaboration of engineering with other social science fields has made R&D mechanisms more efficient. Besides, data accumulation as well as the uses of hydrogen as a buffer to assure energy security is also areas that Japan is good at. Artificial Intelligence(AI) and big data can create benefits that people may not have realized yet. AI does not decide its own objectives. Japan is good at basic science such as mathematics and physics, and these disciplines can contribute to AI in a relatively small budget. Using new ideas and connecting this to engineering in a smarter way will bear more benefit to the Japanese society, and this can also be a good contribution of Japan to the world.

— **KANG Hakju** The concept of smart factory is considered by many businesses around the world and the attention seems to center on smart factories for Small and Medium Sized Enterprises(SMEs).

The manufacturing sector is determining criteria to assess the competitiveness of a nation. The labor-intensive manufacturing sector in Asia has lost its momentum in the past few decades, and the achievement of Germany regarding its High-tech Strategy 2020 has led many companies to conduct researches on smart factories. The platform for Industry 4.0 has been designed and implemented for big businesses that are agile, and it requires large investments that SMEs do not have access to. Such model is prevalent around the world, but the percentage of SMEs in the manufacturing industry in the world and in Asia is 81.6 percent and percent, respectively. SMEs face challenges with outdated facilities, manual labor production system, and costs.

Smart factory is for production efficiency, support to the management to make rational decisions, reasonable operation and enhancement of competitiveness. The concept of smart factory needs to provide data collection methodology, analysis function, and

ability of monitoring the improvement of production process. It is only after these process are taken that SMEs can think about automation and system integration.

New technologies such as big data and crowd sourcing have significantly reduced the cost burdens of SMEs in connecting data created at operating systems to the Information Technology(IT) system. There is no need to replace existing equipment and it can be rapidly installed. However, it is crucial to make sure that laborers are able to apply the new technologies at ease. Industry 4.0 is emerging in all parts of the world and the smart factory should be embraced at national level, not only by the manufacturers. In doing so, close attention must be paid to the needs of the small businesses. Three recommendations are SMEs should be able to adopt a new platform at a low cost; the platform should be easily adaptable; a large number of software developers are needed, and the data protocol as well as applicable standards should be adequate to a given country or region.

— **KIM Jeong-Gon** The second industrial revolution has changed human history when the steam engine was applied to other industries and create rapid innovations. During the third industrial revolution, it was believed that computers would replace manual labor, but now in the era of digital revolution and innovation, AI is replacing intellectual labor as well. For example, it is intellectually challenging to think about how Alpha Go was able to analyze a large set of data in such a short span of time. Machines are also able to make judgments on their own. While AI has a set of limitation, it can be applied to manufacturing as well. For China, Japan and Korea, pursuing digital innovation in the manufacturing sector will have a significant impact on the economy. In Japan, what are the considerations made with regards to the changes in the labor market under Society 5.0? In Korea, what should Korean government do given the current situation? In China, under the all-encompassing transformation strategy of Internet Plus, what are the concerns about the labor market and

unemployment?

— **Akima UMEZAWA** Looking back into history, the first industrial revolution gave rise to capitalism and social divide between the rich and the poor. The birth of the global market in the second industrial revolution meant that people who had mass production power governed the market, and the emergence of IT created digital divide. There is the negative impact that Industry 4.0 gives to countries and the world. What are the policies in China, Japan and Korea to fill such social or economic gap between the haves and the have nots?

— **KANG Hakju** Korea plans to establish 10,000 smart factories by 2020. While this manufacturing innovation 3.0 seems effective in many regards, Korean policy focuses primarily on the quantity of growth and the support systems are not well-connected. The Korean government should focus on a long-term approach to achieve quality improvement, and there is a lot we can learn from Japan and Germany. The German model is meaningful because while the government takes the leading role, the actual power is delegated to other players including universities, research institutions and regional communities. In Korea, power is concentrated in the center. Regarding the social divide, core technologies can reduce the digital divide.

— **Shunsuke MANAGI** China, Japan and Korea should not compete in areas that are led by Germany and the U.S. The target for Japan will be medical care and construction, both domestic and international. There is a concern on compensating human labor with robotics, and survey results show that if technologies are cheap enough, people are happy with it. Further experiments on technologies is necessary. Japan proposed two approaches to tackle the social divide. One is basic income system as social safety net, and the second is making higher education less expensive. This is expected to make it easier for people to go back to school when they are looking for a job.

— **CHENG Nan** A revolution is something that affects our lives and cultures. This is why Japan has introduced the concept of Society 5.0, and why China

has introduced Internet Plus. China Manufacturing 2025 is also about capital, human resources and culture. Chinese companies are lacking human resources. Given the development gaps in the regions, companies' needs of talents are very diverse. With the spread of ICT, companies need people with expertise. In the next ten years, the number of university graduates will outnumber the total population. If China is able to better use this, with the back up of infrastructure, there will be benefits.

— **Akima UMEZAWA** How should three countries strengthen cooperation to tackle the social gaps emerging from Industry 4.0?

— **KIM Jeong-Gon** While technologies take away some jobs, it will also create new jobs. China, Japan and Korea should jointly establish an ecosystem for digital economy.

— **CHENG Nan** Chinese people are also starting more projects to create businesses and jobs. Each country has its competitive edge, which should be the basis of trilateral cooperation.

— **KANG Hakju** The three countries should not compete against each other, but should be able to share technology and data to further promote Industry 4.0 together. It is important to open discussion to overcome regulatory challenges, and this will also help solve issues regarding labor market.

#### Keywords

Industry 4.0, Manufacturing, Trilateral cooperation



#### Policy Implications

- Various social and economic impacts of Industry 4.0 can be addressed for CJK not through competition, but through win-win collaboration based on each country's comparative strengths.
- Areas that three countries need to collaborate include: establishment of an ecosystem for digital economy; and open discussion to overcome challenges on regulations, standardization and technological compatibility. Trilateral cooperation can be an engine to promote Industry 4.0, and can also contribute to the challenge of labor market.
- Education is the key to address social and economic gaps emerging from the Fourth Industrial Revolution. National policies to provide continuous education through more flexible education systems will lead to strengthen worker's capabilities.

## Strengthening the Capacity of Research Centers for Overseas Investments

### 한국경제매거진

Moderator	<b>LEE Changmok</b> Director of Research Center, NH Investment & Securities Corporation
Keynote Speaker	<b>PARK Cheon Woong</b> Chief Executive Officer, Eastspring Asset Management Korea
Presenter	<b>KIM Yunsuk</b> Family Officer, Samsung Life
Discussant	<b>CHO Yongjun</b> Head of Research Center, Hana Financial Investment <b>KIM Jaehong</b> Head of Research Center, Shinyoung Securities
Rapporteur	<b>LEE Jeong Heun</b> Reporter, Hankyung Business Magazine

— **PARK Cheon Woong** Global expansion has emerged as a key agenda in the Korean financial service sector, due primarily to changes in demographic structure. After passing a peak in 2015, Korean working age population has been declining at a faster pace than those of other major economies such as Japan, China and the U.S. Korea's population is aging at an unprecedented rate globally, while average life expectancy is increasing. However, people generally do not have enough savings to sustain themselves as they live longer, which will inevitably lead to a greater demand for investments.

For Korean brokers and asset management companies, pursuing global businesses is not a matter of if, but when. The most efficient way to establish a business is following the flow of capital. As mentioned above, the demand for global investments is sharply increasing among retail and institutional investors such as the National Pension Fund. This customer demand provides a good incentive for market players to establish global businesses. The outflow of capital from Korea should not be considered as a threat to the Korean financial services market, but rather as an

opportunity for Korean brokers go global.

Building a global business model customized to Asia would be instrumental for Korean brokers or asset management companies. The global financial market is showing a keen interest in Asian emerging markets such as China and India, where Korean brokers have comparative advantages in terms of capital, capabilities and experience. Should China and India emerge as the center of the global business world, Korean brokers will be able to sharpen their competitive edge in the global market by building a solid presence in the Asian market alone.

Language has been an entry barrier for Korean financial service providers such as brokers to penetrate the overseas markets. However, the development of automated machine translation technologies such as PAPAGO is expected to remove this hurdle, allowing global asset management companies, investment banks and brokers to do more active business in Korea. Conversely, however, it also provides opportunities for Korean brokers and financial service providers to enhance their competitiveness as a global franchise.

Korea is in the early phase of the Fourth Industrial Revolution in all industries, let alone the financial industry. The financial and automotive industries, the two most protected sectors in Korea, might become among the first beneficiaries of innovation driven by big data and machine learning. The financial industry, which involves money transactions, has been subject to strict safety regulations. However, once the rise of new technologies such as blockchains or robo-advisors tear down high entry barriers, the financial sector will face a higher wave of innovation than other industries. Technologies such as big data, Artificial Intelligence(AI) and machine learning are widely used in the financial markets in Europe, the U.S. and Korea in areas such as investment banking, insurance and client services.

The key to the Fourth Industrial Revolution is cooperation, which is not limited to people-people but also people-machine relations. Korean brokers need to think outside the norm that they have to establish their own infrastructure and networks to drive the development of global businesses. Notably, small and medium-sized brokers with limited financial resources should work together in overseas markets which they cannot penetrate on their own. Building infrastructure overseas is a costly venture, but taking advantage of the established infrastructure will enable significant cost savings. Small to medium-sized brokers which face similar challenges abroad should network with each other by exchanging information in their areas of expertise and expanding cooperation.

— **KIM Yunsuk** The collapse of Lehman Brothers triggered a near meltdown in the global financial market in 2008-2009. The Korean financial market was not spared from the fallout, as seen in new terminology referring to loss-making overseas funds. Prior to the global financial crisis, overseas funds attracted many investors with the promise of high returns. However, the crash of the global financial market wiped out 50 to 80 percent of the value of investments.

The tax burden is one of the key considerations

for high net-worth individuals in deciding upon overseas investments. Under the current Korean taxation system, gains on overseas investments are subject to a capital gains tax or dividend income tax. For example, when an investor has reaped a ten percent gain on overseas investments, the after-tax real rate of return comes in at 5.6 percent. This is not attractive enough for investors to take the risk of making overseas investments. Asset allocation concentrated on a single market is also undesirable for retail investors. The market capitalization of the Korean equity market accounts for two percent of the global financial market, and thus Korean investors are missing out on the rest of the global financial market by investing only on the Korean market. An increase in overseas investments is inevitable; however, policy frameworks regarding such things as taxation should be in place to promote overseas investments. The biggest difference in the overseas investment boom of the past and the present is that Private Banks(PBs) have moved up the learning curve. Customers are showing great interest in financial products with medium-risk, medium-return. As overseas investment products are often inscrutable, inexperienced PBs may have difficulties in seeing through structural complexity. In this regard, training programs are being offered to address these problems.

— **CHO Yongjun** I believe Mr. Park's speech has inspired Korean research centers to turn challenges into opportunities. Korean brokers have already taken the necessary steps, enhancing global asset allocation and recruiting talent. It is reckless to make investments without accurate information or an analysis of investment targets. Investing without research is like gambling. Past examples show that overseas investments, not backed by research, led to huge losses. As was the case with Brazilian bonds, investors had rushed to bet on high-yield overseas investments without analyzing the markets or products and ended up with heavy losses. There is no argument that it is time for research centers to enhance their capability to meet growing interest in overseas

investments. Notably, research centers must examine in detail how they might address the growing importance of globalization and rapid market changes, such as the introduction of new technologies in the era of the Fourth Industrial Revolution.

— **KIM Jaehong** Despite strong interest in the analysis of global equity markets, the time difference and limited information available to Korean companies make it difficult to have a flexible response. It takes time for analysts to develop experience and provide reliable analyses that helps investors take a selective approach with a long-term perspective. As for Shinyoung Securities, the research center is seeking to enhance its talent development and global networking by forging partnerships with overseas asset management companies and sending employees abroad. This enables us to analyze the requirements of overseas markets. However, as overseas corporate analyses incur significant costs such as company visits, Investor Relations(IR) and networking, small to medium-sized companies should find ways to improve the quality of their analyses in a more cost efficient way. Notably, PBs have a critical role to play as overseas investments have a high-risk, high-return profile.

— **LEE Changmok** The Fourth Industrial Revolution is taking place at a breathtaking pace. It takes only 30 minutes for a single AI to process what it would take three hours for 30 analysts. This presents a serious threat, but also an opportunity if research centers work with these machines. One may mistakenly think that Korean investors pursue a medium-risk, medium-return profile. In fact, when investor seminars on overseas equities were held, it was high-risk, high-return products that attracted the largest crowd. Strictly speaking, there are no such products with a medium-risk, medium return profile. The term is intended to reassure investors who are seeking high-yielding, safe investments. The aging of the population is leading to a growing need for higher investment returns. Given that medium-risk, medium-return products involve high risk, this calls for a prudent approach.

**Keywords**

Graying population, internationalization of the Korean the financial industry, Asia-specific business models, quality and speed of good information, global businesses, the Fourth Industrial Revolution

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**Policy Implications**

- Given Korea's demographic structure, it is inevitable that an increasing number of investors will look beyond Korea to global financial markets. Korean brokers should go global to match the need for overseas investments. Good information is the prerequisite for investments. Research centers have a critical role to play as investments should be backed by accurate analysis.
- The Fourth Industrial Revolution is one of the engines that drive overseas investments. Information analytics has seen rapid technological developments such as deep learning and machine learning, while accessibility to overseas investments has increased via MTS. As such, embracing changes accompanied by the Fourth Industrial Revolution and taking preemptive actions are the best way to enhance competitiveness.
- The key to the Fourth Industrial Revolution is cooperation. It is necessary for small to medium-sized financial service providers to take advantage of the established infrastructure in a cooperative way, rather than building infrastructure overseas on their own.
- Even though global networks provide instant access to information, it takes time to relay it to consumers or investors, which makes the information less relevant. It is necessary to devise ways to transmit good information to investors in a timely manner to promote overseas investments and highlight the positive aspects of overseas investments. The tax burden is one of the key considerations for high net-worth individuals in deciding upon overseas investments. The government should offer more attractive tax benefits to promote overseas investments.

# Chapter THREE

# SUSTAINABILITY

## Asia's Sustainable and Green Growth through Forest Cooperation



제주한라대학교  
CHEJU HALLA UNIVERSITY

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Keynote Speaker	<b>LEE Don Koo</b> President, Forest for Life
Discussant	<b>JEON Eui Chan</b> Professor, Sejong University <b>Batbold DORJGURKHEM</b> Representative, World Wide Fund for Nature Mongolia <b>LEE Seong Eun</b> Professor, Cheju Halla University
Rapporteur	<b>KIM Shin Hyo</b> Director of International Free City Center, Cheju Halla University

— **JUN Yong Wook** Indiscriminate deforestation is worsening desertification in Asian countries, as well as exerting bad influences on climate change, biodiversity and people's lives. Forestation in arid lands may prevent desertification, conserve diverse species and contribute to sustainable growth as it prevents disasters, increases food production and helps organizing eco-friendly tourism. South Korea is advised to join the Reducing Emissions for Deforestation and Forest Degradation(REDD+) and the role of conservation projects in Asian countries as a way to better respond to climate change.

— **LEE Don Koo** The forests in the Asia-Pacific region occupy about 740 million hectare, accounting for 26 percent of the land in the region, with 450 million people depending upon them for their livelihood. One hectare of forest absorbs two to five tons of Carbon dioxide(CO<sub>2</sub>), and the entire Asian forests store 55 billion tons of CO<sub>2</sub>, contributing to lessening climate change. The challenging issues in the region include illegal logging, forest fires, over-grazing, shifting cultivation and mining activities, which continue to decrease forests, affect the climate and biodiversity, and influence the livelihood of local

dweller depending on forests. The most serious problems are the enormous increase of desertification in Mongolia(90 percent of the land) and China(30 percent of the land), and the degradation of the 2.8 million hectare of forests in North Korea. Degradation of forests invites water shortages and worsens its quality, posing threats to food production and socio-economic safety. For the sustainable management of their forests, Asian countries are strongly advised to utilize the Asian Forest Cooperation Organization(AFoCO), which is joined by the ten ASEAN countries plus Mongolia, Kazakhstan, Bhutan, East Timor and South Korea.

The South Korean experience of successful restoration of forests and its knowhow can be introduced in forest restoration programs in the countries in the Asia-Pacific region. The driving force behind the success of South Korea included the forest service(governance), the strong will of the people, the Saemaoul(New Village) Movement and the use of alternative fuel(coal briquettes and oil, instead of wood) amid economic development. There are various forest-related Non-Governmental Organizations(NGOs), such as Forest for Life Na-

tional Initiative; the Northeast Asian Forest Forum; Forests for Peace; the United Nations Environment Programme(UNEP) Eco-Peace Leadership Center; EcoPeace Asia; and Future Forest, which voluntarily engage in reforestation projects in China, Mongolia and North Korea. Trust-based transparency and self-sacrifice are strongly needed for the solidarity of civil networks, which lead to a successful accomplishment of forestation.

— **JEON Eui Chan** The Paris Agreement adopted at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change(UNFCCC) in December 2015 took effect on Nov. 4, 2016. As the new climate regime is to go into full implementation in 2020, developed countries as well as developing countries should commit themselves to reduce greenhouse gases. South Korea, whose greenhouse gases continued to increase every year, except for the year 1998 under the IMF trusteeship, is set to cut its current emissions business-as-usual level to 37 percent by 2030. South Korea is implementing the Renewable Energy Portfolio Standard(RPS) system, which requires power companies generating 500 megawatts or more to compulsorily produce certain rates of their total electricity by using renewable energy under this standard. The portfolio of renewable energy is set at four percent in 2017 and 20 percent in 2024.

The South Korean demand for wood pellets(bio-fuels made from compacted sawdust) in 2020 is set at 1.69 million tons, only 0.41 million tons of which can be produced domestically. Wood pellets will be produced through afforestation projects in Asian countries and distributed to power plants as biomass fuel. From 2013, a pilot afforestation project has been underway on a land of 0.1 million hectare in Indonesia, supplying 0.17 million tons of wood pellets to domestic power plants. To meet the greenhouse gas reduction goals by 2030, the Korea Forest Service and its affiliated agencies should attract investment from private firms in the afforestation project by assisting their field surveys and feasibility studies. The REDD+ project to reduce emissions from deforestation

and forest degradation in developing countries is the most concrete and certified formula to reduce greenhouse gases. South Korea has been operating pilot projects in the name of K-REDD+ in Indonesia, Cambodia, Myanmar and Laos since 2013.

South Korea should secure 11.3 percent of its emission reduction target(a cut by 37 percent from business-as-usual level in 2020) by obtaining emission credits in the international carbon market. In other words, South Korea would have to pursue the REDD+ projects with Asian countries. It is advised that the REDD+ and afforestation projects be pursued with North Korea, as well. The joint forest projects with Asian countries and North Korea would contribute to the sustainable development of the entire Asian region and help the region effectively address climate change.

— **Batbold DORJGURKHEM** Sustainable development is development that satisfies the needs of the present without compromising the ability of future generations. It is the management of human, natural, and economic resources that aim to satisfy the essential needs of humanity in the very long term. In Mongolia, the temperature rose by an average of 2.24 degrees Celsius from 1940 to 2016. According to weather monitoring reports from 1961 to 2013, during summer throughout Mongolia, the air temperature increased by 2.39 to 4.18 degrees Celsius, whereas during the same period, the temperature dropped, compared to the average in eastern and central parts of Mongolia during January. A rapid change in atmospheric temperature creates many problems that cannot be ignored because such changes affect our everyday life, with consequences such as sea level rises, Arctic and Antarctic ice melting, dust formation, and the increase of frequency of natural disasters. Among natural resources, forests provide many benefits and services to society, including clean water and air, recreation, a wildlife habitat, carbon storage, climate regulation and a variety of forestry products.

The forest ecosystem has two main functions. It removes atmospheric carbon, and yet it stores

carbon in immense amounts. Excess carbon in the atmosphere is not good, but carbon is one of the essential gases that make life on earth possible. Forests both store and release significant amounts of carbon as part of a natural cycle. The forest ecosystem as a biomass plays an important role in carbon sequestration. To sustainably maintain these two functions of forest resources, the actions such as the reduction of emissions from deforestation and forest degradation, the conservation of forest carbon stocks, sustainable management of forests and the enhancement of forest carbon stocks are essential.

— **LEE Seong Eun** Former President Lee Myung-bak announced “Low Carbon Green Growth” in August 2008, as a national vision for the next 60 years. Aiming to become one of the five greenest countries in the world by 2050, South Korea mapped out a five-year plan for a national strategy of green growth. In line with the government policy, the Jeju Special Self-Governing Province set in motion the first phase of a five-year plan for low carbon, green growth in 2009. Based on the assessment and analysis of the results of the first five-year plan(2009-2013), the province launched the second five-year plan(2014-2018) with the goal of achieving “World Environmental Capital.” For the Forest Recreation Project for 2016, the province invested 94.3 billion won in forest recreation, forest management and conservation, and the Halla Eco-Forest in order to prevent pine wilt disease, cultivate resources for forest recovery and support forestation activities to create a natural environment with refreshing and healing effects on the island.

The forest land per capita in Jeju Island occupies 1,484m<sup>2</sup> as of 2015, the second largest in the nation, following Gangwon Province marking 2,405 m<sup>2</sup>. However, the forest areas around cities that are easy to access without the burden of travel and cost average at 9.91m<sup>2</sup> per capita across the nation, a size far smaller than the world standard. Jeju Province is set to invest three billion won to create 15 hectare of forests in nine urban areas on the island in 2017. This urban forestation movement is underway in metro-

politan areas, with business enterprises, civic groups and residents actively participating in it.

#### [ Q & A ]

**Q. KANG Ho-sang(Chairman, National Instrumentation Center for Environmental Management, Seoul National University)** Is there a possibility or a concrete plan to cooperate with North Korea on forestation affairs, including the REDD+ project?

**A. JEON Eui Chan** Because of the lack of mutual trust between the two Koreas, it is difficult to push for an inter-Korean cooperation project on the initiative of the government. It would be better for religious groups such as the Committee for the Reconciliation of the Korean People at Catholic Bishops’ Conference of Korea; civic groups like Forest for Life; and business enterprises with the experience of inter-Korean projects such as Yuhan Kimberley to promote the cooperation project under the administrative support of the government. They can also push for a transparent North aid program such as vermin extermination and fine dust reduction projects in North Korea. The government can secure part of the 11.3 percent of the emission reduction units that have been bought abroad to serve the needs of credit acquisition and afforestation in the North.



#### Policy Implications

- A close partnership between government agencies, non-governmental organizations and local residents is the best way to achieve sustainable development and green growth of Asia.
- To reach its emission reduction target under the new climate regime, South Korea should push for diverse the REDD+ projects jointly with Asian countries. It requires forestation projects with these countries to increase the use of renewable energy such as biomass.
- The REDD+ and afforestation projects should be pursued by both Asian countries and North Korea when it is permitted. The projects would help the entire Asian region maintain sustainable development and properly respond to climate change.

## Supergrid and New Green Opportunities in East Asia



Chair	<b>KIM Sang-Hyup</b> Chairman, Coalition for Our Common Future
Presenter	<b>CHO Hwan-Eik</b> CEO, Korea Electric Power Corporation <b>Robert STAVINS</b> Albert Pratt Professor, Harvard University <b>Frank RIJSBERMAN</b> Director-General, Global Green Growth Institute
Discussant	<b>KIM Hong-Gyun</b> Director, Korea Electric Power Corporation <b>Kilaparti RAMAKRISHNA</b> Director, UN ESCAP
Rapporteur	<b>CHOI Seung-chul</b> Staff Reporter, The Korea Herald

— **CHO Hwan-Eik** This is an overview of what South Korea has done to build a Northeast Asia supergrid so far. The proposed Northeast Asia supergrid is aimed at developing and sharing renewable energy as well as enhancing power system reliability. Unfortunately, renewable energy is distributed unevenly and concentrated in certain areas, and areas with rich renewable energy sources are not necessarily areas with the demand. The role of the Northeast Asia supergrid is to build a “Smart Energy Belt” in ways that make renewable energy sources storable, transportable and controllable by smart grids. The project has developed to such an extent that a Memorandum of Understanding on joint promotion of an interconnected electric power grid, spanning Northeast Asia, was signed in March last year, and a pilot project was initiated for the first time between Mongolia, China, Korea and Japan.

Jeju has the clean air, however such routine happiness from clean air will become less available. Fine dust is causing a serious problem in our neighbor, China. The energy companies should draw a new picture of power generation in line with the gov-

ernment’s policy to address the issue of resolving fine dust. The time has come for us to come up with ways to replace coal-fired power fundamentally, and hopefully together with fossil fuels.

— **Frank RIJSBERMAN** Like all technologies across a rapidly competitive landscape, the speed of deployment and its cost are critical and major factors. The Asia supergrid was conceptualized to speed up the deployment of clean, safe and affordable renewable energy. The Asia supergrid attempts to pave the way for maximizing the use of renewable energy by taking advantage of diversity in loads and resources as well as increasing global access to reliable and sustainable energy for all by 2050. Plenty of renewable energy generation has been secured and is under development. Now the question is how to move the renewable energy throughout Asia. Asia represents about two-thirds of the total world population. Electricity generation by Japan, China, Korea and Russia represents 76 percent of Asia’s total, and similarly, electricity consumption by these four countries represents 77 percent of Asia’s total.

Simply put, Japan, China, Korea, and Russia

together represent a vast majority of electricity generation and consumption in the most populated regions in the world. This can be interpreted as, if joining grids together in Northeast Asia is possible, then there is a possibility of joining grids together worldwide to solve global energy issues. The falling costs are paving the way to pervasive low cost local renewable energy, which some critics say makes a supergrid largely limited in its potential. But the idea of a supergrid is appealing because one can invest more highly in areas with the greatest and cheapest renewable energy potential without worrying about how to use it.

Although battery storage prices are dropping, the scope of energy bulk and transmission between current storage technologies and the conceptual supergrid is a different magnitude. The heaviest bulk energy storage systems, composed of pumped hydropower and compressed air mechanisms, and even hydrogen fuel cell technology are meant to handle loads approaching one gigawatt, whereas the supergrid concept means to sustain transmissions of up to ten gigawatts to distant high-demand areas. For some locales that lack clean energy resources, or with those that have a strong traditional transmission infrastructure, such as areas of predominant coal use, ultra-high voltage lines provide a good bridge technology, providing cheaper clean-sourced electricity to meet demand, while incentivizing transition to a cleaner local energy mix. It is apparent as part of the discussion that a supergrid will offer countries like Korea and Japan cheaper and abundant clean energy from China and central Asia (Mongolia) as the international scope of the grid would enable transmission over, though cross-border, shorter distances. China has already laid down 75.5 billion dollars in new transmission lines as of 2015 to disburse these concentration resources, but a supergrid would enable the release of an immense amount of cheap clean energy within a vast region. Yet the medium and longer-term benefits of a regional supergrid will provide the backbone that accelerates a clean energy revolution.

In light of both its vast potential and possible shortfalls, the Global Green Growth Institute (GGI)'s current support for the green growth cooperation among China, Korea and Japan focuses on systems and platforms that leverage and hope to accelerate the deployment of the supergrid. Our focus on linking Emissions Trading Systems (ETS) and finding green growth collaboration areas between these three countries relates strongly to the supergrid potential as an accelerating instrument. Green growth cooperation in Northeast Asia needs to center around keeping and accelerating the momentum of green growth domestically in light of the rapid changes in China and new opportunities through the One Belt, One Road initiative, while building on Japan's commitments and technology. There are new opportunities, and the private sector is strong in Korea.

— **Robert STAVINS** What are some of the possibilities for climate change policy linkage among China, Japan and Korea? A key challenge for the eventual success of the Paris Climate Accord is whether the agreement, with its Nationally Determined Contributions (NDCs) anchored in domestic political realities, can adequately address emissions with sufficient ambition? Are there ways to enable and facilitate increased ambition over time? One of the answers could be linking regional, national, and sub-national policies and connections among policy systems that allow emission reduction efforts to be redistributed across systems. Linkage is typically framed as between cap-and-trade systems, but regional, national, and sub-national policies are highly heterogeneous. Among the potential merits of linkage are the ability to achieve cost savings and improve the functioning of individual markets by reducing market power, reducing total price volatility and allowing for the United Nations Framework Convention on Climate Change (UNFCCC)'s principals of common but differentiated responsibilities. On the other hand, concerns include: distributional impacts within jurisdictions; automatic propagation of some design elements; and reduction of national

autonomy.

The greatest challenge to linkage under the Paris Agreement is that the NDCs exhibit three types of heterogeneity. First, there are heterogeneous instruments, which include cap-and-trade systems, emission reduction credits, taxes, performance standards, and technology standards. Second, there are heterogeneous jurisdictions, including regional, national, and sub-national policies. Finally, there are heterogeneous NDCs targets that would include hard emissions caps, relative mass-based emissions caps such as relative to business-as-usual, rates based emissions caps, such as per unit of economic activity or per unit of output, and non-emissions caps such as penetration of renewable energy sources. Looking at one of the simplest examples of such multi-dimensional heterogeneity, we can think about linking two cap-and-trade systems, which are both at the national level, and both have NDCs in the form of mass-based caps. Even in such a case, linkage is fairly straightforward, but specific design elements can raise concerns, if not impediments to feasibility.

These include elements of design heterogeneity and differences in allowance prices, scope of sectoral coverage, regulations, nature of the caps, allocation, monitoring and reporting, enforcement provisions, cost-containment provisions. In current research, I am examining three key questions regarding the numerous combinations of various types of heterogeneous linkage. First, which links are feasible among the set of instrument-jurisdiction-target combinations? Second, are some types of feasible links not desirable? Third, what accounting treatments and tracking mechanisms are necessary for various types of links? The results of this research will be presented at the next UNFCCC Conference of the Parties, in Bonn in November 2017.

What needed to be in the Paris Accord to facilitate linkage? And the first principle should be do no harm if it is poorly designed. The 2016 agreement could have inhibited effective linkage. Then what the Paris Accord needed to include is a statement that countries can achieve parts of their intended NDC

targets by financing or otherwise facilitating actions in other jurisdictions.

#### Keywords

Supergrid, Smart grid, Asia, New and renewable energy, Fine dust, Battery storage, Green growth, Policy linkage, Paris Agreement



#### Policy Implications

- Renewable energy matters much because it is distributed.
- A pilot project has recently been initiated for the first time between Mongolia, China, Korea and Japan to jointly develop the Northeast Asian Supergrid.
- It's about time that energy companies drew a new picture of power generation in line with the government's policy towards green growth.
- Regional cooperation for green growth should center around keeping and accelerating the momentum of green growth domestically in light of the rapid change in China and new opportunities through the One Belt, One Road initiative while building on Japan's commitments and technology.

# Capacity Building of Local Government for Sustainable and Safe City: Road Safety and Urban Mobility



Chair	<b>MA Young-Sam</b> Director, UNITAR CIFAL Jeju
Moderator	<b>JEONG Ewijeong</b> Program Officer, UNITAR CIFAL Jeju
Keynote Speaker	<b>Luis GALLEGOS</b> Senior Fellow, UNITAR
Discussant	<b>SUL Jaehoon</b> Emeritus Research Fellow, Korea Transport Institute <b>SON Sang-Hoon</b> Research Scientist, Jeju Research Institute <b>Menen WONDWOSEN</b> Global Head of Alcohol in Society Campaigns, Diageo
Rapporteur	<b>KIM Bong-hyun</b> Deputy Managing Editor, Jeju Sori

— **MA Young-Sam** The Jeju International Training Center(Cifal Jeju) organized this session on road safety as part of the Road Safety Initiative, which the United Nations Institute for Training and Research(UNITAR) has promoted since 2016 to reduce the road traffic death rates around the world. In this session, we will discuss the roles of local governments in the Asia-Pacific region to reduce road traffic injuries.

— **Luis GALLEGOS** Around five hundreds children die in traffic accidents over the world every day. To reduce traffic injuries and deaths, simultaneous actions are necessary. The UN's sustainable development agenda also includes the goal to achieve road safety. This is to secure reasonable and sustainable transportation systems and to safeguard women, the disabled and children from traffic accidents. The action plans of UNITAR focus on less developed countries with higher rates of deaths from traffic accidents. They were designed to enhance the competence of public officials, policymakers and local governments through education. The action plans include road safety planning and teaching on safe

transportation systems.

To decrease road traffic deaths, educational institutions, government offices, private media and international communities should place top priority on road safety. We should recognize a collective responsibility for road safety. It is a serious problem that proper education is not given about traffic, in spite of the fact that the use of vehicles is perceived as a danger. The younger generation and children should be subject to this education. In advanced countries, various regulations and laws prevent accidents, but roads in developing countries remain so dangerous that pedestrians find it hard to safely cross them. This is the reality of roads in developing countries.

— **SUL Jaehoon** Traffic accidents in South Korea are now on a downward trend. 13,229 died from road injuries in 1991, but the number sharply dropped to 4,292 in 2016, which is positive sign. One of the factors that enhanced road safety was the protective zone program. A total of 15,000 areas were designated as school zones to protect children as of 2014. Within the zone with a radius of 300 meters, a

speed limit of 30 kph is enforced, with other safety facilities, as well as surveillance cameras, installed in the zone. A total of 5,700 cameras were put on the roads, one at every 19 km, across the nation. The cameras detect 68 percent of traffic violations across the nation. More use of chauffeur service to prevent drunk driving and compulsory education on traffic safety for 10 hours at elementary and middle schools are notable features among the road safety measures taken in Korea. South Korea is making efforts to reduce traffic deaths to 2,700, which is 50 percent of the death toll in 2010, by 2021. All hope that a downturn in traffic deaths will lead to this goal.

— **SON Sang-Hoon** Jeju Province is pushing for reform of its public transit system to improve not only downtown mobility, but also inter-regional travel. This was aimed to create a faster, more convenient and cheaper transit system. The key projects are the introduction of bus-only lanes and express buses available at transfer terminals, and the increase of the number of buses from 530 to 797.

— **Menen WONDWOSEN** Diageo supports lower blood alcohol content limits for driving and heavier punishment for drunk drivers. To reduce drunk driving, a well organized campaign through mass media should be conducted for the high risk group. To deliver a clear message through the media to the public is essential, and what counts is communication. Without a proper method of communication, anti-drunk driving campaigns by institutions and groups will not have the desired results. What is necessary now is to implement anti-drunk driving campaigns and assess their results to create the best model. The strategies of road safety campaigns should be readjusted to the infrastructure of each region, gaps in technologies and the geographical environment. Education is needed to solve these problems.

The public should be able to access information and know the results of safety campaigns. There are less developed countries that do not prioritize measures to prevent drunk driving or other road safety issues. Even officials of the countries with higher mortality rates due to drunk driving might have

different perceptions about road safety. When the public is not acutely aware of the importance of the safety campaign, the government will find it difficult to support the campaign. So it is crucial that all of us here make joint efforts.

— **MA Young-Sam** The gap between the traffic death tolls of advanced and underdeveloped countries remains seriously wide. How can we redress this problem?

— **Luis GALLEGOS** Underdeveloped countries lack resources, infrastructure and low quality of education, and these negatively affect road safety. Compared with other issues, road safety is less prioritized by the government. These countries must conduct exchanges with advanced countries when implementing policies to get the best results. In some African countries, no crossings for pedestrians exist on highways. As a simple solution to this problem, one might play the role of stopping cars for children to safely cross the roads. Public institutions and officials should learn about methods used in advanced countries and implement them in their countries.

## Keywords

Education, Gap between countries, Cooperation, Safety campaign on national level, Communication



## Policy Implications

- Traffic accidents are a serious problem in less developed countries, so they need to look at advanced countries' examples.
- The traffic safety education is desperately needed for public institutions and local governments to expand these education opportunities.
- It is imperative for less developed countries to expand cooperation across borders to share strategies for simultaneous actions though cooperation between various institutions.
- More opportunities should be given to cooperate with each other to produce diverse strategies for road safety through communication.

## City Resilience and Role of Local Government in the Asia Pacific Region



Chair	<b>Luis GALLEGOS</b> Senior Fellow, UNITAR
Moderator	<b>JEONG Ewijeong</b> Program Officer, UNITAR CIFAL Jeju
Keynote Speaker	<b>KIM Sungdai</b> Officer, Ministry of Public Safety and Security
Discussant	<b>PARK Heekyung</b> Director, KAIST Initiative for Disaster Studies <b>MOON Kyung-jong</b> Disaster Response Division Office, Jeju Special Self-Governing Province <b>Madelaine Yorobe ALFELOR</b> Mayor, Iriga City, Philippines
Rapporteur	<b>KIM Bong-hyun</b> Deputy Managing Editor, Jeju Sori

— **Luis GALLEGOS** Many cities and states face natural disasters and prevention issues. The international conference in Sendai on the theme of natural disasters in 2015 still draws global attention. UN member states adopted a 2030 sustainable development agenda in September, 2015. This comprehensive and reformative agenda suggested strategic directions as regards city resilience and human habitats in connection with climate change and disaster risks. In this context, to build the capacity to address natural disasters and climate change is a crucial task for countries in the Asia-Pacific region, in particular, as 1,625 disasters, 42 percent of the total worldwide, occurred in this region, taking the lives of about 0.5 million people. The region also sustained huge economic damages, amounting to 500 billion dollars. This is a figure surpassing 45 percent of the total damages globally. However, local governments have paid less attention to natural disasters. I hope this session might provide the opportunity to draw more attention to disasters and to discuss effective measures to lessen their risks, particularly in the cities of the Asia-Pacific region.

— **KIM Sungdai** I would like to talk about the Sendai Framework and “Making Cities Resilient(MCR)” campaign. The Sendai Framework was adopted at the Third UN World Conference on Disaster Risk Reduction in Sendai, Japan on Mar. 18, 2015 and endorsed at the UN General Assembly three months later. The framework is designed to make the world safer for the next 15 years and urges actions to reduce the risks of man-made and natural disasters. The main points of the framework are: first, the shift from disaster management to disaster risk management; and second, a people-centered preventive approach to disaster risks and the manifestation of primary responsibility of states for Disaster Risk Reduction(DRR). The framework also called for shared responsibility for DRR with stakeholders, and expanded the scope of the disaster to man-made disasters and bio-hazards.

It has seven global targets, 13 guiding principles and four priorities for action. It also specified the roles and duties of states and local communities as well as stakeholders. The UN’s Sustainable Development Goals(SDGs), which succeeded the Mil-

lennium Development Goals(MDGs), a set of eight measurable goals which were signed in September 2000, have 17 “global goals” with 169 targets. The SDGs and the Sendai Framework are closely related to each other, both having the same goals to expand policies to reduce disaster risks in every state and city.

Now, I would like to introduce to you the “Making Cities Resilient” campaign, joined by 3,500 cities around the world, including 165 local governments in South Korea. Cities have many systems, and it is important to systematically share disaster information and make connections between them for resilience. Cities face a growing number of pending issues, ranging from urban sprawl to inequality, international immigration, poverty, population growth and flood damages. The United Nations Office for Disaster Risk Reduction(UNISDR) set up a ten-point checklist to become a resilient city. It was designed to assess cities’ resilience based on the checklist on the urban environment with such indexes as vulnerability to flooding and the solidity of the ground. It helps cities assess themselves and complement their weakness. Strengthening the resilience of cities is the goal shared by the Sendai Framework and the Making Cities Resilient campaign.

— **PARK Heekyung** I would like to discuss urban restoration and the role of local governments. All social phenomena, including disasters, are inter-connected. This inter-connectivity will be more complicated in the future. When it comes to disasters, we should look into the system of systems. Accidents do not occur because of a single cause. They occur from many factors combined, as do disasters. Therefore, we should consider many factors in order to manage disasters, and if we do not, we will constantly live with the danger. It is the connectivity that counts. When we discuss natural disasters, we should take a systematic approach to them, analyzing all factors. Resilience is about this kind of systematic approach. Our ecosystem has evolved through billions of years, and it has suffered destruction on diverse occasions. The continuation of the ecosystem until now was

possible thanks to its resilience. This diversity-based ecosystem has had the greatest power of resilience, sustained for billions of years.

Resilience is often called the ability to spring back into shape, but it is also an ability to go forward to the next stage, or an idiosyncratic nature to do so. The ability to go forward to a better stage is resiliency. The same goes for cities. Resilient cities improve themselves to provide a better life for their people. It is not that only the central or local governments are responsible for disaster management. The private sector may have a greater role in this. Citizens can assume certain roles as able players. It is more important to give them proper roles than just assembling them. It is capacity building, itself. In contingencies, they have to play functional roles. They should construct networks and get feedback from each other. If all of them are connected, they can actively engage in work. With this kind of function, cities acquire a resilient system.

Then, we have to think about how to make the most of the problem-solving capacities and strengthen resiliency when we talk about resilience in the concept given by the Sendai Framework. Restoring resilience requires an integrated management and integrated strategies. We should make a paradigm shift with regard to disaster management. We have to change the current paradigm to have a better resilience and note its connectivity with disasters. It is easy to make a network, but it is difficult to help people maintain their relationships, because they always change. The key to relationships lies in continuity. We have to persuade people to participate in the network. It is important to maintain their relationships. How to help them participate in the resilience project is crucial for urban resilience.

— **MOON Kyung-jong** My presentation today is about Jeju Special Self-Governing Province’s policies for safe cities. First, I will present the facts about Jeju Island, damage from natural disasters, visions and goals for safety management, and safety measures of the province. Jeju Special Self-Governing Province is an international free city and pursues to become

a Northeast Asian hub that is reached within a two-hour flight from 60 cities with populations of more than one million. With a world renowned natural environment, the island has unique advantages as the only self-governing province of Korea. The size of the island is three times that of Seoul; 1.7 times of Hong Kong; and 2.7 times of Singapore. Its population was 661,000 people as of 2016; its budget for 2017 is 4.5 trillion won; and tourism revenue amounted to 4.4 trillion won as of 2015. Primary and secondary industries account for 28 percent of the island, with tertiary industries taking 72 percent. These statistics show that Jeju Island has a tourism-oriented industrial structure.

Modern society sees the damage from disasters increasing. Climate change, urbanization and industrialization have raised the frequencies of storms, heavy snowfall, torrential rain and earthquakes since the 20th century. Disaster sizes are also growing, and it is becoming difficult to distinguish natural disasters from social ones. The disasters on the island for the ten years from 2001 claimed ten lives, leaving 998 victims and 269 billion won in property damage. The damage per capita on the island was 1.2 times as much as the national average, but the damage per unit area was 0.7 times the average. Great damages were wreaked by Typhoon Nari in 2007, Typhoon Rusa in 2002 and Typhoon Maemi in 2003, indicating that the island is located on the route of typhoons. To lessen the damage from the storms and flooding, the province set up a vision and goals of safety management, making every preparation for disasters. Under the goals of “safety, security and comfort,” the island has established an integrated safety system and makes efforts to introduce a safety culture in daily life and make improvements in the regional safety index.

To protect human life and properties from disasters, the province also established a plan to lessen damage and measures to cope with disasters by each type. The Jeju governor is in charge of the Safety Management Headquarters that has 13 task forces and operates the Integrated Field Safety Support

Center. The province has also set up a safety management system against 59 kinds of disasters in three categories. Disaster management systems should focus on preventive actions in the field to minimize damage and protect lives. For the safety of tourists and local residents, the province has made every effort to cope with disasters by setting up systematic procedures for prevention, preparation and recovery.

— **Madelaine Yorobe ALFELOR** Disasters are divided into natural and man-made ones. A solution to one type of disaster does not work for another. There is no perfect measure to cope with disasters. But all disasters commonly call for preparedness and resilience. Iriga is a small city with a population of 110,000 in the southern region of the Philippines. It suffers from typhoons every year, with super typhoons passing through the city every five or ten years.

I have served as mayor for 11 years in a row. When I was serving my first term in 2007, a super typhoon with wind speeds of 94 kph hit the city. I mobilized all municipal resources for recovery efforts. Months later, another super typhoon arrived in the city, and there was also a volcanic eruption in a nearby city, which took the lives of six thousands. Fortunately, Iriga witnessed no death toll in spite of the two consecutive typhoons. I guess it was partly because the citizens have adapted to the typhoons. Iriga has taken various innovative efforts to prevent disasters. For instance, a mudslide occurred in 2007, and the city took emergency recovery measures by making small pools and draining facilities to absorb water. We also prepared accommodation in the city for the highland tribes to stay there. The native tribes in the highland area often caused landslides by lighting fires on the mountains as a religious practice or logging trees for reclamation for farming, thus making the land brittle. This was their traditional way of life.

To cope with disasters, we should conduct a probe into animals and plants, and find out what kind of danger lurks among them. And we need to introduce a biodiversity-maintaining system. It is a problem shared by most Philippine cities. When a mayor is

newly elected, he or she may not agree with their predecessor’s measures to cope with disasters. Therefore, an institutional measure is required to make policies consistent, even if a mayor is replaced by another. It also calls for documented policies and ordinances, and the stakeholders should be subject to education on safety management. Mid- and long-term measures should be maintained through education. Preparedness, resiliency, recovery, emergency measures, capacity building and improvement of equipment are keys to the successful operation of safety management. All of these cannot be prepared by local governments alone. The central government should join in the tasks. We fully understand the Sendai Framework and are making strenuous efforts to localize it.

I will wrap up my presentation with the famous remark of John F. Kennedy, “Do not ask what your country can do for you. Ask what you can do for your country.” This is the quickest solution. The citizens of Iriga exhibited outstanding preparedness and resilience by joining the disaster recovery programs.

#### [ Q & A ]

**Q.** I have a question about the programs of Iriga. I am curious about how they influenced the people. It had no casualties in spite of the super typhoons. In South Korea, casualties have been reported at the arrival of every typhoon. What is the secret of the measures preventing human injury?

**A. Madelaine Yorobe ALFELOR** I was surprised to see most of citizens were well prepared for typhoons. As they know about the force of them, they shunned constructing buildings on dangerous locations and built them in a way to withstand the super typhoons. Also many citizens are seen to have had more resilience after experiencing typhoons for decades. The emergency planning of the city has a manual on how to operate shelters from typhoons for those from areas devastated by them. About 70 percent of the citizens engage in agriculture, but their farms recover soon. The citizens’ attitude and the cultural

environment help the city bolster its resilience.

#### Keywords

Disaster risk, Disaster management, City resilience, Local government, Sendai Framework, Make Cities Resilient campaign



#### Policy Implications

- All of the cities of the world are commonly interested in how to cope with disasters and build on resilience. As cooperation and shared responsibility among cities in the Asia-Pacific region is needed to lessen disaster risks, local governments should take the lead in establishing an information-sharing network.
- The shared goal of the Sendai Framework and the MCR campaign is strengthening the resilience of cities, so the governments and civic societies are advised to join the campaign under the guidelines of the UNISDR.
- Disaster management is not only the task of local and central governments, but also the private sector. Therefore, civic groups are encouraged to assume their role in disaster management.
- As citizens’ networks and their capacity to respond to disasters are key to helping cities acquire a resilient system, successful cases should be shared through the networks.

[ International Symposium for Hanon-Maar Restoration ]

## The Meaning of Hanon-Maar Restoration and National Policy Progress Plan



Chair	<b>SUH Youngbae</b> Professor, Seoul National University
Moderator	<b>LEE Kyungwon</b> Administrative Assistant, National Promotion Committee for Restoring Hanon Crater
Welcome Remarks	<b>KO Choong-seok</b> President, Jeju International University
Congratulatory Remarks	<b>LEE Kwang-hee</b> Chairman, Jeju Free International City Development Center
Keynote Speaker	<b>Mirosław MAKOHONIENKO</b> Professor, Institute of Geo-ecology and Geo-information, Adam Mickiewicz University, Poland <b>HYUN Sang-min</b> Principal Research Scientist, Korea Institute of Ocean Science and Technology <b>KIM Eunshik</b> Professor, Kookmin University
Discussant	<b>PARK Kwangwoo</b> President, Korean Association of Botanical Garden and Arboreta <b>LEE Sukchang</b> President, Jayeonjeju
Rapporteur	<b>KIM Dong Sik</b> Director, National Promotion Committee for Restoring Hanon Crater

— **Mirosław MAKOHONIENKO** Hanon crater is an invaluable source of unique and long-term paleontological records. The geographic location of the crater captures the ecological evolution of the maritime environment in East Asia as caused by adaptation to climate change. Jeju Island is located in the transition zone between the broad-leaved evergreen forest of the north and the deciduous broad-leaved forest of the south, and the two types of vegetation have varied depending on climate fluctuations in the past. Microfossil records of Hanon crater reveal vegetation changes in the last glacial age and the post-glacial age in the Korean Peninsula. This indicates a correlation between global climate change and the surrounding maritime environment. Studies have found that when cold climate dominated, varieties of wormwood and bunch grass including gramineae pervaded the flora of Jeju Island, suggesting that the island had had continental climate. Also, an analysis of pollen flown into the crater from afar during

the Ice Age reveals the pollen originated from the evergreen oak, a subgenus of *Myrsinae* and a genus of *Podocarpaceae*. The population of the evergreen oak, growing in the temperate zone, albeit below 0.6 percent, seemed rather dense during the last glacial age. Jeju Island and southern Japan are thought to be largely attributable to regional climate variations caused by the distribution of warm ocean currents, and the regional distribution of specific flora serves as a key to understanding the origin.

— **HYUN Sang-min** Hanon crater is the only maar-type crater in the Korean Peninsula. The existence of the crater itself warrants a status of natural heritage and a significant academic motivation in paleoclimatology. In the early stage of volcanic eruption, the magma encountered a ground-water zone before reaching the ground surface, resulting in an explosive discharge of volcanic ash. In turn, the pyroclastic flow created a Tuff crater and ultimately formed a deep crater lake in a ground-water zone.

This crater lake is now what we call Hanon crater. The extant literature confirms that the crater is located in the transition zone of the Asian monsoon, keeping records of the monsoon in the layers of sediments. The paleoclimatological records found in the sedimentary layers are critical elements for analysis in predicting future climate change. As an archive of past atmospheric circulation and climate changes in East Asia, the Hanon Maar deposits do not only allow research on paleoclimatological fluctuations on a global as well as a regional scale, but could also serve as a basis for socioeconomic development and a geological tourist attraction for the purpose of environmental education. Thus, the site should be designated as a protected area so as not to be damaged further by construction and development.

— **KIM Eunshik** Created in the process of volcanic activities on Jeju Island, Hanon crater is the only maar-type crater that represents a national treasure containing tens of thousands of years of environmental information on climate, geology and vegetation. This largest crater of South Korea, made possible the constant inflow and the accumulation of a wide variety of deposits from different environments and climates. This could feasibly be dubbed as a time capsule of the environment, allowing a forecast of the future climate by drawing on paleoclimatological studies of the sedimentary strata. Unfortunately, Hanon crater has been damaged and has lost its original shape over time and has long been lost to public interest. It is even under threat of excessive land development these days. Experts worldwide who recognized the crater's value advised its restoration in 2012 World Conservation Congress(WCC). The South Korean government should heed their counsel and adopt the restoration plan as a key policy goal, with a view to shedding light on the crater's paleoclimatological and paleontological values as well as developing the volcanic site as a geological, ecological and tourist resource.

Despite the progress so far, the restoration project is suspended at the moment. This is due to a lack of understanding and interest on the part of Jeju local

government, regarding the value of and need for restoring Hanon crater. The governor is supposed to take the lead and draw attention of the Blue House, relevant agencies of the central government as well as the National Assembly and the international community, but the effort has fallen far short and he seems hardly committed to the project, which would represent the first case in the world of setting a standard formula for crater restoration. This is all the more reason we have high hopes for the new government, which pledged to restore the crater on the campaign trail. President Moon said that “as a stepping stone to South Korea's higher international standing in terms of environmental policy” with the aim of earning the island a reputation as the hub of East Asia's environmental issues and bolstering the competitiveness of the tourism industry.

The restoration project does involve bringing back the original terrain, crater lake as well as vegetation of Hanon crater ruined beyond recognition after more than five centuries of farming and agricultural activities and establishing the basis to recover the cultural, historical records of lost villages. A successful construction of a global standard restoration model of the crater will advance South Korea to the forefront of natural environment restoration technology, and enhance its reputation and influence in environmental diplomacy. It also provides an opportunity to establish a new paradigm for tourism and environmental affairs by hosting international conferences discussing global environmental issues as well as tourism.

— **SUH Youngbae** A view shared by all presenters on Hanon crater is that it is an ecological time capsule or an archive of tens of thousands of years of environmental information on climate, environment, geology, vegetation, etc., and that we can offer a projection on future climate change using the data obtained from the paleoclimatological and paleontological surveys of the strata. The question is how we are going to restore this major national environmental resource. A determined will on the part of the local population, the local government as well as

the central government is called for, and we should be reminded that a bottom-up approach has proven most effective on environmental issues.

— **PARK Kwangwoo** Restoring the only maar-type crater in the Korean Peninsula is a singular undertaking, since it paves the way to obtaining cumulative data on paleontology and paleoclimatology from the sedimentary strata of some forty- or sixty-thousand years ago. By coupling the data with climate information collected from maar-type craters in China and Japan, we can estimate the past climate of East Asia with more precision. The joint historical climate data processing among the three countries could, in turn, improve the accuracy of future climate change forecast, contributing to the prevention of and response to natural disasters. A proposed restoration of Hanon crater and a relevant research center would mean that South Korea could operate the only research base with historically traceable data regarding paleoclimatology, paleontology and the impact of atmospheric movement in the past.

It is imperative to restore the invaluable resource, which has been damaged to the point of destruction largely due to rapid industrialization since the 1970s and the development of neighboring areas since the 2000s. Global experts have recognized the need to stop further damage and conserve the site, passing the proposal for restoring Hanon crater at 2012 Jeju WCC. Construction inside the crater has seriously damaged paleontological areas by mixing up layers of chronological information in the deposit into an irretrievable mess. We need to come up with the details on effect the restoration that is expected to have on sectors of national long-term development. The geological strata analysis can compile important data on the trend of long-term ecological change on the Korean Peninsula and will also help develop a high-precision forecast technology, once it is coupled with the long-term analysis of the ecosystem of Mount Halla.

— **LEE Sukchang** The Seogwipo local government scrapped its plan for an off-season baseball training field at Hanon crater in 2002, after causing an uproar from civic and environmental organizations. Fifteen

years since, a bid for restoration gained traction once again with the WCC in 2012. It was mostly thanks to serious interest and support from expert groups and citizens who drew global attention to its value and the restoration project that Hanon crater managed to avoid random development. The restoration of the crater is the first of its kind in the world, meaning South Korea is poised to set the global standard for maar-type crater restoration. Once recognized as the leader in natural restoration technology and capability to blaze a new trail in the environment and tourism sectors, South Korea will naturally be able to raise its international standing. I suggest establishing a task force to draw up a strategy to implement the presidential campaign pledge, enlisting lawmakers, the local government, committee members, experts as well as the local population. A systematic activity of the new task force will make the restoration project a signature environmental policy of the new government.

### ● ● ● Policy Implications

- There are several challenges for the new government to put the planned restoration of Hanon crater on the national policy agenda: First, it should clearly present the value of the crater and logically justify the restoration project so that the project may be conducted with a clear sense of obligation to restore the natural environment; second, a task force joined by relevant agencies, civic groups, experts and representatives of the local population should be formed immediately to draw up an execution strategy for the campaign pledge; third, a close cooperative network among government agencies(both central and local), relevant organization, International Union for Conservation of Nature(IUCN), etc. should be established; lastly, the Jeju local government should take the initiative in forming a consensus among the landlords, local residents and the general public and a shared understanding of the rationale for the restoration project.

## How to Improve Eco-efficiency for Achieving Carbon-free Society



Chair	<b>JEONG Dai Yeun</b> Director, Asia Climate Change Education Center of Jeju Special Self-Governing Province
Keynote Speaker	<b>Frank RIJSBERMAN</b> Director-General, Global Green Growth Institute
Discussant	<b>Nelson DEVANADERA</b> Executive Director, National Palawan Council for Sustainable Development, Philippines <b>Scott BAUM</b> Professor, Griffith University, Australia <b>António ABREU</b> Vice Chair, European Environment Advisory Council, Portugal <b>Mahesh PRADHAN</b> Chief, Program Management, International Environmental Technology Center, UNEP
Rapporteur	<b>JANG Kwang-Sub</b> Researcher, UNESCO World Network of Island and Coastal Biosphere Reserves Jeju Office

— **Frank RIJSBERMAN** Starting with the Brundtland Report in 1987, various terms for ecological efficiency and green growth have circulated at the World Business Council For Sustainable Development(WBCSD) in 1992 and the Rio+20 Conference 2012. The Global Green Growth Institute(GGGI) engages in activities to support countries around the world in their transition towards a new model of green economic growth, that is environmentally sustainable and socially inclusive. First of all, the GGGI is dedicated to developing policies, mobilizing investment and sharing knowledge to implement the concept of eco-efficiency. Mainstreaming the concept of eco-efficiency requires us to meet Nationally Determined Contribution(NDC) targets and achieve Sustainable Development Goals(SDGs). Today, countries over the world are making diverse efforts to achieve a carbon-free society. India lowered solar energy prices and stopped the operation of coal-fired power plants this year; and China's renewable energy accounts for 80 percent of its total use of energy. However, many Asian countries suffer from serious air pollution due to coal-fired power generation, rais-

ing concerns that they may face more serious consequences unless they invest in renewable energies.

Even though U.S. President Trump decided to break away from the Paris Agreement, other countries still have a firm will to meet the NDC targets. South Korea, China and Japan, which account for 76 percent of electricity production and consumption in Asia, and Russia are studying a way to jointly establish an energy grid, with China considering a measure to supply new renewable energies with its Green Belt initiative. The GGGI engages in various activities to support efforts to achieve green cities, water sufficiency, and sustainable landscapes and energies. With a strategic partnership with the Green Climate Fund(GCF), the GGGI mainly supports governments but it also cooperates with the civil sector, such as banks, investors and business enterprises pursuing eco-efficiency. I wish Jeju Island could introduce a carbon-free society by creating a network dedicated to green growth and eco-efficiency.

Green growth and eco-efficiency can work hand-in-hand to promote carbon-free, climate resilient and inclusive societies. Jeju's leadership in reaching

a carbon-free society can be shared with other countries through the GGGI's member network. Rapidly falling prices of clean energy and energy storage are making green growth and eco-efficiency economically attractive.

— **JEONG Dai Yeun** Director-General Rijsberman has explained about the role of the GGGI and advised that the public and private sectors should cooperate with each other to achieve a carbon-free society by properly addressing energy supply and demand issues, and the transition to new renewable energies. In particular, he concluded that Jeju should form a network to pursue a carbon-free island in cooperation with public institutions.

— **António ABREU** I would like to discuss how to make the technical terms related to carbon-free efforts easy to understand, though they are accepted in industries without any difficulties.

— **Nelson DEVANADERA** The GGGI has had an operation on Palawan Island. The movement to cope with climate change in the Philippines started with Eco-town. We should start from a low carbon society and pursue carbon neutrality and ultimately to carbon zero. This would be possible through legislative activities.

— **Scott BAUM** Government policies or agendas undergo changes whenever the ruling camp is replaced by another party, thus making it utterly difficult to maintain their sustainability.

— **Mahesh PRADHAN** U.S. President Trump announced that the U.S. would suspend its contribution to the Green Climate Fund. I would like to ask what kind of creative approach should be made toward the issue. I would also like to hear a detailed explanation about the green economic partnership of the GGGI.

— **Frank RIJSBERMAN** Green growth is an important issue, but I know that it might be pushed to the sidelines when new governments take office. However, as environmental issues are important, emphasis will be placed on them, by whichever terms they might be called. A green economy should be defined by a single concept, but we may rest assured that the definition will not affect how it is promoted. The

central government is not the only one responsible for green growth, as local governments have their own roles, too. President Trump's suspension of the contribution caused delays in the plans of the GCF, but these might be resolved by the efforts of the private sector. The GGGI and GCF support green growth in 14 countries and suggesting new solutions by collecting a variety of opinions through its partnership. The fund is now in transition, but I am positive about its prospects.

— **JEONG Dai Yeun** Let us define the concepts of "carbon low," "carbon neutrality" and "carbon zero."

— **Scott BAUM** All of them are the means to realize green growth and about lessening the effect of climate change. We move from being carbon low to carbon neutral and to carbon zero. As societies are in their own stages, it is important to judge in which stage a society is.

— **Nelson DEVANADERA** Carbon zero status is achieved when the amount of absorbed carbons is larger than carbon emissions. To achieve this, a country should have many forests, like the Philippines. I expect Palawan Island can achieve a carbon zero society as Jeju aspires to achieve its carbon-free island by 2030.

— **António ABREU** Each society should implement policies proper to its own condition. Principe Island is an eco-friendly spot, where nature and mankind coexist without energy. In the Canary Islands, only renewable energies are being consumed. We have to be open to various concepts without sticking to a single objective.

— **Frank RIJSBERMAN** After the Paris Agreement, countries are required to assess and report their emissions of greenhouse gases and make efforts to clearly define the terms. Through consultations with South Korea, the Philippines, Australia, etc., incentives will be given to greener countries.

— **JEONG Dai Yeun** The three concepts are all correlated with climate change. Countries have their own point of entry into a green economy and different roles.

— **António ABREU** Safety and environmental man-

agement are not separate concepts but belong to a broader one, with many industrial sectors, involving manufacturing, tourism and water resources, affecting eco-efficiency. In the past, green certificates used to represent the burden of financial costs, but now it is trustworthiness.

— **Nelson DEVANADERA** With cooperation in technology to improve efficiency, we can reduce energy consumption. By improving eco-efficiency, we can move forward. Palawan Island is cooperating with a Thai foundation for eco-efficiency.

— **Mahesh PRADHAN** To improve ecological efficiency, we should consider raising the efficiency of limited resources.

— **JEONG Dai Yeun** For next topic, I would like to ask advice on the Carbon Free Jeju Island by 2030 goal.

— **Mahesh PRADHAN** Citizens' lifestyles should change. To this end, we need environmental education like that offered by the Asia Climate Change Education Center.

— **Scott BAUM** In addition to the top-down policymaking by the government, bottom-up policymaking by the non-governmental sector is also necessary, as the government might reel from its responsibility for the policies. All policy actions should be integrated while maintaining a balance between conflicting interests.

— **Nelson DEVANADERA** A leader is necessary for the political mechanism. A cooperative system should be established between the public and private sectors for possible investments by the civil sector.

— **António ABREU** Jeju Island is known as a good example of environmental capital. The "Carbon Free Island Jeju by 2030" project needs citizens' participation and education. If eco-efficiency is taught as a regular course at public schools, instead of a supplementary one, it will redress the waste problem with popular campaigns

— **Frank RIJSBERMAN** There is no such thing as clean coal. If the government stops providing subsidies for fossil fuel use, it will certainly make environmental progress. As the agricultural sector produces a substantial amount of greenhouse gases, the carbon zero

policy should be implemented across the board.

The clean energy policy of Asia is essential in responding to climate change and air pollution. As a carbon-free society and clean air are closely related to each other, clean energy must be used for transportation systems.

— **António ABREU** After all, it boils down to the importance of education. Education is necessary to bring a change to the attitude and values of citizens. Social institutions also should learn ecological approaches.

#### Keywords

Carbon Free Island Jeju 2030, Ecological efficiency, Green growth, Carbon low, Carbon neutrality, Carbon zero

#### Policy Implications

- As energy resources are limited, we should improve the efficiency of the use of resources.
- It requires not only efficiency in energy use, but also advanced technology to store, sequester and absorb carbon to minimize the environmental implications of energy consumption.
- As the approaches to the objective of being carbon low, carbon neutral and carbon zero are all different, so should the methods to pursue these goals vary.
- To improve the efficiency of policies based on social consensus, new governance should be established so that local residents, experts and stakeholders, including industries, may join the process of policymaking.
- How to supply clean energy should be included in the eco-efficiency agenda of Jeju Island.
- As waste is one of the serious issues of small islands, including Jeju, a priority should be given to waste management.

# Chapter **FOUR**

## DIVERSITY

## Celebration of Youth

### J JoongAng Ilbo

**Moderator** JANG Sung Kyu Presenter, JTBC  
**Discussant** WON Heeryong Governor, Jeju Special Self-Governing Province  
 YOON Dae Hyun Professor, Department of Psychiatry, Seoul National University Hospital  
 JANG Jane Musician  
 JUNG So Young Jeju Woman Diver  
**Rapporteur** CHOI Jee Young Global Affairs Team, JoongAng Ilbo

— **JANG Sung Kyu** A recent article stated that the number of young people aged 19 to 29 who reported “experiencing depression lasting for at least two weeks in one year” rose from 9.3 percent in 2012 to 14.9 percent in 2015. That number is apparently greater than the one for people in their fifties, which was the largest percentage in the past. This shows how difficult things are for young people these days. Today, we are going to hear people talking frankly about how they overcame prejudice and limitations to carve out a life for themselves as youths.

— **WON Heeryong** I was born in Jungmun, Jeju Island, and lived somewhere where we did not even have electric lighting until I was in my third year of middle school. By the time I was in my second year of elementary school, my parents had tried selling rubber shoes and pesticides, and running a bookstore. They had ended up going under, and we had to load everything up into a handcart and move in the dead of night. Farming back then was so difficult that I thought about ways to get away from it, and I opted for studying. Since we had a bookstore, there were a lot of books at home. I developed more of an interest in studying, and that interest turned into an

obsession. I was so obsessed that as the years went on, I ended up ranked first nationwide. But I had a friend who did not like studying and started digging holes for orange trees. He enjoyed farming and he is now ten times richer than I am. Being a genius does not mean you are good at studies. Even in my case, I was more of a workhorse than a genius. And even being a genius means you are just a genius at one thing, not everything. People talk about the “10,000 hour rule.” They say that if you want to master a particular field, you need 10,000 hours of repeated effort and self-development before you can get there. You can definitely become a success if you put in those 10,000 hours and hold on to that obsessive concentration and attention to detail.

— **JUNG So Young** I became a swimmer in my third year of elementary school. I was the head swimmer in middle school, and I won a medal at a national championship. Then I ended up in a slump, and at my coach’s suggestion I switched to fin swimming. A coach from Russia was brought in only six months prior to the national championships, but I still ended with the third place finish. I got over my slump through exercise. But I did not have a teacher, and

there was a situation with the association where they ended up not doing fin swimming anymore. All through high school, I had done nothing but sports, and after giving that up, I kind of lost my way. I gained so much weight that I became shy about meeting people. I never went outside, and I became depressed. My mother immediately said to me that I should be a haenyeo, woman diver. At my mother’s suggestion—really, it was sort of forced on me—I put on my wetsuit and I got started. I did not collect a single shell my first day. On the second day, I found seven. A few days later, I saw an actual abalone, and I dove eight times just to check if it was indeed an abalone. The moment I knew it was, I felt like I had won the lottery, like my heart was going to burst. When you are a haenyeo, you are often putting your life on the line. One time, I collected eight turban shells from the sea floor in a single dive, and I forgot to count my breaths. Feeling my heart not pound was scarier than not being able to breathe. That was when I really sensed that you should not be too ambitious, that you should just do as much as you can. I have been doing it for seven years as of this year, and I still have a long way to go. But if I could go back and do it over again, I would still be a haenyeo. The other haenyeo may be able to relate—there is an addictive quality, where whenever you take a break from it for a while you find your way back to the sea. I may have been born my mother’s daughter, but now I am a daughter of the sea, and I plan to keep on being a haenyeo for as long as I can. I hope other people will give us more recognition.

— **JANG Jane** Around my fifth year of elementary school, I made up my mind that I was going to be a singer. I grew up in a strict household where I did not get a lot of praise. One day I went to a singing room with one of my female relatives and she told me that I sang well. I was so happy to hear it that I started dreaming of becoming a singer. My parents were against this decision, because I did not have a God-given gift for it. It is really important to listen to other people’s advice but in the end the choice is always yours alone. So I really believed in myself. I

tried to judge things objectively, and I came up with a very specific plan. I actually was not even planning on going to high school, but my parents got so angry that I ended up going before I finally talked them into letting me drop out. The school I was attending was not a right environment for me to pursue my dream. Then I thought that I could not become a singer. I went up to Seoul at the age of 18, and I ended up stuck just practicing constantly. People around me said that my voice is too strange to be a singer and an acoustic guitar is not popular so it would never work out well. However, I trusted myself and something amazing happened. At a TV Show named *Superstar K* who heard me playing the guitar, and they loved it. Follow your heart, even if you have to endure some tough days. It is important to take advice from people around you but you will have a happier youth if you listen more to your guts, your own heart. You may have some trials along the way, but they are not trials that you are ever going to regret.

— **YOON Dae Hyun** To be happy, you have to know your own heart. My friends are not all actors, but they live like actors. The movie my friends are shooting is called “my life.” So when is it that film actors get to watch their own films? At the previews. You cannot watch your movie when you are filming it. You have to take the time to look at your life from a viewer’s perspective, rather than that of the lead actor’s. That way, you can see what kind of things you like, and you can live a happy life doing the things you like. You can figure out what you like by reading books, watching movies, listening to good music, and hearing advice and stories from people who have already lived their lives. I hope all of you will experience a wide range of culture, natural environment, and good stories, so that you can discover a precious dream that is all your own.

#### Keywords

youth, “10,000 hour rule,” conviction, heart

## Building Bridges of Mutual Understanding through Trilateral Youth Exchanges



**Chair** **YANG Houlan** Secretary-General, Trilateral Cooperation Secretariat  
**Moderator** **CHUNG Ku-chong** Chairman, Korea-China-Japan Cultural Exchange Forum / Professor Emeritus, Dongseo University  
**Discussant** **GUO Dingping** Professor, School of International Relations and Public Affairs, Fudan University, China  
**Tamotsu ONO** Director, Children's Dream Fund Department, National Institution for Youth Education of Japan  
**CHOUNG Jin-hoan** President, Hope to the Future Association  
**Rapporteur** **HAN Soojin** Researcher, Trilateral Cooperation Secretariat Socio-Cultural Affairs Officers

— **CHUNG Ku-chong** The area of East Asia, where Korea, China, and Japan are located is one of the world's most dynamic regions and one with huge potential. The number of personal exchanges among these three countries is increasing every year, and this includes youth exchanges. Today, together with our invitees from those three countries, we shall examine the current status of research on, support for, and conduct of programs of youth exchange and cooperation at the government and nongovernmental levels and share some success stories with the hope that we can come up with some good ideas for ways to foster the next generation and carry on such projects.

— **GUO Dingping** As relations between our countries developed after the Cold War, we became more interdependent economically, and with the trend toward greater integration in Europe, the Americas, and other regions around the world, Korea, China, and Japan also began to move toward bringing our region together. CAMPUS Asia (Collective Action for Mobility Program of University Students in Asia) is a student exchange program which started under the auspices of the three nations' governments and

intended to foster young talent to work for mutual understanding and collaborative regional development. Beginning in 2011, 10 project groups composed of students from three universities in Korea, China, and Japan participated in demonstration projects, and in 2016 the program was regularized and expanded to 17 project groups. Students majoring in a variety of fields, including science and technology, humanities, economics, business administration, and law, participate in these exchanges. Fudan University, Korea University, and Kobe University together run a Korea-China-Japan education and cooperation program for the training of specialists in East Asian crisis management.

— **Tamotsu ONO** Japan's National Institution for Youth Education provides opportunities and venues for experiential learning, works to train and improve the quality of youth educators, conducts surveys and research on youth education, and supports the activities of youth education groups. It is holding a wide variety of youth exchanges with Korea, China, Germany, Micronesia, and the member countries of ASEAN (the Association of Southeast Asian Nations). Among those programs is the Korea-Chi-

na-Japan Children's Story Exchange Program, in which 100 elementary school pupils from the fourth, fifth, and sixth grades learn the joy of reading and understanding each other's culture through illustrated stories. Every year for one week they develop friendly relations through cross-cultural experiences and creative activities. Students who as children have participated in such exchange programs are later much more likely to study abroad and work as volunteers in their home country. This shows the positive influence that a child's experience with such exchanges can have as the child grows up.

— **CHOUNG Jin-hoan** The Hope to the Future Association (HFA) is a nonprofit corporation under the jurisdiction of the Ministry of Foreign Affairs that was founded in order to help young people from Korea and abroad to build their futures through a diverse range of international programs focusing on mutual understanding and sustainable sharing. It operates a variety of exchange projects, including a diplomacy camp for students from Korea, China, and Japan as well as the Trilateral Youth Forum, in response to the need to promote networking among members of the future generation and to open venues for greater exchange. It is laying the groundwork for ongoing exchanges and mutual understanding between the youth of the three countries in such varied formats as lectures, debates, presentations, and cross-cultural experiences. By surveying the participants' level of interest, we were able to ascertain that the students want more in-depth discussions about fields which are of real use to them, such as history, politics, diplomacy, the environment, and economics. We are working to provide custom programs that go beyond simple exchanges and sufficiently answer these students' crucial requirements.

— **CHUNG Ku-chong** I know that youth exchange programs between Korea, China, and Japan have been taking place through a variety of exchange projects. What do you think of such youth exchanges overall?

— **GUO Dingping** I personally have a lot of experience with exchanges in East Asia. When I was with my daughter in Japan, we visited a cherry-blossom

museum, which seems to have left a deep impression her. She says that when someone mentions Japan, the image of cherry blossoms comes to mind, and this is probably true for a lot of people. An exchange does not have to be some huge deal. Something as ordinary as a flower can serve as an item of exchange. In cross-cultural exchanges, children, young people, and adults will be impressed by different things. We need to conduct exchanges that vary appropriately depending on whether the participants are elementary schoolers or university students. For example, for elementary school pupils, the program should feature things that are of interest to such a young age group, while for university students, the exchange program should focus on topics of mutual interest, such as practical information and experience regarding getting a job. A variety of youth exchanges are currently taking place in East Asia, but we need to clearly define what youth exchanges are really supposed to be.

— **Tamotsu ONO** There are problems with defining youth exchanges. For example, in Japan, the youth exchange program of in-country leadership training is managed by the Cabinet Office, while the programs for Japanese young people going overseas or foreign young people coming to Japan are managed by the Ministry of Education, Culture, Sports, Science and Technology. The budget is organized in such a way as to prevent the two agencies from intruding on each other's affairs. However, we need to consider whether that sort of separation is really a valid way of defining youth exchanges. I agree with Prof. Guo's point about the importance of customizing exchange programs to suit the participating generation. Japan's National Institution for Youth Education varies the themes of its programs in accordance with whom the programs are for. For children, the theme is reading. In exchanges with countries of Micronesia, the themes have to do with nature. For university students, the focus is usually on volunteer work. If an exchange is framed too vaguely, it is hard to get people to take part, but it attracts participants easily with a specific theme.

I wish there were more research done on which themes would be most suitable for which age groups. It is necessary to start ongoing exchanges from their childhood.

**— CHOUNG Jin-hoan** The work of the HFA consists mostly of high school and university student exchanges and volunteer activities. There is a difference in the way young people see such exchanges and the way they are regarded by adults. Relations between Korea, China, and Japan as seen by the established generation or the government are fraught with sensitive issues that are sometimes harmful to those relations or are sometimes simply covered up. On the other hand, when young people bring up such sensitive issues as territorial disputes or disagreements about history, they deal with them more freely and naturally. They think more freely and have a better understanding of cultural differences than the older generation. Exchange programs should be conducted on the basis of the specific, practical needs of the young people they are for. At the HFA, we always ask applicants what themes they are most interested in, and we make every effort to provide programs that correspond to those interests.

#### [ Q & A ]

**Q.** The panelists have said that there has to be interest in exchanges in order to start them off. In my personal experience, even less serious exchanges between Korea, China, and Japan always wind up involving historical problems. What are your thoughts on that?

**A. GUO Dingping** Interest is just the beginning. There are indeed many sensitive issues regarding Korea-China-Japan relations, but there is no need to cover them up or try to hide them. In-depth discussion is possible only when the right atmosphere has been established first. We start off with issues that interest everyone and that everyone can identify with, and as the participants come to interrelate better, they can gradually begin a more serious dialogue. There are two viewpoints when talking about Korea-China-Japan exchanges. One is that we should

discover what we have in common and proceed from there, and the other is that we should begin by understanding our points of difference. Opinions about which way is better may differ, but it seems to me personally that we should start off by acknowledging our differences. Mutual understanding becomes easier when we start by recognizing that our cultures and ways of thinking are not the same.

**A. Tamotsu ONO** I agree with that. In international exchanges, it is important to know the history and culture of the other country. At the National Institution for Youth Education, before we send the participants in our exchange programs to another country, we teach them about the history and culture of that country. It is good to know about the things we have in common, but it is also important to learn about other areas as well.

**A. CHOUNG Jin-hoan** Awareness of historical problems varies with age and generation. Territorial disputes, descriptions of history, and the problems of the past that adults may avoid talking about are freely discussed by young people. Directness when talking about sensitive issues should not be intended to start a fight, but rather to initiate an understanding of differences. You have to know the difference between something that is incorrect and something that is simply different.

**A. CHUNG Ku-chong** The thread of reasoning that all those who have spoken so far share in common is the assertion that we have to begin by understanding each other's position. In Korea, we have a saying yeokjisaji [역지사지], the equivalent of "to walk in someone else's shoes" in English, and I believe China and Japan have a similar saying.

**A. LEE Jong-heon(Trilateral Cooperation Secretariat, Deputy Secretary-General)** I would like to thank everyone who has participated here today. The Third Korea-China-Japan Summit Meeting took place here on Jeju Island on May 29, 2010. The historic Trilateral Vision 2020 agreement was adopted at that meeting. That document outlines the direction that Korea-China-Japan cooperation is to take until the year 2020, and its message is simple. First, it

states that there is still a lot of room for progress in our trilateral cooperation. Second, it demonstrated the intention of the leaders of the three countries to look at history squarely and proceed into the future on the basis of mutual trust, broad cooperation, and collaborative development. Personal exchanges, and especially youth exchanges, are very important because they will play a decisive role in determining the future of Northeast Asia. Even when the future of relations among our three countries looks dark, we must never lose hope. It is important for us to bring up the next generation with open minds that are free of prejudice. The dream of one country alone may end up being nothing more than just a dream, but a dream shared by three countries can become a reality.

**A. CHUNG Ku-chong** In the Korea-China-Japan Cultural Exchange Forum, which began in 2005, children from the three countries sing in chorus in their nations' three languages about the theme of the future. Just as those children come to understand each other by meeting and communicating, I hope that, for the sake of peace and stability in the region, our three countries will emulate the children.

#### Keywords

Korea-China-Japan, youth exchanges,  
exchanges of children's stories,  
Korea-China-Japan Trilateral Cooperation Youth Forum



#### Policy Implications

- The need to institutionalize Korea-China-Japan youth exchanges and cooperation and conduct them at regular intervals
- The need to develop a greater variety of exchange programs that include a broader range of age groups such as elementary, middle, and high school students beyond those that focus mainly on university students
- The need for continuous interest and financial support so that exchanges do not end as occasional one-off events

## The Role of Youth and Culture in Shaping a Peaceful and Sustainable Future



Chair	<b>LEE Sunghoon</b> Executive Director, Korea Human Rights Foundation
Keynote Speaker	<b>Puan MAHARANI</b> Coordinating Minister for Human Development and Cultural Development, Indonesia
	<b>Hamat BAH</b> Minister of Tourism and Culture, Gambia
	<b>Eduardo MÉNDEZ</b> Executive Director, El Sistema
Discussant	<b>Umair MUSHTAQ</b> Communication Manager, The Little Art, Pakistan
	<b>Leen NASSERALLAH</b> Member, Yafa Cultural Center, Palestine
	<b>Daniel LINDEMANN</b> Panelist, JTBC Non-Summit
	<b>SHIN Hwajeong</b> Representative, Jejudo Joa
Rapporteur	<b>KANG Jihyoung</b> , UNESCO APCEIU Assistant Programme Specialist

— **LEE Sunghoon** We had quite a lot of different young people from around the world—in particular, women from places like Africa, South America, and West Asia—taking part in this session. This session holds profound meaning in terms of diversity and equality between the genders. I would like to begin this forum with the hope that it will be an occasion for overcoming cultural, regional and generational differences.

— **Puan MAHARANI** Young people are the future driving force that steers the development of a country's culture. The hallmark of youth is dynamism. Recent advancements in information and communications technology have not only given young people a forum to present their views in public settings, but even allowed them to influence government policies. Just as wide-ranging freedoms of expression have been granted to young people, I truly hope these changes can make a positive contribution to global civilization. But the future for young people does not appear to be entirely rosy. They are faced

with various problems and environment issues, including drug addiction, competition, consumerism, the degradation of culture, human trafficking, and poverty. Competition in the globalization era frequently causes conflict as a result of clashing social, cultural, economic, and political interests. When the social, cultural, economic, and political bases are weak, competition results in failures and divisions for people, groups, and countries. These failures and divisions can have many negative consequences, including frustration, pessimism, radicalization, and crime. This is why all nations need to create social climates where young people can grow and develop their potential.

In terms of young people's development, the role of the state is to manage education and foster young people's capabilities, while giving them opportunities to contribute to national development. In the process, young people can develop into people with a love for humanity, who are generous, understand each other, and acknowledge their differences. Not

only that, but the state also needs to help build young people's capabilities to stand on their own socially and economically. For the sake of a country's cultural development, the culture that carries that country's distinctive characteristics needs to be passed down to the next generation through the youth.

Young people's development has been encouraged through various government policies and programs in Indonesia. The Indonesian government has issued "Smart Indonesia" cards, through which 19 million students have received universal education benefits. In terms of higher education, 30,000 students from low-income homes have been given financial aid, and vocational education has been expanded. With the Nusantara Program, the Indonesian government has formed partnerships with villages to support low-income young people. Indonesia is a multiethnic country consisting of 17,000 islands with 700 ethnic groups and languages. To bolster this kind of cultural diversity, universal education has been provided for all regions according to the "Pancasila" philosophy. Young people are doing positive things in many areas of society. But if those activities fail to generate a common energy for the development of global civilization, it will simply have the effect of reinforcing existing practices. What we need right now is the energy that will allow young people to become major players in the future.

Global civilization has undergone constant waves of revolution, from antiquity through the Middle Ages, the modern era, and in the present-day with its so-called "T Revolution (Transportation, Telecommunications and Tourism)." Now is the time for young people to use their energy to bring about a new revolution. This revolution needs to be something centered on universal human values rooted in human dignity. In terms of strengthening the dynamic energy of young people, I believe the United Nations Educational, Scientific and Cultural Organization (UNESCO) can play a pivotal role in young people's development. Currently Indonesia is working to ensure that young people can live without conflict or tensions, where pride and freedom

are assured. That world is a world where justice and prosperity are guaranteed for all people and humanitarianism is practiced in all areas. We need to work toward this kind of vision. Let us see to it that young people's dynamic energy is accentuated and used to build a noble civilization and society.

— **Hamat BAH** Youth is an early stage of growth for the individual. I see it as referring to people from the ages of 18 to 35. Of course, I also agree when people call it "youth" to be young at heart. Culture is a person's way of life. Every way of life for us—including food, housing, religious, and clothing—can be defined as culture, and this is transmitted from one generation to the next.

The Gambia has a very diverse and rich culture. The problem is that cultural resources such as music, dance, drama, and storytelling are not being used appropriately for societal development and job creation. 61 percent of the Gambia's population is aged 24 and under. It is the opposite of South Korea, which is becoming an aging society. Many young people who are suffering from difficulties due to their inability to find work are risking their lives to migrate to countries in Europe.

Not long ago, the Gambia was in a very difficult situation politically. The president refused to relinquish power after losing the election. At that time, we were able to get through those difficulties thanks to the roles played by young people and culture. Seven political parties in the Gambia came together in a union to oust the dictator, but all of their means of activity were taken away by the dictator, and they suffered hardships such as press controls. People supported the party union and drew attention to the dictator's wrongful acts through social media, wall paintings, street demonstrations, and canvassing. Many young people were sent to prison and threatened, but they brought about change, no matter what kind of sacrifices this entailed. Finally, there was an election in January 2017, and the dictator lost, garnering just 39 percent of the vote. Now the Gambia has entered a new era of democracy. A sustainable future must be a tolerant one. Different people must

participate in the country's development without being discriminated against. This includes women, the disabled, and foreigners. We can achieve interchange through tourism, and promote peace and achieve economic growth through mutual understanding. Young people and culture can contribute to the creation of this kind of sustainable culture.

— **Eduardo MÉNDEZ** El Sistema achieves a culture of peace through music. To this end, it values teamwork and opens up opportunities for young people. El Sistema was founded in 1975 and fosters autonomy and community spirit through music. With the orchestra and chorus in particular, you learn what you can do within society through that community consciousness and development of your potential. Thus El Sistema uses music as a tool for personal and community development. The positive experience of being a member of the orchestra or chorus offers new opportunities to students who have not had a chance for education, or who have been exposed to violence. El Sistema uses community organizations called “Núcleos” to learn about social coexistence. To achieve these communities, young people become leaders and play a role in promoting social unity.

Through music, we are instilling the potential to combat violence and to solve problems in peaceful ways. This leads to a decrease in problematic activities and promotes healthy competition. The orchestra's activities also teach respect for other people's differences. Thanks to these efforts, El Sistema was awarded UNESCO's International Music Prize in 1993, and the founder of El Sistema, Maestro José Antonio Abreu, was appointed a Goodwill Ambassador and has been working to achieve peace through music. Our performance for the UN General Assembly in 2016 was an opportunity to share this message of peace through music with the rest of the world. I would like to finish by quoting something El Sistema's founder once said: “Putting together a chorus and orchestra means planting the seeds for a culture of peace.”

— **Umair MUSHTAQ** The Little Art is an art education institution that uses media in particular to help

children and early adolescents understand the social issues that affect their lives. Through this program, we are instilling wisdom for living, so that these children can become responsible members of society who resolve various social issues. We develop creative and diverse art programs for children and early adolescents to participate in. In Pakistan, we are planning and running a variety of festivals and events, including the International Children's Film Festival. These events are designed so that not only the children but adults and teachers too can take part at the community level. To that end, we also organize filmmaking, photography, animation, and art workshops and strive so that low-income children in particular can benefit in many ways. We are working so that children can realize their potential through art, achieve their dreams, and become aware of universal values like peace.

— **Leen NASSERALLAH** Palestine has been forcibly occupied by Israel for 69 years. The Balata refugee camp was created in 1996 and is involved in culture and arts activities to uphold the rights of Palestinian refugees. The center's goal is to preserve the memory of the Nakba(the history of Palestine since its occupation by Israel in 1948) and promote understanding of our rights. Each year, young people are given the chance to take part in festivals, parades, plays, and other activities. It is a way of reminding them of their right to return to the precious land they inherited from their ancestors. The children's rights are our center's top priority. Through various projects and workshops, we work to instill values of freedom, democracy, justice, and human rights in children and young people. We believe that through these activities, young people can grow to become leaders for a sustainable future for Palestine.

— **Daniel LINDEMANN** What kind of roles do Korean young people play? Culture holds great strength and is often referred to as “soft power.” Culture is also a good tool for diplomacy. Cultural interchange is important in and of itself to promote mutual understanding. The reason we fear others is because we do not know them. That is why cultural interchange is

essential. This is an age of globalization. In the past, we were not able to communicate, but today we have many means that allow us to communicate with each other. Young people have played important roles in Korean history. Young people were at the heart of the March 1st Movement and many other historical revolutions. At the same time, with things like Trumpism and Brexit, young people need to take an interest in politics and play an active role amid this wave of widespread nationalism. A healthy interest in politics is something nurtured through culture. A healthy interest in politics is something that not only young people but also older people should work toward. That, and a healthy competition between generations, is a way for us to maintain our humanity in these unstable times.

— **SHIN Hwajeong** Jejudo Joa is a group that develops artwork out of refuse found in the sea off the coast of Jeju Island. The members of Jejudo Joa met at the Hansupul school for haenyeo(women divers). Haenyeo dive into the ocean to gather seafood. For 16 weeks, we took classes with the haenyeo every Saturday. Every time we went into the water, we found ourselves seeing more trash than beautiful ocean scenery. That is where our sense of critical awareness originated. With the sea, it is hard to hold any one country accountable for the constant flood of garbage. We wanted to live on beautiful Jeju Island, and we wanted to do something to achieve that. So what we ended up doing was beachcombing. Beachcombing is about picking things up from around the beaches and using them to make art. We have been collaborating with various artists to do this. There is a lot of different kinds of garbage that we find while beachcombing. We look at all the different possibilities in those items. We work with professional artists, and plan to expand into a campaign to protect not just Jeju Island but all of South Korea. It is small now, but we hope to see it become a large movement that can bring about a positive transformation. Haenyeo have to adjust their breathing when they are in the water. It is important for us to be like the haenyeo and make individual decisions about

what we need to focus on and adjust accordingly.

— **LEE Sunghoon** We have learned some tremendously important things about what kind of things young people need to do before and after social change occurs. Maybe we can look at the Sustainable Development Goals(SDGs) in a different way—since culture involves singing and dancing, perhaps we can understand the SDGs as “singing and dancing?”

### Policy Implications

- This was an invaluable opportunity to share different experiences and ideas about the ways in which young people serve as a driving force for positive change in the world. It was also an excellent occasion to realize that understanding differences and cultural interchanges are key to achieving sustainable peace.
- We learned about the various activities and efforts made by and involving young people. The different activities and efforts in conflict zones like Palestine demonstrate how young people will play a leading role in achieving peace in the future. They also show how art, music, and other forms of culture will make a positive contribution in achieving a culture of peace.

## Developing Women's Creativity: A Key to Change the Future



세계여성발명기업인협회  
World Women Inventors  
and Entrepreneurs Association

**Chair** **HAN Mi-Young** President, World Women Inventors & Entrepreneurs Association  
**Discussant** **LEE Ga-yeon** CEO, Wooshin NTI  
**LEE Jung-mi** CEO, JM Green  
**NA Kyungja** CEO, SUNANDI  
**Rapporteur** **KIM Minjae** Program Officer, World Women Inventors & Entrepreneurs Association

— **HAN Mi-Young** I would like to introduce examples of how creativity empowers women economically. The process in which creative ideas lead to economic empowerment deserves attention.

— **LEE Ga-yeon** Wooshin NTI operates businesses, leveraging cooking oil refining technologies. The company has won the Presidential Prize for the development of anti-oxidation equipment. The invention is significant in that it reduces energy consumption and mitigates environmental pollution resulting from an increase in deep-fried food in today's diet. Notably, one of its inventions, the Air Belt, is regarded as an industry-grade technology, which can collect and use the heat generated by fryers. From an economical perspective, Wooshin NTI's technologies help reduce imports of cooking oil and process used cooking oil in a more cost-effective way.

An invention usually begins from an idea of how to solve an inconvenience and improve everyday life. Inconveniences that I had experienced using cooking oil prompted me to come up with new ideas. Translating these ideas into inventions was not without difficulties. In particular, my inventions at first did not receive much attention until trans-

fats, or trans-unsaturated fatty acids, emerged as a major health issue. Even so, technology R&D and product improvements were a time-consuming and capital-intensive process. Despite these difficulties, it was the support from related organizations that sustained and expanded our business. I believe the tenacity of a woman has also played a significant role in weathering rough seas.

— **LEE Jung-mi** The key driver for success was creativity. Despite various challenges, focusing on enhancing creativity and developing ideas led to economic empowerment. An invention does not have to start big, but rather begins with thinking about how to change our everyday life for better. Inventions introduced today are the result of inspiration found in everyday life. In the wake of the 1997 Asian financial crisis, I felt the need to take action economically and determined that having good business ideas was the way to go. As it takes time and investment to turn ideas into economic benefits, it was quite burdensome in the beginning. However, I was able to make incremental achievements thanks to the support from organizations for women inventors.

— **NA Kyungja** I saw the need for at-home healthcare

equipment and came to learn about a special carbon heater and developed a product using this technology. As a female entrepreneur, I hit a wall in funding and marketing during our post-development stage. Then, I came across the Korea Women Inventors Association and the World Women Inventors and Entrepreneurs Association. I learned that there are programs to support female entrepreneurs. Afterwards, I contacted various organizations such as the Korea International Trade Association, the Small Business Distribution Center and the Small & Medium Business Corporation, and thanks to their support, my company has expanded beyond Korea to Japan, the U.K. and the U.S. I would like to highlight that support from such organizations is instrumental for women inventors and entrepreneurs.

### [ Q & A ]

**Q.** Please share with fledgling female entrepreneurs the difficulties, trials and mistakes that you experienced running a business.

**A. LEE Jung-mi** Support from related organizations and associations are of great help. As initial capital investments alone are not sufficient to address all the issues that may arise, it is important to contact related organizations for professional consultations and assistance.

### Keywords

women, creativity, idea, invention, entrepreneurs



### Policy Implications

- With the arrival of the Fourth Industrial Revolution, creativity will likely increase in importance in the future.
- It is not just scientists and technical experts who can be inventors, but also ordinary people, not to mention women, who can invent products which begin with small ideas.
- When the perceptiveness, attention to detail and creativity of women are backed by government support, this magnifies women's economic empowerment.
- Women's economic empowerment is critical in the context of gender equality and as a driving force in the future of society as driven by a knowledge economy.
- Going forward, it is essential to systematically establish and implement policies to support women to develop their creativity and pursue entrepreneurial activities.

## The Tasks of Citizenship Education for Asia's Future



Moderator	<b>KANG Kunhyung</b> Professor, Jeju National University
Keynote Speaker	<b>HUH Hyangjin</b> President, Jeju National University
Presenter	<b>HA Youngae</b> Professor, Humanitas College of Kyung Hee University
	<b>CHO Ilsoo</b> Professor, Chungbuk National University
	<b>BYEON Jong Heon</b> Director of the Institute of Peace Studies, Jeju National University
	<b>Darren SOUTHCOTT</b> Visiting Professor, Jeju National University
Rapporteur	<b>KIM Hyunsoo</b> Research Fellow, Korea Institute for Curriculum and Evaluation
	<b>Kang Byeon-Cheol</b> Professor, Jeju International University

— **HUH Hyangjin** For the countries of the Northeast Asia to prosper, collaboration with neighboring countries is essential. Korea, China, and Japan in particular are having difficulties achieving mutual collaboration, but with collaboration at the private and local government levels yielding better-than-anticipated results, we can expect exchanges and collaboration at the private and local levels to serve as a catalyst for promoting cooperation with the aim of development and peaceful coexistence between countries. Exchanges between Northeast Asian universities will serve to elucidate our agreement on universal human values. I believe the experiences that the next generation's leaders acquire through student exchanges will make a great contribution in the establishment of a framework for Northeast Asian cooperation in the future.

Cooperation in Northeast Asia is only possible through the emergence of a new generation of citizens who are conscious of their global citizenship. The world today is facing issues that can only be resolved through international cooperation, rather

than within the domain of any one country. Environmental issues are quickly becoming a global catastrophe, one that cannot be resolved through the efforts of people in a given country or region. With the emergence of this new generation of globally aware citizenry, the possibility for coexistence and mutual cooperation can expand beyond the interests of individual countries. In that sense, civic education and university education in the era of globalization must be focused on nurturing a global consciousness and a sense of responsibility. I see the Jeju National University Peace Institute session as very meaningful in offering an opportunity to explore and discuss the directions and tasks we face in fostering a new sense of global citizenship.

One of the chief factors in the conflict among Northeast Asian countries comes from their past legacies. The invading country needs to fully reflect on its past and avoid attempting to distort history. Yet, at the same time, we should focus more on future-oriented relationships than on the past. In that sense, there are a few areas regarding Northeast

Asian citizenship education where we should be placing our main focus. First, it is essential to establish a consensus among Northeast Asian citizens that is based on universal human values. We need to unite people behind universal values such as a respect for human rights, a respect for life, democracy, and protecting the environment. Second, the educational content needs to be future-oriented. Rather than dwelling upon unfortunate incidents of the past, universities need to lead the way with a vision for the future which is based on cooperation. This will lead to the achievement of peaceful cooperation and shared prosperity in Northeast Asia. Third, Northeast Asia will only be able to pursue the goal of shared prosperity when we practice respect for diverse cultural values and acknowledge and respect differences. I hope that the research and educational experience of the scholars and experts in this session can serve as a foundation for presenting creative and constructive ideas to contribute to Northeast Asia's peace and development. By harnessing that wisdom, we can create a bright future for Northeast Asia.

— **CHO Ilsoo** I think that the most fundamental conflict among countries in Northeast Asia relates to the animosity that citizens of different countries hold. To achieve cooperation and shared prosperity among Northeast Asian countries, we need to find ways of overcoming that animosity. As globalization has progressed, the scope of people's awareness has broadened beyond their own ethnic groups and nations into the rest of the region and the world. This naturally leads to a growing interest, one which reaches beyond their borders, regarding their place and role in the region, the world, and humanity. I think this is a situation in which a sense of regional citizenship is possible. With regional citizenship, you need to be able to share temporal and spatial norms. At the same time, regional citizenship needs to be active, contributing to the development of justice, human rights, and democracy in countries in the region and actively achieving peace. Patriotism needs to be redefined not as a love for one's country where you have blood and regional ties, but as a love

for a political homeland that pursues freedom and justice. With a love for a political homeland, national citizenship can be compatible with regional citizenship, and even global citizenship. Even a believer in global citizenship will gladly take on responsibilities as a citizen fostering the culture and politics of his or her homeland.

Regional citizenship in Northeast Asia needs to be capable of fostering a sense of historical and cultural identity among citizens of the region. The history of exchange and cooperation among countries in the region with things like the introduction of Chinese script, Confucianism, and Buddhism, along with their shared cultural traditions and ways of living, can be used to foster, through education, a shared sense of regional identity in Northeast Asia. The starting point toward peacefully resolving conflict within the Northeast Asian region will come when we break away from perspectives centering on our own countries and view problems from the perspective of the Northeast Asian region. One of the most effective means of doing so is by encouraging regional citizenship through education for future generations, which is why it is essential for us to offer regional citizenship education in our middle schools, high schools and universities. Universities in particular will be excellent places for promoting regional citizenship, since they are relatively free from state-level educational curriculums. To begin with, experts and teachers need to work together to develop a shared regional educational curriculum. That effort can be combined with a process of mutual discussions on the direction and elements of regional citizenship. It is also essential that the educational curriculum be modified to suit the situation in each country and academic institution, and that teachers and educational materials be made available. Courses on regional citizenship also need to be instituted in universities. Depending on the situation, one effective means may be to create Massive Open Online Courses(MOOCs) for regional citizenship education. In addition to student exchanges, exchanges by civic groups also need to be expanded. There needs

to be an ongoing expansion in exchanges among Non Governmental Organizations in different areas such as the environment, education, culture, human rights, and democracy.

— **HA Youngae** The kind of “better human being” that universities should be nurturing is a citizen with a sense of responsibility. To be a responsible citizen, one needs to be a rational, critical democratic citizen and a member of the community with a spirit of service. At the same time, one must meet the criteria of a global citizen, someone who thinks about the society of the future. The citizenship education program at Kyung Hee University’s Humanitas College allows students to decide on their own subjects and to work on finding solutions for those issues through various real world activities. This comes from an awareness of that fact that to achieve a better world, citizenship education needs to be something that is achieved not just in an academic setting, but rather in the larger world.

Each semester, 2,500 citizenship education students form around 500 topic-based teams. This includes activities like looking after senior citizens who live alone, communication with international residents, or taking social minorities into consideration. There are also independent research topics. Citizenship education is about practice. How do we teach the many international students who come to South Korea how to understand Korean society and learn Korean culture so they can become proper citizens, citizens with a sense of responsibility? If we understand culture along Barrett’s lines as “a collection of learned beliefs and guidelines on the forms shared by the members of a particular society,” then it is very important for students to experience another country’s culture and way of life for themselves. In that sense, we need to focus on the importance of practice through mutual cultural experiences for Korean and Chinese university students. This includes educational and cultural exchanges like the Dano Festival, an exploration of Silla culture in Gyeongju, and food culture experiences including kimchi making for Chinese exchange students. And for Korean

students at China’s Renmin University, visits to the Great Wall will contribute to mutual understanding and the formation of friendly relationships. Through experiences like this, we can effectively find ways of promoting citizenship education for Korean and Chinese exchange students.

— **BYEON Jong Heon** While I agree about the importance of citizenship education at universities in fostering new citizens, I also would like to add some comments on the discussions that could bolster this. First of all, the fostering of new citizens is achievable first and foremost through an expansion in flexible thinking, and I think that citizenship education in universities should focus its attention on sharing the values and virtues of *he er bu tong* (Chinese for “harmony, but not uniformity”), aiming for a harmony of differences and similarities, and fostering healthy and wholesome citizens who can put this into practice. Second, the new citizens will need to possess long-term vision and insight at a global level that will allow them to transcend narrow, short-term interests. This means that citizenship education will need to emphasize citizenship among countries, offering different programs to promote exchanges, participation, and a sense of solidarity among citizens of the Northeast Asia region. These days, universities have to work on exploring citizenship education so as to overcome the pursuit of soulless excellence while staying true to the university’s role and restoring a sense of mission to higher education. In that sense, I think the experiment at Kyung Hee University’s Humanitas College, with its focus on the importance of a university liberal arts education, holds great significance for higher education today.

— **Darren SOUTHCOTT** As the presenter said, Northeast Asia has failed to achieve trust and cooperation among its countries to suit their level of economic cooperation. There are two perspectives on globalization. Charles Dickens wrote about this kind of situation in *A Tale of Two Cities*: “It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was

the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going to Heaven, we were all going direct the other way.” This passage is a good description of the international situation today, where nationalism is on the rise in the face of liberalism in the form of globalization. The election of Donald Trump as U.S. President and the U.K.’s departure from the European Union could be seen as a retreat from globalization. We have to understand these phenomena through a critical mindset to properly see what is beneficial for humankind.

The United Nations Educational, Scientific and Cultural Organization (UNESCO) has defined the goals of global citizenship education as “empowering learners to assume active roles to face and resolve global challenges and to become proactive contributors” – allowing learners to acquire the capabilities they need to play a proactive role in contributing a fairer, peaceful, tolerate, safe, sustainable world. If we had “enough experts” as the British politician Michael Gove said, then it is not enough to understand global citizenship education simply in terms of a liberal global vision. Young people living in an age where they are inundated with information need to be equipped to approach complex information with a critical mindset. The filtered reality of the social media era is likely to be markedly different from the situation with our neighbors. Our feeling of understanding does not necessarily grow as we encounter more and more information about our neighbors. In fact, we have witnessed the reverse. So rather than saying students need to think a certain way and trying to change their way of thinking, it is important we enable them to approach information with the right sense of judgment.

— **KIM Hyunsoo** People have been proposing solutions establishing regional citizenship in Northeast Asia as a way of addressing the regional issues there. The complex political environment background in Northeast Asia is well known, and citizenship education is seen as important among the different ap-

proaches to resolving this issue. The major developments are as follows. First, we need citizenship that is rooted in the regional characteristics of Northeast Asia. The nature of this is a mediation of citizenship between two levels, the individual country and the world, with a process of development into national citizenship, Northeast Asian regional citizenship, and global citizenship. Second, Northeast Asian regional citizenship is about moving beyond stubborn nationalism and sharing common norms based in the wider region. This kind of Northeast Asian regional citizenship involves multilayered citizenship in which national and global citizenship are capable of coexisting; temporal identity that confers a shared sense of historical and cultural identity; a spatial identity that recognizes a regional system encompassing Northeast Asia; and active citizenship, in which people participate proactively for the sake of human rights and democracy.

Regional citizenship needs to be promoted in Northeast Asia, and this is a process that will be achieved through a gradual approach. As ways of achieving this, we first need to have experts from the different countries taking part in discussions on the specific directions and elements of regional citizenship. Second, we need to promote local citizenship through education for future generations. Third, exchanges and cooperation need to be encouraged among students. Fourth, exchanges by civic groups need to be expanded. The advantage of these discussions lies first and foremost in their attempts to distill the base and core of citizenship based on Northeast Asia’s regional characteristics. Because the concept of global citizenship covers such wide ground, there are fears that it could be hollow. To achieve it, we will need to think long and hard about how we can overcome the geographical characteristics and limitations of “Northeast Asia” as a category for citizenship and citizenship education. South Korea and Japan face some obstacles in active exchanges with other countries in the region, the former because it is isolated by North Korea and the latter because it is isolated by the ocean. Being geographically situated

at the center of the three countries in Northeast Asia, Jeju holds special value, and I expect that it can perform an important role.

#### Keywords

Future of Asia, universal values,  
Korean and Chinese exchange students, he er bu tong



#### Policy Implications

- Efforts are needed to encourage a joint response to environmental issues and other forms of global crisis. This kind of international collaboration can take place efficiently through global citizenship education.
- A consensus on Northeast Asian cooperation rooted in universal human values needs to be established.
- A historical and cultural consensus must be formed in the region from a standpoint of regional citizenship transcending the category of citizenship within a given country's borders. Common support must be sought in terms of contributing to the advancement of freedom, justice, human rights, and democracy and the active pursuit of peace. Teachers and educational materials will need to be made available to suit the circumstances of individual countries and their academic institutions.
- International students will need to be nurtured into proper, responsible citizens through an understanding of Korean society and culture. These activities will broaden an understanding among the countries in Northeast Asia and develop into friendly relations.
- Policy alternatives will need to be sought for an expansion in the scope and scale of citizen exchanges, in addition to student exchanges.
- The flood of incorrect information in the information era may actually have the effect of hurting relations between neighbors. Younger students must be equipped to process information critically and correctly so that they can achieve friendly relations with their neighbors.
- Sympathies needs to be formed through a shared sense of Northeast Asia cultural identity. This will require examining issues responsible for conflict and finding ways to resolve them.

## Korean Cultural Contents' Entry into China and Intellectual Property Rights



Moderator	<b>RHEE Sang-gi</b> Chairman, Korea China Regional Economy Association
Keynote Speaker	<b>PARK Seung Chul</b> President, Seoul Media Institute of Technology
	<b>WANG Chong</b> Vice President, Le Holdings Corporation, China
	<b>HAN Fangming</b> President, The Charhar Institute
Presenter	<b>YOON Jae-young</b> CEO, TITAN Platform
	<b>YANG Cheng</b> Vice President, China Security Technology Group
	<b>WU Jianmin</b> Chairman, Shanghai Tanzhu Automobile Sales & Service Corporation, China
	<b>LIM Seong-dae</b> CEO, ICCI Entertainment
Rapporteur	<b>AN Yiqing</b> Researcher, The Charhar Institute / Director, Shanghai Law Firm Rigby
	<b>CHAE Ha-yeon</b> Professor, Graduate school of Chung-Ang University

— **HAN Fangming** Cultural exchanges between China and Korea have gradually expanded. The Chinese government's efforts to crack down on pirated content and safeguard intellectual property rights resulted in the recent Korean drama hit Descendants of the Sun being very profitable. The protection of intellectual property rights in China started late and is far from being perfect and effective. Given various efforts to promote public awareness about the importance of the protection of intellectual property rights, I expect gradual improvements in this regard and am looking forward to sharing opinions to promote the cultural exchange and development between the two countries.

— **PARK Seung Chul** I propose content production aimed at the global market, as in the case of Pororo the Little Penguin. This television series has been sold to 127 countries around the world with its added value and brand equity is estimated at 800 billion Korean won and 400 billion Korean won, respectively. With the global market in mind, the program

excludes any references to nationality and race and stimulates children's imagination. However, Pororo the Little Penguin has yet to enter China due to a "regulatory" stance that the storyline, which is based on a flying penguin, is unscientific. The content industry specializes in the product of imagination, one that appeals to the sensibilities and which adds to convenience in daily life. Given language barriers, cultural and religious differences and protective trade barriers, the content industry should refrain from cultural supremacism. It is also necessary to make preparations before, not after, the relaxation of entry regulations to China. To this end, efforts to respect mutual interests and evaluate the value of content in a new light are required. A selectively focused market analysis is needed to guide the content industry into a new era of the Korean wave. In China, four agencies including the National Copyright Administration of China (NCAC) launched an anti-piracy campaign in July 2016 to pursue fair competition and establish market rules, but the mon-

itoring system still has many loopholes. Damages from illegal piracy were estimated at four trillion Korean won in 2010. However, retaliatory moves may give rise to trade disputes, which highlights the importance of international cooperation. As such, it is essential to enter an international copyright agreement with the Chinese government, enhance the roles of nonprofit organizations in monitoring illegal piracy, and establish a Copyright Research Center to develop anti-piracy monitoring technologies and build infrastructure.

— **WANG Chong** China began to pay attention to the importance of intellectual property rights from 2006. Apart from recent political rows over the deployment of the Terminal High Altitude Area Defense missile (THAAD) system in Korea, Chinese viewers are getting tired of Korean dramas dominated by banal repertoire such as car accidents, amnesia and cancer. China is seeing the emergence of positive competition as in the case of the Great Wall, a joint film production between Le Holdings Wanda and U.S. businesses. The quality of Chinese cultural products is still relatively low, but Chinese dramas will make their way into Korea in the future. An objective analysis of the Chinese market is needed. It requires cooperation with Chinese partners and local authorities. The decisions of the Chinese people regarding the situation and the social atmosphere have been detrimental to such cooperation, even though there are no written rules against this. The situation calls for action. A possible option is a joint production, which ensures Chinese companies generate not just revenues but also share in the risks. A Sino-Korean joint production and marketing is a viable alternative.

— **YOON Jae-young** Content consumption and diffusion calls for strategies to meet the need for intellectual right protection technologies and a paradigm shift in the new media ecosystem. Currently, content providers cannot prevent illegal piracy with existing copyright protection technologies, and individual content creators cannot generate revenue due to the absence of a revenue model. Consumers need access

to multiple platforms to use content. Accordingly, content files are inserted with a code to prevent illegal copying and leaks, and files are encrypted to prevent piracy. In addition, anti-recording functions and real-time monitoring are also used to safeguard copyrights. These technologies enable users to access all content on a single platform.

— **YANG Cheng** The China Security Technology Group (CSTG) provides full security services to overseas companies. Established in 2016, the CSTG has a network of subsidiaries in 30 countries around the world, offering security services and assisting Chinese companies' overseas expansion. In particular, the company provides overseas Chinese with security and protection services, overseas projects and human capital protection, security services for projects, and protection and competency-building services for personnel. Its security team is staffed with retired soldiers and provides various security services, creating job opportunities for retired military personnel.

— **WU Jianmin** A peaceful international environment is crucial for businesses as well. East Asia is in the midst of political turmoil over the deployment of the THAAD system, but I have a positive outlook for the future and hope all Asian countries to work together for peace and development.

— **LIM Seong-dae** China is well aware of the importance of the content industry, considering it as the king of intellectual property rights. Dramas and games account for 80 percent of intellectual property rights in the Chinese content market. China's entertainment market was estimated at 75 trillion Korean won in 2016, and paid subscribers to video service platforms reached 75 million and will likely exceed 100 million in 2017. The content market is undergoing changes such as the development of single-person media, the resulting rise of Multi-channel Contents Commerce Network (MCN), and the spread of content and online celebrities through social media.

In Korea, gaming and web content are fast expanding on the back of information communication technologies and infrastructure, and the center

of content creation is shifting from broadcasting companies to content creators. It is desirable to establish a Korea-China trading platform on content intellectual property rights. The establishment of an intellectual property rights platform is significant in that it enables shopping for various content in one place, ensures transparency in transactions, reasonable price negotiations through one-on-one channels and proactively secures intellectual property rights via Sino-Korean joint content investments. COCOV Entertainment, which specializes in web content, is tightening its leadership in media commerce in this new era of content and e-commerce. COCOV has established subsidiaries in Korea, Japan, the U.S., Australia and Europe and produced various broadcasting programs in a move to become Korea's first trading platform for intellectual property rights.

— **AN Yiqing** A few years ago, when Microsoft called on the Chinese government to crack down on piracy, it faced a backlash from the public, and likewise, the Walt Disney Company's request for copyright protection only backfired. Northeast Asia has a distinctive culture about intellectual property rights, one which requires a unique approach. In Japan, win-win strategies are often pursued by taking over companies responsible for copyright infringement. I hope we can contribute to promoting the protection of intellectual property rights in Korea. The current legal protection system in China and Korea is rather unfair and there are many areas in need of improvement. As China is well advanced in terms of technology, internet payments and social media, Korean companies should exercise caution so as to avoid any legal disputes in China.

#### Keywords

Korean wave of pop culture, Korean pop culture content, cultural content, intellectual property rights, copyright, IP



#### Policy Implications

- Despite the urgent need for content protection for creators, the stringent implementation of laws and technology protection creates a dilemma between security and convenience.
- Content protection and fair distribution should be accompanied by legal, moral and technological protection.
- Society-wide efforts should be made to raise awareness among consumers that illegal use of content is an immoral act and it is fair to recognize the value of content and pay for it.
- It is necessary to establish dedicated organizations or agencies which provide knowhow on the global distribution of content and offer practical assistance. No matter how successful content is, content creators are often excluded from sharing non-royalty revenue, such as commercials and secondary products, if distribution is not rational.
- It is proposed to promote mutual understanding through bilateral cultural opening and develop cultures and generate revenue streams through the production and distribution of high-quality cultural content and formats.
- Content protection systems should be established in a way that meets changes in the content consumption environment such as the rise of single-person media and the importance of content creators.
- Flexible application of content protection measures is effective, given country-specific cultural environments.

# Universal Design for the Added Value Enhancement of Asia Free International City



Chair	<b>LEE Seokhyun</b> Professor, ChungAng University
Moderator	<b>SON Dongseung</b> Secretary General, Korea Color Universal Design Association
Keynote Speaker	<b>LEE Hyounggho</b> Deputy Minister for Sports Policy, Ministry of Culture, Sports & Tourism <b>Sari YAMAMOTO</b> Professor, Tsukuba University, Japan
Presenter	<b>TU Kung-Gen</b> Professor, National Taiwan University of Science and Technology <b>Manabu TANABE</b> President, Color Planning, Japan <b>CHOI Ryoung</b> President, Institute of Life Environment
Rapporteur	<b>PARK Jin Soo</b> Professor, Mokwon University

— **LEE Hyounggho** Korea's public design policies are governed primarily by the Ministry of Trade, Industry and Energy, the Ministry of Land, Infrastructure and Transport and the Ministry of Culture, Sports and Tourism. Recognizing the significance and effects of public design on the quality of life, the Ministry of Culture, Sports & Tourism created its Space & Culture Division in 2004 to pursue public design policies in earnest. In 2013 it was renamed the Visual Arts & Design Division. The Ministry of Culture, Sports & Tourism divided universal design between its Visual Arts & Design Division under the Culture and Arts Policy Office, and its Sports for the Disabled Division under the Sports Policy Office.

The Ministry of Culture, Sports and Tourism conducted research to analyze the current status of universal design and cultural application in 2012. The research conducted in 2013 led to the establishment of universal design guidelines for cultural facilities, according to categories such as concert halls, exhibition rooms and libraries, taking into consideration the need for universal design guidelines in cultural

facilities and design considerations based on user characteristics. The study on facility types analyzed the need for universal design in public libraries in 2014, the most familiar cultural space for the general public, and developed a universal design manual based on user characteristics and specific facilities. The introduction of the Act on Public Design in 2016 enabled public design policies to develop in a more systematic and consistent way.

In accordance with the Act on Public Design, Korea's first basic plan for the promotion of public design is being developed in 2017 to specify the spirit of universal design and other detailed tasks. The Korean government is working to build social consensus on "Design for All." It ensures the freedom of activities unconstrained by disability and equal participation in society. The goal is to provide and spread design guidelines to make society a better place for the elderly, the disabled and socially underprivileged groups. Notably, for the successful opening of the 2018 PyeongChang Olympic and Paralympic Winter Games, universal design is in-

produced not just to sport facilities but also to public toilets, restaurants, accommodation and tourism facilities in hosting cities(Gangneung, PyeongChang, Jeongseon) to improve accessibility for people with disabilities. The project, which launched at the end of 2016, involves related ministries and organizations encompassing the Ministry of Culture, Sports and Tourism, the Ministry of Government Administration and Home Affairs, the Ministry of Health and Welfare, the Ministry of Land, Infrastructure and Transport, and Gangwon-do Provincial Government with the signing of an MoU on the creation of disabled-friendly cities.

— **Sari YAMAMOTO** For international airports, universal design is an important method of communication for passengers with language, physical and sensory challenges. In the U.S., it is advised that universal design be implemented in a way that: 1) limits the number of signs to avoid obscurity and confusion; 2) organizes signage in a way readable by those with poor vision; 3) ensures uniformity of directional and informative signage; 4) ensures direction signs are recognizable by users coming from different directions; 5) ensures color codes or other visual signs help people recognize a place or a direction; 6) provides the same information to people who are color blind; 7) ensures menu boards are readable by people who are color blind; and 8) ensures that signage complies with Americans with Disabilities Act(ADA) guidelines.

The U.K. also offers model cases on signage design for the visually impaired. A sign is only valid when users can find, understand and read it. As such, the most critical case is the contrast of colors, especially between backgrounds such as trees, stone walls and sign boards and between sign boards and symbols and letters. In addition, the U.K. has a separate design guideline for signage in hospital facilities. The guideline takes into consideration color-blind people, understanding of colors, the use of the color red in safety information, risks of color fading and color awareness.

The Ministry of Land, Infrastructure, Transport and Tourism of Japan uses colors in maps in

accordance with the guidelines for signage design. The Nishikawa Institute of Art and Design's Color Design Guideline(2002) emphasizes: 1) visibility of signage 2) relevance in surrounding environments, 3) proper information of signage, 4) readability of signage, and 5) attractiveness of the signage itself. It is possible to establish a framework for Color Universal Design(CUD); however, it is desirable to avoid setting specific guidelines.

— **TU Kung-Gen** Color is a critical part of life. Notably, a pleasant living environment should be created for people who are color blind. Of Taiwan's public policies on universal design, the Design Guidelines for Accessible and Usable Buildings and Facilities(2008), combine signage color with universal design. Taiwan's CUD research organization brings together researchers, interior design, industrial design and commercial design departments to study various subjects such as color weakness, defects in color vision, color blindness, and the vision of the elderly. Taiwan is witnessing the rise of CUD. Due to the lack of related regulations, the Taiwanese Society of Color Studies plans to conduct studies on public facilities, museums, exhibition spaces, subways and stations, roads, schools and prep schools. I hope Korea and Taiwan will be able to work together on this.

— **Manabu TANABE** Japan began to introduce universal design to manufactured goods from the 1990s and has been expanding the scope of application to include signage graphics, products and architecture. In 2004, the Color Universal Design Organization(CUDO), a non-profit organization, was established. The greater Tokyo area is seeing many urban redevelopment projects ahead of the 2020 Summer Olympics in Tokyo. In particular, efforts are being made to improve Tokyo Station, Shibuya Station, overpasses, underpasses and transit systems. The recent introduction of color-coded subway lines and subway station numbering systems has improved the readability of the complicated and challenging public transit networks with visual signs such as colors and symbols.

The proliferation of cooperative universal design

should engage all stakeholders in places of social interaction, such as roads, plazas, transportation facilities and public architecture. In Japan, universal design is seen as part of added value on individual products, services and business excellence; however, it is necessary to build an urban environment which enables comprehensive connections. As such, efforts are being made to promote universal design by way of characters and education. In the greater Tokyo area, a growing number of local authorities are recognizing the proliferation of universal design as a major policy task and continue their efforts. In a modern city with increasingly complex urban functions and diverse groups of users, there is a need to recognize universal design as a social foundation for sound urban administration.

— **CHOI Young** Statistics may provide a glimpse of the future of Korea. According to experts in population statistics, the economic cost of supporting the elderly will increase, and by 2065 the population will decline due to an increase in death rates. A decline in fertility rates is attributable to an inflow of people from other countries and an accelerating shift to a collective lifestyle. Notably, such changes are taking place on Jeju at a pace that is faster than the rest of the region, mainly on the back of the tourism industry. As such, Jeju is expected to see an increasing need for design which enables coexistence between people from different backgrounds while eliminating discrimination and inconvenience. Let me introduce how universal design is being implemented by local authorities in Korea. The municipal government of Seoul is working to establish municipal bylaws on universal design, developing design guidelines for social welfare facilities and conducting pilot projects. Gyeonggi-do is taking the lead in developing and introducing universal design guidelines, the first of their kind in Korea. Dong-gu district in Daejeon is creating pilot streets and children's parks in accordance with universal design by laws. Jinju in Gyeongsangnam-do is undertaking an environment improvement project in line with bylaws on a barrier-free city.

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**Policy Implications**

**The introduction of universal design in the XII Paralympic Winter Games in PyeongChang**

- Incorporation of universal design into facilities and administrative processes to ensure that people with and without disabilities and of all ages will be able to enjoy the sporting event without any difficulties
- Through cooperation between central and local governments, and related authorities, projects are underway in hosting cities(Gangneung, PyeongChang, Jeongseon) to improve accessibility for people with disabilities to public toilets and private facilities such as restaurants, accommodations and tourist sites.
- An agreement on a Barrier-free Tourism City: The Ministry of Culture, Sports and Tourism, the Ministry of Government Administration and Home Affairs, the Ministry of Health and Welfare, the Ministry of Land, Infrastructure and Transport and Gangwon Provincial Government

**The Ministry of Culture, Sports and Tourism's policy direction for universal design**

- A shift from barrier-free to universal design
- Design approach to enhance physical accessibility as well as information / service accessibility
- Institutionalization of universal design in cultural and sports facilities
- Development of universal design guidelines and evaluation tools for culture and sports facilities
- Establishment of a system which can evaluate universal design suitability throughout the construction of culture and sports facilities

**Nine tasks in the tourism, sports and tourism segments**

- Development of universal design application methods and guidelines for cultural and sports facilities
- Pilot project on introducing universal design to cultural space with a focus on public facilities for the underprivileged
- Universal design consulting support for newly-established cultural and sports facilities
- Institutionalization of the evaluation of universal design suitability
- Designation and promotion of cultural and sports facilities with excellent universal design
- Improvement in accessibility to cultural heritage
- Evaluation of universal design suitability at cultural and sports facilities and ways of improvement
- Accessibility map on cultural and sports facilities
- Tourism street with a pilot project for universal design

# Chapter FIVE

## GLOBAL JEJU

[ Roundtable for New Strategic Partnership ]

## Considering Cooperation Model among Jeju Special Self-Governing Province, JDC and Jeju Local Community



**Chair** **MOON Chung-in** Distinguished Professor, Yonsei University  
**Moderator** **SON Bong-soo** Director, Planning & Coordination Department, Jeju Free International City Development Center  
**Discussant** **WON Heeryong** Governor, Jeju Special Self-Governing Province  
**AHN Choong-young** Chairman, Korea Commission for Corporate Partnership  
**KO Choong-seok** President, Jeju International University  
**LEE Kwang-hee** Chairman, Jeju Free International City Development Center  
**Rapporteur** **KO Taejin** Deputy Manager, Planning & Coordination Department, Jeju Free International City Development Center

— **LEE Kwang-hee** With the arrival of the Fourth Industrial Revolution and a new South Korean administration, the Jeju Free International City Development Center(JDC) is facing new opportunities and challenges as it attempts to establish a Free International City. It should boost collaboration with local community to actively pursue the projects needed for a Jeju Free International City model appropriate for the soft power era. JDC should now play a proactive role in achieving a Jeju model of Free International City that reflects the changing environment and future values. To overcome the negative perceptions held by residents and achieve their cooperation, JDC also needs to actively pursue projects that contribute to improving income levels and happiness among Jeju residents. They are the actual constituents of the Jeju Free International City. The Jeju Free International City needs to be approached as a strategic state-level project ushering in the future of South Korea in the 21st century. This will require attention and cooperation from the central government and the National Assembly, and collaboration with the local community. Based on

this active communication and cooperation, we will work together to envision a future for Jeju and build a positive feedback loop where it can share with the local community.

— **WON Heeryong** JDC has made a great deal of effort but there are many remaining issues to be resolved before it achieves its goals as originally planned. It needs to work with the provincial government in coming up with plans to address the concerns regarding the diminishing quality of life for residents with issues caused by real estate, housing and transportation, which were created by the Free International City development process. It seems premature to reach conclusions about whether JDC's results thus far have been positive or negative. JDC needs to make an effort to actively communicate and minimize conflicts by offering residents a vision for a sustainable future for Jeju. The process of attracting investors involves working towards choosing healthy investors. Once you have attracted investments, you have to manage things closely and provide an oversight to ensure that projects go as intended. When creating a Free International City

model for Jeju, investments and the fostering of human resources are an essential part of the process in projects for renewable energy, a smart island, electric cars. This means we will have to think of ways for Jeju Special-Self Governing Province to cooperate with JDC and private enterprises.

— **KO Choong-seok** The gist of the direction for JDC's management lies in its choice of projects. The most important question is how to harmonize profitability with public interests and feasibility. Our standards when judging the area of public service should depend on whether the JDC projects maintain their public service character even as the socioeconomic environment changes while our profitability standards should be determined by whether the JDC projects are encroaching too much into the private domain and getting in the way of market encouragement. In terms of the feasibility standard, we need to look at whether JDC projects are taking full advantage of Jeju's strengths and whether they overlap with projects by other public institutions. We should conduct thorough interim assessments of JDC projects and adopt a direction for a project that is suited to the perspective of residents. Therefore, JDC needs to get away from the previous approach and pursue projects that are rooted in the cultural values of nature and the ecosystem. Also, JDC needs to stay away from immoderate projects that compromise Jeju's traditional values or cause excessive damage to the ecosystem and natural environment of the island. Local residents must be able to sense the accomplishments of the Free International City through the projects of JDC, and given the low level of awareness among residents, it needs to build a systematic strategy for publicizing those results.

JDC should also focus investment on specialized areas that are not taught at the provincial universities. This concentration must be pursued in a way that boosts the competitiveness of Jeju's human resources such as education programs to prepare for the Fourth Industrial Revolution, youth startup projects, and education projects that take advantage of the island's natural resources. JDC also needs to play

a leading role in promoting medical tourism.

— **AHN Choong-young** Since Jeju Special Self-Governing Province was selected for a Free International City, JDC has been making important contributions as a semi-market public enterprise in terms of Jeju's globalization and attracting foreign investment. However, as the Fourth Industrial Revolution arrives, Jeju Province needs to focus on things like "clean Jeju," cultural and medical tourism, and education projects, coordinating and mutually promoting a long-term vision. For its carbon-free island 2030 project, it needs to learn from the policy approaches adopted in different countries after the Paris Agreement and adapt them in a way that suits Jeju's circumstances.

Poor performance of JDC relative to its announced investment is the result of a lack of incentives for investors, permit and approval issues, and environmental change. Therefore, JDC and Jeju Province should work together on a standardized model for attracting investment. In the process, they must instill in potential foreign investors a sense of consistency and trust in their policies. To ensure harmony with Jeju's long-term vision, they need to make an effort to minimize potential investor uncertainty by establishing medium- and long-term directions and goals for attracting investment and adopting a consistent approach to policies aimed at attracting foreign investment. Given the trend toward convergence as part of the Fourth Industrial Revolution, JDC should also work to foster globalized human resources.



### Policy Implications

- JDC still faces a number of challenges to establishing a Free International City and should develop a new role for itself. This will need to encompass new domains such as the environment, culture, and areas related to the Fourth Industrial Revolution. JDC will have to gain a new identity through shared growth and cooperation that transcend conflicts and differences.

## From Babies to Grannies of the Sea: Global Promotion and Sustainability of Jeju Haenyeo



**Moderator** **BAK Sangmee** Dean, Graduate School of International and Area Studies, Hankuk University of Foreign Studies / Facilitator, UNESCO Intangible Cultural Heritage Convention

**Presenter** **NGUYEN Thi Hien** Member, UNESCO Intangible Heritage Evaluation Body / Vice Director, Vietnam National Institute of Culture and Arts Studies

**Brenda PAIK SUNOO** Photojournalist, Moon Tides: Jeju Island Grannies of the Sea

**Joey ROSITANO** Filmmaker and Photojournalist, Spirits: Jeju Island's Shamanic Shrines

**KOH Heeyoung** Movie Director, *Mulsum: Breathing Underwater*

**LEE Sun-hwa** Member, Jeju Special Self-Governing Provincial Council

**KANG Aeshim** Principal, Beobhwan Haenyeo School

**CHAE Jiae** Jeju Haenyeo

**Rapporteur** **KIH Jiyun** Research Fellow, Jeju Peace Institute

— **NGUYEN Thi Hien** Intangible Cultural Heritage (ICH) has been paid attention to worldwide since the 2003 Convention on the safeguarding of ICH, and has been adopted and put into effect. So far, there are 173 state parties that have rectified, accepted or approved it. The Republic of Korea was the 11th state that accepted the Convention in 2005. The Convention has established three lists: The List of Intangible Cultural Heritage in Need of Urgent Safeguarding; the Representative List of the Intangible Cultural Heritage of Humanity; and the Register of Good Safeguarding Practices. So far, in Korea there are 19 elements inscribed on the list. In my observation, Korea is also the country that provides considerable support to the safeguarding of the ICH with its legal system; the designation of living human treasures, and money allocation among others.

The Intergovernmental Committee decided that the Republic of Korea has nominated the Culture of the Jeju Haenyeo (No. 01068) for inscription on

the Representative List of the Intangible Cultural Heritage of Humanity satisfies all the five criteria. The Committee inscribed the Culture of the Jeju Haenyeo on the Representative List of the Intangible Cultural Heritage of Humanity.

The female divers on Jeju Island, or Haenyeo symbolize the strength, power, and durability of women who are able to go into the deep sea which is about ten meters without using breathing apparatus for marine products. They learn the skills and knowledge from their grandmothers and mothers, and learn from their community members how to dive and to catch the sea products. They do their work for their whole life until they get too old to go diving. It is a strong image of the old Haenyeo woman in their basic tools of wetsuits, goggles and chest weights without oxygen assistance devices to be seen in the eyes of people in the world. They embody incredible mental and physical stamina, as their work is so dangerous. Every day they face the fine line between life

and death.

They earn for their living, and thus they make a significant contribution to the food and expenses for their families. In Korean society, a male-centered Confucian culture, the strong and powerful Jeju Haenyeo divers are seen as a symbol of gender equality and independence. The Haenyeo divers' work expresses the spirit of the Jeju people. It demonstrates the solidarity and harmony between people and the environment. For their whole life attached to the sea, they have learned and gained full knowledgeable about the location of reefs and the habitat for marine shellfish, such as abalone or sea urchins, the winds and tides, and the weather. They know what products they should catch, and for how many days they should go into the sea during a year cycle, and know how to preserve the balance of sea products for sustainable development. They are the people who have preserved a sustainable marine environment for years. For this reason, their role in ecological preservation is highly appreciated and seen as "a model of the 21st century conservation."

The Intergovernmental Committee 2003 Convention noted: "The culture of Jeju Haenyeo contributes to the advancement of women's status in the community and promotes environmental sustainability with its ecofriendly methods and community involvement in managing fishing practices." The element of the Culture of the Jeju Haenyeo was inscribed on the Representative List of the ICH of Humanities by UNESCO last year. As in Decision 11.com 10.b.24, "The inscription of the element would contribute to the global visibility of intangible cultural heritage elements that are based on local knowledge and foster nature and sustainable development. It would also raise international awareness of the importance of women's work as intangible cultural heritage, and encourage intercultural dialogue between Haenyeo communities and other communities, which have similar practices."

The Haenyeo's songs express the labor of fishing, their spirit and their view about their lives and work attached to the sea. Through the songs and rituals,

they express their hard labor and their feelings about their lives; and perform their rituals for protection and security in the dangerous work that they face daily. The culture of the Jeju Haenyeo represents the traditional maritime and fishing knowledge of the Republic of Korea and it reflects the "female world-view" on maritime ecology and the protection of sea products, as well as their life attached to the sea.

— **KOH Heeyoung** The maker of the film *Mulsum*, depicting the lives of Jeju's Haenyeo, said that it took her six years to understand the meaning of this word. Even though the Haenyeo have spent their entire lives in the ocean, every year a few of them inhale water and die there. They know that inhaling water means death, so why are they unable to resist this fatal temptation? If "sumbi" is the breath of life that the Haenyeo have been holding in, "mulsum" is the breath of death that they have been holding back. One old Haenyeo described "mulsum" as the one thing that only the Haenyeo can breathe underwater. It is the breath of the heart that comes when the Haenyeo find something precious underwater. But if they swallow that breath instead of letting it go, they die. If they are mastered by their desire, the ocean will become their grave, but if they can master their desire, the ocean will bring them a bounteous life. That is why the first thing that seasoned Haenyeo teach their daughters is how to resist the "water breath." "Do not be greedy and only gather as much as you have breath for," they say.

— **LEE Sun-hwa** The Haenyeo became South Korea's 19th cultural asset to make the list. There are more follow up measures awaiting us to make it a genuine global cultural asset. I consider Haenyeo pioneers of female leadership. In a male-dominated society, they were breadwinners who fed their families and provided educational opportunities for their children. Even Haenyeo themselves were shy about their contributions to their families and the local economy. They considered themselves underwater laborers and said their legacy was not something that deserves global recognition. Now that the Haenyeo is enlisted in the ICH, they have gained a sense of pride

in their careers. The Jeju Special Self-Governing Provincial Government will work with other provincial governments to build a special Jeju Haenyeo Policy Committee.

— **KANG Aeshim** The Jeju Hansupul Haenyeo School, the world's only educational institute for Haenyeo teaches its students traditional fishing methods using only flippers and goggles. Without any breathing equipment, they scour the bottom of the sea for octopus, clams, abalone and conches, among others. At a time when the number of these traditional divers is dwindling sharply (from 26,000 in the 1960s to about 4,500 now) efforts are being made nationwide to infuse pride in the culture, and spur popular endorsements for saving it. One of those endeavors was the establishment in 2007 of the Jeju Hansupul Haenyeo School. With 285 graduates so far and 78 freshmen registered this year, the school aims to train Haenyeo and preserve the culture surrounding it.

— **Joey ROSITANO** Elements of shamanism can be found everywhere in Jeju, in Buddhism and even in Confucian rites. Haenyeo women regularly perform their own rite for safety and prosperity. Shamanic funerary rites are often performed in houses even if the younger residents are not practitioners of shamanism. Shamanism and the religion's shrines on Jeju are quite different from shamanism on the mainland. In Jeju, the village shaman, called shim-bang in Jeju dialect, is the religious leader of each village. Under the pretext of building popular tourist destinations and roads, shrines and "god-trees" are destroyed and many village shamans are coerced to give up their practice as well. The Haenyeo women are deeply concerned that they are no longer able to perform rituals at shrines.

— **Brenda PAIK SUNOO** I would like to share my lessons while documenting the lives of Haenyeo between 2007 and 2009 that resulted in my book *Moon Tides: Jeju Island Grannies of the Sea*. The difference between gratitude and greed, life and death can be determined in a split second. To be a competent and surviving Haenyeo requires not only

technical skill, but humility and generosity not to take more than what you need. However, my intention in interviewing these women was only partially because of their lives in the sea. I wanted to know who these women were once they removed their wet rubber suits.

I have learned through Haenyeo and their families is that they have been able to sustain a continuous, difficult life, often well into their 90s, because they are driven by love, purpose and hope. This perseverance has been maintained in spite of their Korean Han (their pent-up sorrow, regret and suffering) before and during Japan's 35 year occupation, the Korean War and most of all, the six-year-long April 3 Incident that razed 70 percent of the villages in Jeju to the ground and claimed the lives of up to ten percent of the population. During Japan's occupation, Haenyeo led the largest women's anti-colonial demonstration in the nation and participated in subsequent struggles for fair wages and environmental protection. As a bereaved mother who has faced the loss of a child. I may not have been able to understand and replicate the Haenyeo's prowess in the sea.

I tried to find a metaphor that would capture the fluidity of their lives. It was the "tides" because the Haenyeo's diving schedules and safety are regulated by the moon. So I visualized these women's hard lives as being "lifted by the winds and tides" of economic survival, their spiritual beliefs in shamanism, survival from suffering, aging, compassion, love of family and hope for the future generation.

### ● ● ● Policy Implications

- The number of Haenyeo is steadily decreasing and the Jeju islanders value the unique Haenyeo's community culture more than ever and are trying to register its tangible and intangible cultural heritage with UNESCO. Enough suggestions should be made to establish Haenyeo as a sustainable professional group for the young generation, and alternative solutions like a social security system are necessary to recruit more of the younger generation into the Haenyeo profession.

## The Way to Construct Jeju's Eco-Friendly Regional Transportation Infrastructure for Sustainable City



Chair	<b>PARK Hyunchul</b> Director General, Jeju Free International City Development Center
Keynote Speaker	<b>PAK Jaimo</b> Director, Jeju Free International City Development Center
Discussant	<b>KANG Gichoon</b> President, Jeju Research Institute <b>YANG Keunul</b> Vice President, Korea Railroad Research Institute <b>MOON Youngjun</b> Chief Director, Korea Transport Institute <b>LEE Yongtak</b> Director General, JIBS <b>KIM Kyuho</b> Professor, Gyeongju University
Rapporteur	<b>KIM Sihwan</b> Assistant Manager, Jeju Free International City Development Center

— **PAK Jaimo** Along with a steady increase in annual figures for the number of tourists coming to Jeju, there has also been an increase in the permanent population, making for a positive influence on tax revenues and the regional economy. However, it affects the urban infrastructure, including problems with housing, water supply and sewage, waste treatment, parking, transportation and traffic. In fact most pending issues, which stem from the increases in tourism and population have to do with basic infrastructure and are forcing us to come up with better means of tourist transport and ecofriendly regional mass transit systems for the sake of the environment. New ecofriendly means of transportation to consider, in terms of what they might symbolize for Jeju as a tourist destination and their suitability for an island region include bus rapid transit, which is a system whereby express buses run in dedicated lanes or arterial roads; monorail trains, and trams. This will also require an efficient system of connections, including multimodal transfer stations.

If we were to construct a maglev railway con-

necting Jeju International Airport to Jungmun Resort with seven trains running on a line with ten stops and a train arriving every 15 minutes, the construction would cost about 1.3 trillion won and require about 47 billion won a year to operate. This is such an important piece of infrastructure that it should be part of the national budget. Comparing the per kilometer construction cost of the Incheon International Airport maglev line, the Daegu Metro Line 3 monorail, and the Pangyo Tram (scheduled to open in the city of Seongnam in 2020), we find that the cost of the maglev came to 64.6 billion won, the monorail cost 62.3 billion won, and the tram will cost 28.8 billion won per kilometer. This makes the tram the least expensive option, and while trams are good for urban transit, their speed limitations make them less suitable for transportation over a broader region. An official recognition is not normally granted for a transport system that does not connect cities or counties, but operates within a metropolitan jurisdiction, and on an island no less, so this will make it difficult for Jeju to acquire such funding. Thus we

must generate interest in our projects at the Ministry of Transport by conducting successful demonstration projects and providing the logical basis and evidence needed to change the relevant legislation so that we will be eligible for the national governmental financial support.

— **LEE Yongtak** Since Jeju became a Special Self-Governing Province, it has focused on attracting foreign capital, but has not devoted enough attention to constructing such basic urban facilities as transportation infrastructure. In connection with this, the citizenry and the provincial government have to be in agreement, but we have been lacking in this regard as well. There are some big hurdles in the way to improve the transportation system. These included getting the citizenry and the provincial government on the same page, as already mentioned, and getting support from the national government. We also absolutely need the cooperation of related organizations. To succeed at creating a regional transportation network suited to Jeju, there are a number of tasks that have to be completed first, including raising the awareness of citizens, securing a basic traffic system that allows for 60-minute travel between any two points on the island without difficulty, diversifying the options and focus of public relations functions, and working out measures to make full use of road capacity. We also need transit centers at the entry points to the downtown area. It is important to get the local residents on board, and for this we have to hold public hearings that bring the locals into the process, even if it may delay the project. We also need a promotion strategy that makes good use of the provincial media.

— **MOON Youngjun** In Seoul and its suburbs, public transportation accounts for nearly 40 percent of all traffic, but the public transportation system is insufficiently interconnected in Jeju so that most tourists rent a car. Until last year, most of the parking space at Jeju International Airport was taken up by rental cars. I think that, if the parking lot in front of Jeju Airport had been turned into a transit center sooner, getting to Jungmun Resort, Seogwipo, and

other parts of the island would have been much more convenient and the car rental companies could have moved their bases to those other regions.

We need to consider regional transport options other than just buses, such as trams, maglev trains, or monorail systems. More than anything, it is important that we avoid building infrastructure that could be harmful to clean environment in Jeju. With that in mind, trams would be the best option to consider. The trams could run without the need for special structures such as overhead lines in the central parts of the city, but could use overhead line power outside the downtown areas. Unlike maglev trains or monorails, the trams would not spoil the natural scenery. While making the trams the main system of regional transit, we could control the rental cars coming into the city, introducing electric cars and self-driving cars. At the International Electric Vehicle Expo held in Jeju in March, there were discussions about rapidly spreading electric-vehicle and self-driving technologies and policies and about how they will enhance mobility and lead to intelligent transit systems in the cities of the future. I anticipate that Jeju could become the first model of such an intelligent transit system.

— **YANG Keunyul** The traffic problems that Jeju Island is currently experiencing stem from transportation policies that are centered on passenger cars. This is not unique to Jeju but rather is a problem faced by developed countries all over the world. This can be understood to mean that transportation policies that focus on passenger cars will not lead to a solution to serious traffic congestion. Also, transport policies are distorted by the difference in competitiveness between different means of transportation, whose fares are set without considering the indirect costs, such as the expenses incurred to pay for traffic police and electricity for streetlights, and external costs of road use. We need to make competition fair by bringing those indirect and external costs to bear on how fares are set.

Jeju Special Self-Governing Province has the highest ratio of automobile ownership per person

and per household in all of Korea. We have reached the limits of what a transport policy centered on passenger cars can do. In view of the projected permanent population and increases in tourism, we need to introduce high capacity public transit systems that would be sufficient for a city with a population of a million. Just increasing the number of electric vehicles will not solve the problem of capacity, we need to bring in ecofriendly means of transportation. Among the new transportation options being considered are maglev trains, monorails, and trams, but in my opinion, trams would be the most suitable for Jeju. Although trams are a bit slow for use over a broad region, there are tram trains that make up for this. They run like ordinary trams in central urban areas but can travel at speeds similar to railroad trains outside of urban centers. Such light rail transit systems are currently in operation in Karlsruhe, Germany, and other places. Tram trains are something we need to look into.

— **KIM Kyuho** The effects of tourism development on the environment are important because they influence the natural environment and the living space of the people residing in the areas that come under development. Areas developed as tourist attractions have the dual function of providing visitors with places to rest and amuse themselves, but also continuing to serve as places where the local people can make a living and enjoy a normal life. A development that fails to take a location's receptive capacity into account leads to problems of noise pollution, traffic congestion, waste collection, and so on. Thus, consideration of the local residents has to take precedence over the tourists. Also, we must not pursue development that is not grounded in the local culture and only seeks monetary profit. The population of our province showed an average annual increase of 2.4 percent from 2011 to 2015 while the number of tourists visiting rose by a yearly average of 11.8 percent. On the other hand, during that same period, the total length of roads on the island increased by a mere 0.0081 percent, while automobile registrations have been rising an average of 14 percent per an-

num. Any plan for introducing new forms of transportation has to be based on the results of thorough, detailed studies of potential demand, considerations of the needs of local residents versus tourists, and potential traffic problems and their costs, as well as any costs to society.

— **KANG Gichoon** We usually see Jeju's regional transportation issue as a two-fold transport system, first between Jeju and other areas and second between Jeju City and Seogwipo City. If we approach intra-provincial transportation from a somewhat broader perspective, it seems more realistic to see it in terms of the older division of the province into two cities and two counties and their respective living zones. A specific plan for building an ecofriendly transport infrastructure should look to bus rapid transit rather than going to railroads right away, and later, when the demand warrants it, we can switch to a rail system. Until such time, we should expand the role of electric buses for the sake of the environment. If we are to achieve the goal of making Jeju Island carbon-free, we need to put electric buses not only on city lines but on all regional routes. We also need to consider building roads that enable wireless charging of electric vehicles, a technology that has recently become possible.

There is a restructuring of the public transportation system scheduled to go into effect in August 2017 which will involve a variety of measures to make our buses more competitive by running express buses, introducing dedicated bus lanes, and opening new transit centers. This will provide a good basis for later creating much needed direct connections between the eastern and western ends of the island. Also, with the continuous increase in traffic around Jeju International Airport, Jeju Port, and Seongsan Port, we need to head off the problem by designating exclusive public transit lanes and establishing conditions that will make it easier to switch to rail transport in the future. How the construction of transportation infrastructure is to be carried out is of course a very important consideration, but we also need to consider the associated financial aspects.

The infrastructure could be financed by public or private funds or by some combination thereof, but we also need to examine what role local rural assets could play and how the cooperation of public institutions could be brought to bear on financing.

#### Keywords

construction of an ecofriendly regional transportation infrastructure, introduction of new means of transportation, transportation problems of cities that are tourist destinations, Jeju's traffic problems, self-driving electric vehicles, building infrastructure for the intelligent transport systems of the future, rail transport, maglev(magnetic levitation) trains, bus rapid transit(BRT), monorail, systems of public transportation, carbon-free island, agreement between the provincial government and the people

#### Policy Implications

- In view of the expectation that traffic congestion will continue to worsen with the increase in the number of both permanent residents and tourists, we have to study ways of building better, ecofriendly transportation infrastructure in order to raise capacity for receiving tourists.
- We also need to look into turning the transportation system itself into a tourist attraction by making optimum use of special characteristics of Jeju as a world class pristine tourist destination in addition to more ordinary enhancements such as introducing new means of transport and adjusting costs.
- We need to analyze the introduction and operation of light rail transit systems in Gimhae and Yongin, which have been running in the red, and in Daegu, which is a success story, and apply what we learn to our own transit systems. Building ecofriendly transportation infrastructure requires tremendous financial resources and as such, the need for an intra-regional transport system must be acknowledged and governmental policy support provided.

## Direction of Creating Smart City in Jeju



Chair	<b>BYUN Byung Seol</b> Professor, Inha University
Keynote Speaker	<b>HWANG Kyung Soo</b> Professor, Jeju National University
Discussant	<b>KIM Tae Kyung</b> Senior Researcher, Gyeonggi Research Institute
	<b>MOON Youngjun</b> Chief Director, Korea Transport Institute
	<b>SUH Kyo</b> Professor, Seoul National University
	<b>CHUNG Chae Gun</b> President, United Nations Project Office on Governance
	<b>CHOI Jeong Seok</b> Professor, Joongbu University
Rapporteur	<b>YUN Wonsu</b> Research Fellow, Jeju Research Institute

— **HWANG Kyung Soo** A smart city is a futuristic high-tech city which marks the culmination of industry convergence based on Information & Communication Technology(ICT). The smart city is a new concept city, where the quality and efficiency of life can be maximized for residents through the organic connection of functions ranging from social infrastructure such as the environment, transportation, utilities and construction industries to home appliances such as electric bulbs. Jeju Special Self-Governing Province(Jeju Province) prioritizes improving the quality of life for local residents and tourists and overcoming the geographical limitations inherent to an island.

U-city is a short for ubiquitous city. The U-city represents a 21st century model for Korean cities, one which can revolutionize basic urban functions by converging urban spaces with high-tech ICT infrastructure and ubiquitous information services to make urban life more convenient, increase the quality of life, ensure safety through systematic urban management, improve the welfare of citizens

and create new industries. In contrast, leveraging ICT technologies and various convergence technologies, a smart city is networked in such a manner that enables mutual exchange of information between people-to-people, people-to-things, and city-to-city. A smart city aims to achieve sustainability, economic feasibility and a higher quality of life. The U-city and smart city are similar in that they are futuristic cities based on cutting edge ICT. However, a U-city focuses on the completeness of a city through ubiquitous technologies, whereas a smart city places a greater focus on cloud computing and big data analytics and information security. This has emerged as a key part of ICT with growing interest in sustainability through connectivity and eco-friendliness. The U.S. concentrates on the creation of smart grids and improving information accessibility to beef up smart infrastructure. In Europe, many experimental projects are underway to improve the quality of life and satisfaction with housing. Japan is building energy management systems to improve energy management technologies and supply new sources

of renewable energy. Developing countries such as China, South Africa, the Philippines and Vietnam are focusing on creating jobs and establishing various environmental and city management/control systems based on high-tech information technologies in order to manage smart cities, stimulate the economy and preserve the environment. Partnerships between the private and public play a key role in the smart city for advanced economies as well as developing ones. Specifically, the public or the government takes on smart city initiatives, which serve as frameworks that reflect creative ideas from private companies or citizens.

Jeju Province was nominated for the 2016 Smart City Asia Pacific Awards(SCAPA), which recognizes the most outstanding smart city projects in the Asian Pacific region. Among Korean cities, Sejong City was nominated in the smart buildings and education categories and Jeju Province was nominated in the smart grid category. The U-Eco City in Cheongna, Incheon was named the winner in the smart administration system category, while Gwangju's U-Tourpia was nominated in the smart tourism category along with Shanghai, China and Tasmania, Australia.

Jeju Province is undertaking many projects in this regard. First, the creation of a smart city through energy policies(solar photovoltaic and wind power) tailored to the province. The Carbon Free Island project has been underway as part of energy policies to meet climate changes and transform Jeju Province into a leader of a new industrial revolution. Second, there is a trilateral partnership between local authorities, private companies and civic organizations in response to climate change, which is summed up as practical governance in global cooperation. Third, the completion of a mechanism that encompasses traffic solutions, environmental protections and energy production by means of the deployment of electric vehicles. Fourth, the creation of a smart tourism island. In partnerships with Jeju Province, KT Group is set to provide telecommunication services based on GiGA infrastructure such as Gigabit Wi-Fi, GIGA

Internet and GiGA beacon. The province is establishing a smart tourism platform in partnerships with BC Card and KT Hitel. The Geographic Information System(GIS) based smart tourism platform facilitates the establishment of tourism policies through big data analytics regarding tourist spending patterns.

Principles for a Jeju style smart city have been proposed. The creation is expected to play a key role in the future direction of smart cities in Korea. As such, it is necessary to set out principles for the creation of a Jeju style smart city and make them applicable nationwide. First, a smart energy city should have a minimal impact on nature. A smart city should source its energy from nature, reduce carbon emissions and pursue energy policies in a way that minimize its environmental impact. Second, a smart city should contribute to protecting nature, which is a shared asset. It should minimize its spatial expansion and create an environment where people, the market economy and culture and art can flourish. Third, traffic in a smart city prioritizes the safety of people. A smart city has an environment friendly, people-centric transportation system. Fourth, a smart city has an engaging, democratic, educational and visionary leadership. This leadership model is based on integration, initiative, tolerance and harmony by combining educational and visionary leadership proposed by Frans Vreeswijk, General Secretary of International Electrotechnical Commission(IEC) and engaging, democratic leadership proposed by Won Hee-ryong, governor of Jeju Province. Fifth, a smart city should be designed to protect the safety of citizens and prevent disasters. Now is time to make use of smart devices to build a system to ensure public safety and disaster prevention.

The following policies have been proposed to make a Jeju style smart city successful. First, it is necessary to define a Jeju style smart city as a city that prioritizes humans and nature and widely declare it as such. A smart city prioritizes safety over efficiency and speed, and places humanity before science. It is necessary to emphasize that a smart city has creativity as its greatest strength, which is

a key differentiating factor from a U-city. Second, it is proposed that Jeju Province should host the communication center for smart cities around the world. Jeju Province should serve as a center and a model for smart cities by integrating research functions, policy proposals, discussions and exchanges of information. Third, a master plan for a Jeju style smart city should be developed to put ongoing projects: the Global Eco Platform, Carbon Free Island, Innovation Center for Creative Economy, electric vehicles, solar and wind power generation into context. Fourth, bylaws should be established and managed for the development and execution of smart city plans and related support. In addition, it is necessary to designate a division whose primary responsibility is for smart city projects. Fifth, smartphone applications should be widely distributed as part of open platforms which allow access to various systems for the creation of a smart city. Sixth, systems should be enhanced with a greater focus on security issues, as the smartest city becomes a gigantic ICT system, where various facilities and personal devices exchange data and therefore is vulnerable to new types of crimes and social ills. A security system which can predict and prevent such problems is of utmost importance. Seventh, a smart city is a city which is interested in data infrastructure as much as in facility infrastructure. As such, a smart city should be created in a way that facilitates data-processing solutions.

— **MOON Youngjun** Connectivity is the building block of a smart city, as mobile is enhancing connectivity between people-to-people, people-to-things, and things-to-things. At the current stage, it is difficult to turn the smart city into a business model. Smart vision requires overall changes in the current administrative system and the composition of service areas. Autonomous driving vehicles are setting a new trend in the transportation area. Jeju Province needs to use electric vehicles to deliver the sharing economy and automated driving vehicles in public transportation.

— **SUH Kyo** ICT is an approach to a smart city and will likely take us closer to smart cities. An ordinary

city would address traffic congestion by expanding roads, whereas a smart city would tackle traffic problems by way of traffic flow controls and ride sharing based on data. New security technologies should be reviewed, and as big data may be at risk of a large scale leak. It is necessary to analyze risk factors and develop response plans according to risk scenarios.

— **CHUNG Chae Gun** The UN has set sustainable development as an agenda for 2030. E-government has made government more accessible to all, and the smart city is seeing growing expectations as a way to make life more convenient for people from every walk of life. On the way to the establishment of smart cities, the introduction of new technologies may put some people at a disadvantageous position. Policies should be devised to protect the underprivileged and create and sustain the community.

— **CHOI Jeong Seok** South Korea is facing a shrinking population, a greying society and the risks of disasters. Urban maintenance and management calls for a new direction, highlighting the importance of smart cities. Smart city technologies are applicable to everyday life with the application and commercialization technologies taking center stage. Jeju Island is geographically well positioned to undertake such a pilot project. Developing and implementing locally tailored technologies is needed. In addition, Jeju Province is an ideal place to realize a smart city. It is necessary to shift focus from technological development to governance and a human-centric outlook.



### Policy Implications

- Jeju has done more soul searching about smart cities than any other city. The basic concept and implementation plans for a Jeju style smart city are under development. A talent pool and institutional frameworks are being formed and cooperation is needed in various areas such as budgeting, public awareness and policy execution.
- In the future, Korea should establish a Jeju style smart city as a globally applicable business model.

# Revitalization Plan for Development and Friendly Exchange of Asia's Local Councils



Chair	<b>KIM Seong-jun</b> Professor, Jeju National University
Opening Remarks	<b>SIN Koan-hong</b> Chairman, Jeju Special Self-Governing Provincial Council
Keynote Speaker	<b>BAEK Jong-heon</b> Senior Vice President, Association of Metropolitan and Provincial Council Chairs / Chairman, Busan Metropolitan Council
	<b>Hiroaki SIKIDA</b> Secretary-General, The Korea-Japan Interparliamentary Union of Friendship, Kanagawa Ken Council
Discussant	<b>Lars-André RICHTER</b> Representative, Friedrich Naumann Foundation for Freedom Korea Office
	<b>YOOK Dong-il</b> Professor, Local Government Administration, Chungnam National University
	<b>OH Ok-man</b> Former Member, Jeju Special Self-Governing Provincial Council
	<b>KIM Tae-seok</b> Chairman, The Council Steering Committee, Jeju Special Self-Governing Provincial Council
Rapporteur	<b>KIM Changhyeon</b> Chief of General Affairs Team, Jeju Special Self-Governing Provincial Council

— **SIN Koan-hong** This is the first time to host a local council session at the Jeju Forum for Peace and Prosperity. They say well begun is half done, and I will do what I can to ensure this local council session of the forum provides a stepping stone for local self-government and decentralization in the future. Thanks to President Moon Jae-in's pledges, the issues of increased local devolution and balanced development have become hot topics in terms of local self-governing administration. We can expect South Korea's local self-government environment to change a lot with the arrival of the new administration. I look forward to the Provincial Council session being an occasion for harnessing our energies toward a leading role in the advancement of local self-government in the Republic of Korea, and lead to policies for local devolution under the new administration.

— **BAEK Jong-heon** The biggest obstacles to the independent and efficient operation of local councils in Korea are legal and institutional issues like limited

self-government legislative authority, a financial structure with little in the way of autonomous finances, and a failure to establish independence in staffing. This kind of legal and institutional basis for local devolution needs to be a basic premise for local council development. The myriad cities of East Asia all have their own issues and solutions. What is clear, though, is that local governments and local councils will need to undergo reforms for proper local self-administration to happen, and that this is an issue that hinges on our ability to strengthen local devolution and increase citizen involvement.

As Thomas Friedman noted in his book *The World Is Flat*, the world has become more organically linked, developing into a true "community of destiny." This is a time when cooperation between local councils across national borders is needed more acutely than ever before. What I am proposing is something beyond the kind of friendly relations found between cities to date through things like sisterhood relationships, exchange agreements,

and Memorandums of Understanding. I am talking about a consultative body for Asian local councils as a broader framework for exchange for the sake of the future and shared development of local councils and world peace. This would be an international cooperative body spearheaded by local councils at the regional level.

This Asian local council consultative body would be a system for establishing solidarity. This would start with local councils participating in East Asia before spreading to Asia as a whole, broadening the scope of exchange from Korea, China, and Japan to strengthen local self-government in various different countries. This means establishing a permanent organization where delegations from local councils in different cities participate and have concrete plans for its operation. In particular, we have added to the level of expertise by selecting a major topic each year for interchange. With the catchphrase of "localities changing the center," we are working toward a system where local legislation and policies are adopted as government plans, rather than top-down decision making. This is an era where local cities are capable of changing the central government. In that sense, I hope today represents a kind of hopeful starting point.

— **Hiroaki SIKIDA** Kanagawa Prefecture's goal is a multicultural society with shared benefits. Of its population of nine million, we have around 185,000 foreign nationals living there from 172 different countries and regions. Our duty is to reflect on the past and predict the future, so they can use those different regional backgrounds to demonstrate their fullest potential. We need to instill the slogan "Think globally, act locally" deeply in the minds of all local council members. In order to resolve local issues in different countries, we have to encourage exchanges among individual local councils. In 2008, the Kanagawa Prefecture Council instituted the Kanagawa Prefecture Council Framework Ordinance, which might be called a kind of "constitution" for the current council that established the mission and roles of its different members. Among the or-

dinances proposed by members of the Kanagawa Prefecture Council, I would like to share a bit about the enactment of the prefecture's sign language ordinance, which was an example of taking full advantage of the local council's authority with a proactive resident based measure.

In May 2014, a petition was submitted for the enactment of a sign language ordinance with signatures from over five million residents. As stipulated in the Prefecture Council's Framework Ordinance, we saw it as the council members' responsibility to take the residents' calls seriously and reflect them in administration. So the council entered into active discussions on the enactment of a sign language ordinance. The need for an ordinance had been raised with Kanagawa Prefecture authorities repeatedly, but without any positive response. So we focused our energies on setting up a review committee for the ordinance with the council, actively exchanging views with related groups, and gauging the situation by visiting Tottori Prefecture, which had already enacted a similar ordinance.

In December 2014, a Kanagawa Prefecture sign language ordinance proposed by council members was passed unanimously. It was the second instance of a Japanese local government doing that, but the first one being proposed by council members. The movement ended up spreading around the country: as of April 2017, sign language ordinances had been enacted by 97 local governments, including 13 prefectures, 75 cities, and nine towns. But enacting the ordinances was just the start, not the end. Even after they were enacted, we have continued to work with prefecture residents to monitor Kanagawa authorities and observe the future of the ordinance and how things have progressed concretely. I imagine that this is the case with local councils in other Asian countries as well, where there are different responses reflecting their individual roles and characteristics. It may be of great help to us if we can create many opportunities for exchanges between local councils in Asia.

— **Lars-André RICHTER** I would like to share Germa-

ny's example. Germany is a country in the advanced stages of decentralization, but it is a somewhat complex structure with several different administrative levels. Germany has a federal system, with a total of 16 highest level of the administrative unit. Most of the states have their own autonomous laws, so there is an added layer of complexity. There is a legal framework with four different types of local self-governance, and I am going to talk about two of them as representative examples.

In the south, there is a strong system of mayoral election through direct voting. The mayor has three roles: head of the local council, the head of the local government, and head of the executive. The north, in contrast, is a region that was under the control of Great Britain after World War II. There, they have a British style local self-governance system, which is much more decentralized, and the mayor is not all that powerful. Administration and politics are also kept separate, so the local council is more powerful. Germany also has a longstanding, important political philosophy of supplementarity: the concept of resolving all issues from a bottom-up approach.

The key difference when it comes to local self-governance in South Korea and Germany is one related to budgeting. Germany's local self-administration is very advanced in terms of financial matters. Tax collection takes place at the state level, but a certain amount of that is required by law to be returned to local finances. Special taxation and economic systems at the local level could be a means of attracting business and providing a greater tax base. In the end, it could offer a way of ensuring greater financial independence. In closing, I would like to use two keywords to explain the ways in which independence and flexibility in local self-governance have been used to strengthen regions.

The first keyword is "carbon system," which is a very familiar issue in Jeju as well. Environmental protection and environmental issues have been very heated concerns in Germany over the past 30 years. There are many different examples, but I would like to talk about Göttingen, a traditional university

city that has been doing a lot of things lately in connection with renewable energy. Göttingen has set the goal of 100 percent renewable energy by 2030, and it has a little over a decade left. The aim is to achieve that through things like wind energy and biogas technology, and it is working to get farmers to form networks to supply things like biogas and to establish network companies to develop biogas and wind energy supply solutions. The second keyword is "gender equality." A lot of things are happening in German cities in terms of gender equality, and there have been some extremely successful examples of activities in the past 20 years that have received a lot of support from local self-governments, including appointing special advisors for gender equality or encouraging women's political involvement in local councils.

— **KIM Seong-jun** Germany is an advanced country when it comes to environmental issues, and because its policies echo Jeju's carbon-free measures, I think we can achieve more things together through future exchanges.

— **YOOK Dong-il** I totally support Baek's proposal for establishing an Asian local council network, and as I listened to Hiroaki Sikida talking about the enactment process for the sign language ordinances, I could really sense how the center can change when the local governments change. It is very inspiring and thought provoking to look at Japan, which is ahead of us in terms of local self-administration. Japan has been also first to talk recently about the importance of cooperation between local governments so called "metropolitan administration." We were pretty shocked in 2014 when Japan Policy Council chairman Hiroya Masuda talked about local governments "disappearing," which led us to think about new strategies for local populations.

The next thing I want to talk about is three issues that could be addressed if an Asian local council network is formed. First, there is the matter of women participating politically in local councils. Japan has given us a lot to think about in terms of local government development, but the rate of female participa-

tion there is 11.7 percent, which is well short of the level in other advanced countries. Fortunately, we have managed to steadily increase the percentage of female council members from 0.9 percent at the time of the local council revival in 1991 to 21.7 percent by 2014. And while having women as government heads is something basic, we have managed to produce seven of them. Increasing the rate of women's political involvement is an essential prerequisite for boosting local and national competitiveness. In France, the rate of women's participation was once low, but the 2000 enactment of a law for equal numbers of male and female nominees resulted in a dramatic increase in the proportion of female council members, which doubled from 22 to 44 percent.

South Korea has experienced a huge increase in the number of international residents, which has passed two million and now accounts for four percent of the total population. Jeju Special Self-Governing Province(Jeju Province)'s proportion of international residents is 3.6 percent. Jeju City in particular is becoming an international city, and with the number of tourists last year reportedly surpassing ten million, the multiethnic/ multicultural issue is going to be a serious concern in the future. There are now more than 80,000 multiethnic/ multicultural students, a fact that has the potential to be a source of serious conflict in South Korea in the future. From what I have heard, discrimination against foreigners has not been significantly addressed in Japan either; this is an area where judicious response measures will be needed. It is time to adopt a "salad bowl" model rather than a melting pot diversifying rather than assimilating.

— **KIM Seong-jun** Thanks to women's political participation, the Jeju Provincial Council now has two women working as local constituency representatives. That is how tough the matter of women's political involvement has been to address. I would like to hear from Oh Ok-man, who was previously a member of the Jeju Provincial Council.

— **OH Ok-man** There is an expansion right now in the realm of public diplomacy, as opposed to interna-

tional exchange or overseas government affairs. For Jeju Province to become a truly free international city with the free flow of people, goods, and capital, the Provincial Council's public diplomacy authority needs to be increased. The Public Diplomacy Act has also been in effect since August 2016.

If you define diplomacy as something that is not limited to the central government or the foreign ministry. As a matter of broadening a country or region's influence through exchanges and expansions in that country or region's society, culture, arts, values, policies, language, then all exchanges in the private sector or by individuals can be a basis for diplomatic activity. To date, it has been limited to ordinances or regulations for things like overseas trips and overseas government affairs; only the North Jeolla Provincial Council has regulations enacted for diplomatic activities by the council and its secretariat. Now that the Public Diplomacy Act exists, I think we also need to enact this kind of ordinance. Another thing concerns the ordinance for preserving and fostering Jeju's local language, which was enacted by the province about ten years ago. If we take the example of France, there are simultaneous festivals held in certain regions with languages that are dying out, by people who use those languages around the world. This idea of having global users of Jeju's language holding a festival in Jeju is something that needs to be worked out in more depth through exchanges, but I think it is an idea that can contribute to local productivity. I see this as requiring an upgrade in council members' per capita overseas expenses to a more realistic level. With the current level of expenditures, it is difficult to go anywhere beyond Southeast Asia. A great deal of concern has been raised about people just using this as an excuse to travel, but if we can rework the program along the lines of diplomatic activity and ensure its substance, we cannot afford to neglect diplomatic efforts to survive in this global society.

— **KIM Tae-seok** In 1162, a child was born in the plains of Mongolia. His name was Temujin, and he would eventually be known as Genghis Khan. But

while Genghis Khan changed the face of world history and the map of the world, he does not seem to have indiscriminately invaded other people's countries. There is a saying: "Peoples develop and flourish when they build bridges." Bridges are a means of connecting one place to another—networking, in other words. Fortresses signify insularity and isolation. It seems like 600 to 700 years ago, Genghis Khan already understood about networking.

The world may seem to be growing flatter because of the internet, but it is definitely not a level playing field. I would like to address the reason I mentioned Genghis Khan in terms of the following two aspects. In his book *Kicking Away the Ladder*, Ha-Joon Chang writes that the reason the ladder gets kicked away is because the advanced economies that have already ascended the ladder are depriving developing countries of the opportunity to climb up themselves. The ladder is a symbol of competition, not opportunity. Networking by local councils in Asia needs to be that kind of web. In that sense, a web may offer beneficial examples. It is important for each country to share its model cases. This requires a foundation of trust, and trust can only happen where there is a genuineness between both sides. By organizing a local council session at the Jeju Forum for Peace and Prosperity 2017, the Jeju Provincial Council is establishing that kind of networking. What each of us does within that process may vary according to our regional perspectives. But networking can be stimulated significantly when we share examples of creativity in each region.

If Jeju Island is the local, that makes Seoul the central, but if you approach things from a regional standpoint, they are both local. If we are going to proceed with equal, equivalent rights, we need to proceed in a relationship of one region to another. If we proceed as "the local vs. the central," the local inevitably ends up subordinated to the central, and development for regions, as opposed to "the provinces," will remain a long way off. Through the process of globalizing this, we can approach things with equal rights and carry out our responsibilities with

equal rights when we are working according to a region-to-region logic, whether we are talking about Japan or China.

#### [ Q & A ]

**Q. HONG Kyung-hee (Member, Jeju Provincial Council)**

There are many tenacious and passionate women in Jeju Province, but it is hard for them to win elected positions in Jeju communities where patriarchal views hold very strong. What do we need to do to bring about more active political participation by women?

**A. YOON Dong-il** The reason women's involvement is so important for local governments is not for the sake of women's liberation or greater rights, but as an inevitable part of revitalizing local governments. Even though 26 years have passed since the local council revival and 22 years since the return of popular election autonomy, the biggest problems with local government in South Korea are apathy and mistrust by local residents. The issues addressed by local government's concern all women such as housing, public health and hygiene, education, children, and water supply and drainage system. Now well-educated women need to take part more in local governments for those local governments to be revitalized and for residents to develop an interest. The proportion has risen to 21.7 percent, but that is due to an increase in female lawmakers chosen through proportional representation. Even today, there are still very few women who have been elected directly through a local constituency. The focus in increasing women's participation in local governments is on direct election. In terms of that percentage, I see 30 percent as a "Magenot line": if we can just get it up over 30 percent, we can increase it from there to 40 to 50 percent. As has been the case overseas, we need to find institutional improvements to get past 30 percent. Whether it is through a system like France's equal numbers of male and female nominees, a female election quota system, or a public campaign financing system, we need to open up paths in institutional

terms. In places like Sweden, Norway and Denmark where the percentage of women participating is over 60 to 70 percent, they are actually creating regulations preventing a single sex from accounting for more than 50 percent of local council positions, and these advanced countries are boosting their regional and national competitiveness by increasing women's participation. We need institutional improvements that can increase women's participation.

**A. OH Ok-man** Based on past experience, I think female politicians have to work two or three times harder than men in terms of the public welfare to increase their name recognition.

**Q. PARK Hyun-gyu (Gyeonggi Provincial Council)** The Gyeonggi Provincial Council enacted a sign language ordinance last year, but there was some dispute about it. It has to do with whether sign language should be managed as a language or managed in terms of welfare. How is this done in Japan?

**A. Hiroaki SIKIDA** In the end, you have to manage both. After all, sign language is a language on par with Korean, Japanese, or German, and pursuing legislation as a language is something essential from the standpoint of people with hearing disabilities who use sign language as their mother tongue. It is not just about the language aspects; it is about laying the groundwork for social reform, so you also need efforts not just in welfare terms, but also in education and by private business.

#### Keywords

Local devolution, Asian local council consultative body, respecting locality, encouraging international exchanges, sharing, shared growth, increase women's political participation, "salad bowl," public diplomacy, authenticity, mutual trust



#### Policy Implications

- An Asian local council consultative body should be established as a means of forging solidarity among regions, achieving shared growth through the sharing of knowledge and information, and instilling the belief that "the local can transform the central."
- Parliamentary action suited to local circumstances is crucial for local councils to increase exchanges, share different policies, and demonstrate local potential to the fullest and from a broad perspective.
- A bottom-up policy approach and increased financial independence are essential for stronger local self-governance.
- Policy considerations that take local government independence and flexibility into account are essential for stronger localities.
- Increasing women's political participation through institutional support and "salad bowl" policies for multiethnic/ multicultural environments (recognizing the essence of difference cultures to create a new culture) are shared concerns for the development of local governments in Asia.
- The substance of international exchanges and official travel by local councils as "public diplomacy" should be boosted through increased enactment of related regulations and more realistic diplomatic activity expenditures.
- Networks among local councils require sharing based on genuine mutual trust and local creativity.
- A relationship of equal rights and responsibilities with a "region-to-region" concept is essential for networking, exchanges, and local governments.

# East Asian Peace Community and the Role of Jeju Civil Society

**Jeju** 제주국제협의회

**Chair** YANG Gil Hyun Vice President, Jeju International Council  
**Moderator** KO Kwan Yong General Secretary, Jeju International Council  
**Presenter** YOON Yea YI Author, The Discourse on East Asia  
**JEONG Young Sin**, Senior Researcher, Jeju National University Social Sciences Korea Research Cluster  
**Rapporteur** YEO Jang Sun Staff, Jeju International Council

— **YOON Yea YI** “East Asia” is a proper geographic term, but we should not be limited by it, for it is more than just the designation of a region. Since the end of the Cold War, the prospects of the region have been restored, and it has become part of the regional strategies of all the most powerful nations, from the United States on down. It has overcome colonialism and hegemonism and become a place of regional solidarity for the implementation of systems of peace. The end of the Cold War was the most important event from which discourse regarding East Asia sprang forth. The breakup of the Soviet Union, the dismantling of the socialistic systems of Eastern Europe, and the fall of the Berlin Wall brought about tremendous changes. In East Asia, Cold War institutions were shaken up and China began to open up more quickly to the outside world, creating fissures in the wall separating continental powers from maritime ones. Political, economic, and cultural exchanges increased by leaps and bounds. Thus, it was the end of the Cold War that restored East Asia’s prospects for the future.

During the Cold War, the countries of East Asia maintained an uneasy stability under the dominance of the United States and the Soviet Union. Eventu-

ally, the Cold War state of affairs came undone, but even as it did, remnants of its influence could still be seen in East Asia. The transition from the Cold War to the Post-Cold War order was shaky in East Asia and characterized by complicated entanglements involving the United States’ strategic flexibility, Japan’s security policies, rapid development in China, North Korea’s nuclear program, Taiwanese issues, territorial disputes over various islands, and so on. Regional security problems motivated countries to strengthen their national security, which generated further tensions in the region which threatened each nation’s security. This in turn created a vicious circle that leads to a greater American presence in East Asia. There are differences in our understanding of where the boundaries of the East Asian community lie, with each country’s concept of the boundaries asymmetrically overlapping that of all the others. The idea of an East Asian Community as an organization of states came to be considered realistic because of China’s rapid development, but at the same time, China’s scale is also the reason the actual formation of an East Asian Community as an economic bloc, or along the lines of the European Union, looks

improbable.

Ideas such as building an East Asian Community or regionally working together toward greater prosperity are often talked about, but there are always conflicts and tensions among these regional entities. Their rush to modernize has become a rivalry that breeds hostility, and the division of Korea, Taiwanese issues, and territorial disputes make matters worse. Each of the countries involved sees these problems in a different light and gives them different weight, making solutions hard to come by. Developing a constructive viewpoint on East Asia demands introspection, understanding of others, overcoming prejudices about the superiority of Far Eastern culture and customs, eliminating nationalism, resolving nationalistic confrontations, coexistence, exchange, reconciliation, cooperation, solidarity, consolidation, balance, harmonious relations, soft power, the promotion of civil society, and liaisons between civil societies.

— **YANG Gil Hyun** When we talk about the discourse on East Asia, we should not just limit ourselves to South Korea. We have to include the North if we are to overcome regional imbalances and stand on an equal footing with China.

— **JEONG Young Sin** When it comes to the overall evaluation of the Peace Island project, the organizers themselves are very positive about it, but most researchers are critical of it or have evaluated it negatively. The current reality is that the project lacks coherence and the power to push forward, and I think this is because of policies that focus on civil engineering work and avoiding issues related to, or just going along with, the militarization of Jeju. It is urgent that we rethink this and find ways to do something about it.

The April 3 Incident taught us lessons about violence committed by the state and generated criticism of the divided system that caused it, setting for us the task of overcoming those causes. Because of the geopolitics of Jeju, we have realized the need to make it a demilitarized zone and counteract its militarization. We have learned the various values and concepts of peaceful coexistence with nature and others, rather

just pushing blindly ahead with development. All of these factors, when brought together, indicate that the Peace Island project needs to be reworked.

In the 1990s, in the Post-Cold War atmosphere of democratization, the Jeju April 3 Special Law was put in place with the hope of narrowing the gap between Jeju and the mainland. Jeju was lagging behind, so there was a strong feeling that its designation as an Island of Peace would lead to progress in this regard. However, the project moved away from the idea of a demilitarized province as it was carried forward and the term “Peace Island” came to be used simply to mean progress, ignoring the true meaning of peace, which needs to be clearly reinstated in any related special laws. In 2018 we will commemorate the 70th anniversary of the April 3 Incident. I hope this will be an occasion to reconsider Jeju’s future.

In order to spread the concepts of the Island of Peace and the meaning of the April 3 Incident, we have to expand exchanges with people who come from places of conflict so that a new paradigm of peace, as a realistic solution to strife, will take hold across the region. We need to spread the peaceful values of citizens’ rights and duties, and carry out active programs of social exchange.



## Policy Implications

- East Asia is still in the crossroads of the Cold War and the Post-Cold War situation. The reason for this is that compared to the full economic exchange and cooperation that exists in the region, the level of military confrontation and conflict is high. We need to approach this problem from an economic and military standpoint and the viewpoint of civil society.
- The citizens of Jeju must figure out what direction they will take and what role they will play in promoting exchanges and cooperation in East Asia, as well as in building peace in the region.
- By doing some deep thinking about Jeju as an Island of Peace, we need to come up with a new vision for how Jeju should play that role. We need to spread peaceful values as the right and duty of the citizenry, and devise ways for citizens to express their thoughts and opinions on how they can participate in many different ways in creating a new Island of Peace.

# Prospect of Personal E-Mobility and Consideration for the Establishment of Related Industrial Ecosystem in Jeju

## Jeju 제주특별자치도

Chair	<b>CHOI Woongchul</b> Professor, Kookmin University
Keynote Speaker	<b>Giorgio RIZZONI</b> Professor, The Ohio State University, United States
Discussant	<b>LEE Gaemyoung</b> Professor, Jeju National University
	<b>JIN Younga</b> Venture Fund Expert
	<b>CHOI Youngsuk</b> EV Service Model Expert
	<b>KWON Yongbeom</b> Chairman, CLC Holdings
	<b>CHO Yongseok</b> President, The Korean Society of Automotive Engineers
Rapporteur	<b>KIM Jeongyong</b> Research Engineer, Kookmin University

— **Giorgio RIZZONI** Revolutionary changes in transportation are essential for Jeju Special Self-Governing Province (Jeju Province) to achieve its vision of becoming a carbon-free island. Traffic congestion and changes in lifestyles are bound to reshape personal mobility. Transportation refers to the movement of people and goods, and movement to and from workplaces and between social stages. The City of Columbus, Ohio, in the U.S. seeks to achieve a so called “Triple Zero,” namely zero accidents and fatalities, zero carbon footprints and zero stress. With the arrival of the digital society, the City of Columbus is developing and increasing the quality of life for its residents.

The U.S. was the largest consumer of oil, coal and natural gas until 2007. Oil is still the primary source of energy in the transportation sector. However, total U.S. energy consumption declined by five quads from 101.5 quads in 2006 to 97.3 quads in 2017. During the same period, oil consumption posted the largest decline, and natural gas consumption increased, doubling that of coal, and mostly used for

electricity generation. What is the most encouraging is the growth of new renewable energy resources. Wind power energy increased five-fold over the past decade to account for two percent of total energy consumption with solar energy accounting for an increasing share of the energy mix. New renewable energy resources account for ten percent of total U.S. energy consumption. Despite the U.S. withdrawal from the Paris Agreement, the use of new renewable energy and natural gas are expected to steadily increase.

In Korea, the use of new renewable energy has grown, representing five percent of total energy consumption. I believe that Jeju Province will spearhead the reshaping of the national energy mix, and lead the new renewable energy segment. Personal mobility is essential to establishing transportation methods powered by new renewable energy resources. The number of vehicles in operation worldwide is set to increase from the current one billion to two billion in 20 years. If the number of vehicles, as we know them today, double in cities, cities would not

look the way they do today. Globally, the number of mega cities has been increasing, especially in Asia and North America. General Motors has introduced a new concept called the hyper city, which is a notch higher than mega city.

Means of transportation need to address a balance between personal mobility and mass transportation and limited parking spaces. Modes of transportation should be seen in the context of sharing rather than ownership. The City of Columbus has reduced emissions through electricity powered transportation and eased traffic congestion with Artificial Intelligence powered vehicles. Its Smart Mobility project has improved access to jobs and increased the quality of life via automated logistics systems. Jeju Province should build a smart city by increasing the use of new renewable energy sources and electrically powered, ecofriendly intelligent transportation systems.

Automobile production is also undergoing changes. In the past, the introduction of a conveyor belt system enabled the mass production of vehicles. Automakers are taking this a step further by producing electricity sports vehicles using 3D printers. Such new technologies will innovate automotive production, leading to the birth of smarter, lighter and more efficient modes of transportation. Personal mobility powered by 3D printed batteries will become a reality in the future.

As futuristic transportation methods move closer to reality, it is necessary to create a suitable environment and integrated policies are needed to do so. The scope of infrastructure should expand beyond trucks and buses to include other modes of transportation. With full support and investments in the promotion of futuristic transportation methods, Jeju Province will play a leading role in the transition to an ecofriendly smart city.

— **CHO Yongseok** Large cities may run out of space due to a steady inflow of people. An increase in the number of vehicles will only aggravate the shortage of space for people. Most vehicles are in operation, while a significant number of vehicles sit idle in parking lots. In the future, car ownership will likely

give way to ride sharing, necessitating mass transportation. The use of mass transportation causes first mile and last mile problem. Futuristic personal mobility is essential to addressing these problems. If Jeju, which envisions itself as a carbon-free island, takes the initiative in promoting electric vehicles and personal mobility, it will set an example and become a global leading futuristic city. The realization of ecofriendly systems requires infrastructure building. Roads, traffic signaling, Internet of Things based systems and centralized systems should be in place to ensure driver safety. Venture investors and startups should play a role in innovative implementations. Futuristic personal mobility should be verified in a reliable way to win consumer trust and ensure safe use. As such, the Korean Society of Automotive Engineers (KSAE) is supporting personal mobility, organizing numerous research sessions, and pursuing technology standardization from the component level. In partnership with the KSAE, Jeju is set to take the initiative in certification and standardization of futuristic mobility.

— **LEE Gaemyoung** Jeju Province is one of the most active participants in the carbon-free project. The introduction of electric vehicles and resulting changes in electricity consumption has been the subject of theoretical research, but there are few studies on the actual use of electric vehicles. Based on actual data, Jeju Province has been conducting studies on changes in electricity consumption with the introduction of electric vehicles and the resulting load on the power grid. An electric vehicle charging system has been introduced to avoid peak load problems and allow charging at off peak load hours, facilitating the supply of electricity and generating significant added values.

Electric vehicles account for two percent of vehicles operating on Jeju Island. Taxi drivers operating electric vehicles say they spend less time on maintenance and have more time to themselves. Being an island, Jeju has to transport fuel by ship. In contrast, electric vehicles can be powered by way of undersea cables or new renewable energy sources. That is,

Jeju stands to benefit from the introduction of electric vehicles. The problem is the limited availability of electric vehicles, which calls for diverse offerings from different companies.

— **KWON Yongbeom** Given its four distinctive seasons, diverse climate and road conditions, Jeju Island is well positioned to offer various ideas for vehicles, which should contribute to the creation of next generation transportation. To do so, it is essential to build consensus among local residents. Communication with the local community will clarify the vision for personal mobility and promote the use of futuristic transportation methods.

— **CHOI Youngsuk** The largest problem facing personal mobility is the lack of standards. Using different standards is detrimental to the proliferation of electric vehicles or personal mobility, and as such the charging system must be standardized. The establishment of standards for personal mobility requires either following the existing standards for automobiles or setting new ones. Jeju Island does not have automobile only lanes, allowing for more room for personal mobility. In addition, tourists seek a faster way to get around. The use of personal mobility at tourist attractions will help accelerate its penetration.

— **JIN Younga** Venture capital is by nature conservative. No matter how good an idea is investors do not make a bet without a clear path to profitability. The presenter said the smart city project in Columbus, Ohio, received 40 million dollars in funding from the United States Department of Transportation, ten million dollars from Vulcan Incorporated and 90 million dollars matched by the City of Columbus. It is necessary to go beyond new technologies and designs and create a new way of life to attract investments. Modes of transportation should be reshaped. It is research institutes which create technologies, but how to use those technologies is also critical. Jeju should take the lead in the paradigm shift in transportation.

— **CHOI Woongchul** Personal mobility in the future is likely to take diverse forms and develop on the back

of electric power. Despite the lack of directionality, Jeju Island will likely take on a leadership role. Jeju Island can provide places where future transportation methods, upon approval, can operate. Operation can be restricted to tourist attractions. Like Olle trail, multipurpose routes connecting tourist attractions can be established to ensure convenience and economic benefits. Jeju Island operates a one stop verification center, which certifies and approves technologies used in transportation methods. As such, Jeju can transform itself into a test bed where pioneers of the Fourth Industrial Revolution can create and demonstrate various business models and expand them globally. In addition, new renewable energy industries can attract venture capital and funds, which financially support forward looking companies aimed at the Fourth Industrial Revolution. Jeju Special Self-Governing Province can make a greater push in this regard.

#### Keywords

Jeju Island, carbon-free island, means of future transport, personal mobility, electric vehicles, smart city, venture capital

#### Policy Implications

- Jeju Island can provide places where future transportation methods, if approved, can operate. Operation restricted to tourist attractions and the establishment of multipurpose routes connecting tourist attractions can add to the convenience and economic benefits.
- Revolutionary changes in transportation are the prerequisite for a carbon-free island. As futuristic transportation methods move closer to reality, it is necessary to create a suitable environment. The scope of infrastructure should expand beyond trucks and buses to include other forms of transportation. With full support and investments to promote futuristic transportation methods, Jeju Island will take a leadership role in the transition to an ecofriendly smart city.

## Dynamic Equilibrium between Development and Preservation

### Jeju 제주특별자치도

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Discussant	<b>LEE Jae Hoon</b> Professor, Dankook University
	<b>KI Jung Hoon</b> Professor, Myongji University
	<b>KIM Young Chul</b> Professor, KAIST
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— **LEE Sang Hyun** The development of an “old city center” assumes the establishment of a new city center. The cities of South Korea have experienced a rapid expansion from the 1960s as industrialization and urbanization combined with an increasing population. At that point, the only means available were either to develop high-density city centers or to build new downtown areas at a suitable distance from the original ones. Prior to the horizontal expansion carried out with the building of new city centers, the redevelopment of old city centers so as to increase density was rarely attempted anywhere outside of the Seoul region. Nearly every city in the provinces opted to respond to expanding spatial demand by building new city centers. As population inflows declined and low growth led to less demand for space, old and new city centers ended up in a competitive relationship in terms of population inflows. As people left the old city centers, their urban competitiveness increasingly weakened. Unlike measures

that are introduced to renew old city centers, some will inevitably be abandoned, while the remaining sections will develop into slums.

The way to renew old city centers is to make residential improvements, restore productive activities, and enable the stimulation of leisure and consumption activities. Given the current focus on new city centers in the development of transportation infrastructure, it will not be easy finding ways to upgrade the old centers’ accessibility to workplaces and homes. Under the circumstances, the renewal of old city centers will require us to find the advantages unique to them. Old city centers have a longer history than their newer counterparts, along with the culture that has formed over that time. They also boast non-artificial environments. Like other regional cities, Jeju City has also experienced processes of old city center emergence and decline. The kind of “old city center renewal” being discussed for Jeju in the Jeju Future Vision is not much different from

other ideas for the renewal of regional cities. Methods have been suggested for taking advantage of the history, culture, special natural environment of the old Jeju City center, but Jeju also has one thing that sets it apart from other regional cities in terms of the renewal of its old city center: the future addition of special facilities in the form of a new harbor. In other words, a new population inflow may well be possible.

Deciding whether to renew or redevelop the old city center of Jeju will require us to anticipate whether there will be an increase in spatial capacity or a population inflow. The building of the new harbor is a situation where Jeju City can expect a population inflow. It is clear that new residents will arrive, and it is simply a matter of the number of the people arriving once the new harbor is built. But the size of the anticipated population with the construction of the new harbor is not certain. If it is the kind of new harbor that is currently being discussed, it would appear to be something at the level of an old city center renewal. This means old city center of Jeju will need to undergo renewal.

A net population inflow appears possible if old city center of Jeju is developed into a “company research year town.” A company research year town is a town designed to give people opportunities for paid work in a preferred residential area for a certain period of time once they have worked at a company for a particular time period. First of all, with its natural environment, Jeju has the opportunity to be a place where anyone would want to live. There are around 50 million people working at South Korea’s top ten ranked companies and China’s top 30 ranked companies. If we can attract even a portion of them, we would be able to choose the path of redevelopment rather than renewal for old city center of Jeju.

The following is a more detailed explanation about the company research year town proposed for old city center of Jeju. High-rise office blocks would be designed so that people can see each other within the building, allowing them to learn different corporate cultures as they share the Research and

Development space and communicate visually. By enabling people to see users of high-rise structures in old city center of Jeju, we would be providing a different first impression of Jeju with the sight of the coast looking down on port. There would be a shopping mall where people could move around by individual means of transport. They would have the opportunity to experience high technology at new product exhibition halls and test beds, and it could be constructed as a space where you can watch people working in and around the courtyard.

In terms of a more detailed architectural plan, the Research and Development wing where people would work would consist of four 50-story buildings with an area of one million pyeong(py)[33,000 m<sup>2</sup>] each, or four million py, which could accommodate one million people. The commercial wing would measure eight thousands py, or one-fifth the working facilities, and accommodate two thousand people. If you take into account that the residential wing would measure three million py(a 300 percent floor area ratio) and could accommodate one million people, it would be possible to have 1.5 million py of existing residential improvement area and 1.5 million py of area for terrace housing construction by the waterway. The construction is expected to cost around one trillion won, which means a potential GDP of around nine trillion won if you assume one million people working with sales of 900 million won per ICT employee. If you add this to GDP of Jeju in 2015, about nine trillion won including three trillion won in tourism revenues which means we could double that GDP.

— **LEE Sang Yun** Recovering the urban functions of declining old city center areas will require the courting of new and creative industries. We can discuss the specific program in the plan Professor Lee proposed, the transportation system, and other potential uses in terms of three perspectives. The first concerns the structure of the old city center. Cities on the water have typically developed along a concentric circle structure. There is the symbolism and economic value of the water and the patterns formed by

surrounding zones, which means specialization as a central business district, a transitional belt, and residential areas from the inner city to the periphery. At the same time, linear structures develop along river and transportation corridors that spread out radically from the city center to regions on the periphery. We see a trend of residential areas specializing in a kind of fan shape according to social class. There is a multicenter model that takes shape around several centers rather than just one.

The old city center of Jeju exhibits all three characteristics. What I would propose is to analyze these characteristics and develop a format and pattern that takes into account potential mutual gains for different regions.

The second concerns expansions in cultural and other infrastructure and building public transportation and urban pedestrian systems. The city center is close to both the international airport and seaport, which results in numerous connections between them. The airport and seaport function as bases for urban growth that exists in a relationship of competition, and it is in terms of this relationship that we can talk about the success or failure of the city. With this competitive relationship, we are looking to introduce a new program, build a simple yet environmentally friendly transportation system, and increase access to the sea in different ways. This would have a major impact on the structural format and open space system that are being proposed for the old city center.

The third concerns the newly arriving population and the establishment of a mutually complementary relationship with existing residents. The biggest problem with either urban renewal or redevelopment has to do with restoring relationships among residents. This is not a problem easily resolved with proposals concerning the physical environment alone, but we are trying to make it into an issue by proposing certain elements. Some of the things we might be able to do include forming spaces that take advantage of the pedestrian system, encouraging a complex commercial area using sky decks at the front of buildings, coming up with different programs for the

rear of the structures that could be spaces for interaction between the local residents and the incoming population, establishing pedestrian priority zones, and developing public programs for connecting the region.

— **YOUN Oui Sik** Edward Glaeser called human capital the “heart of a successful city.” The external effects of human capital are correlated with education and GDP. Per capita GDP for a metropolitan region increases by 22 percent for every ten percent rise in the percentage of population with a high school diploma or greater. On average, national per capita GDP has risen by over 30 percent for every additional year of education for the total population of the country. In other words, when a regional educational level increases, it brings with it a rise in the income of local residents unrelated to it.

Historically, Jeju was a place of exile where people like Kim Jeong-hui, Kim Chun-taek, Kim Jeong, Kim Sang-heon, Jeong On, and Kim Yun-sik spent time. Scholar-bureaucrats on Jeju devoted their energies to writing, training future scholars, research, and communicating ideas. Recently, tourist courses have been springing up along the so-called “exile routes.” Their knowledge may be seen as another example of the average educational level of Jeju being increased. But there is also the matter of the suffering Jeju residents endured tending to the exiles’ basic needs. If a company research year town is built, we can expect to see the arrival of highly educated researchers. The goal of redeveloping the old city center is an increase in the income for the island as a whole through their interchange, communication, and learning effects with existing Jeju residents. The area around Tapdong Park is relatively dangerous at present. You cannot have an enjoyable city when there are places where danger lurks. We provide the green space and open space that the old city center currently lacks. By offering a space where researchers can interact naturally with Jeju residents, we can create a pleasant city with open spaces that preserve the essence of Jeju.

If you go up on one of the oreum(volcanic cones)

and go into the basin, you can experience how the wind seems to suddenly die away and time seems to have stood still in the silence. We are providing windless spaces that use the hollowed-out the basic shape of the Jeju oreum. Around that, we offer a commercial square surrounded by exhibition venues, showcases for new products, and restaurants. We also recreate the sea at Tapdong to give it back to residents and tourists. We also want to offer a space where informal contact occurs naturally between Jeju residents and researchers from companies in different industries.

— **LEE Jae Hoon** While he looked at the issue of building 50-story buildings in the old city center in terms of supply and demand, people are likely to see it as impossible if you look at it in terms of the skyline.

There is an example in the past where there was a plan to build a 50 to 60-story hotel in Jeju, and it ended up being reduced to 38 stories. This also resulted in the lower floors being built in a bulky way to ensure the necessary floor area ratio. A building like that could give off a somewhat oppressive feeling. So I do not think the decision should necessarily be based on the number of stories. Jeju is a city that is blessed in terms of nature, so it is troubling to think about covering up that view with high-rise buildings. That said some degree of accessibility is necessary for the city to develop. If all of the development is concentrated in one place, that could actually be a way of combining development with the preservation needed to protect nature. One approach may be to loosen the building height restrictions in Jeju City and Seogwipo. I think it would be a good idea not to let it exceed one-tenth the height of Hallasan Mountain, which is 1,950 meters.

— **Ki Jung Hoon** I saw it as being a bit different from the recent direction in redevelopment. It is about educating residents and emphasizing economic development over physical development. While the current approach is similar to previous redevelopment, he seems to be proposing a somewhat different approach that includes a symbolic element in terms

of cultural identity and environment. Whatever the approach, I think it is good if you can get a lot of people together. I do have doubts about the feasibility of the company research year town, though. Company research years are found at places like universities and research institutes, but there needs to be more consideration as to why the focus is on companies and whether this project is actually feasible. I also think there needs to be an element of symbolism when you have a project that involves the building of ultra-high rise towers. There should be strategy for how it happens concretely, too. I think the company research year town is something that could be expanded to things like university research institutes, in addition to companies. The key to this project is bringing in more people, and I do think that may be possible with the right strategy and promotion.

— **KIM Young Chul** Even if Jeju does support a regeneration project for its old city center, there needs to be enough of a driving force to carry it along for several years. We need to consider whether it is possible to have consistent effects from it. We should give some thought to ways of sustaining that space and allowing it to develop through the next generation.

— **LEE Yong Ho** What the presenter suggested is quite different from the current approach to urban renewal. The aims stated in the Renewal Promotion Act are first to respond to decline, second to achieve urban renewal in localized areas, and third to provide maintenance and repairs for individual buildings to prevent long-term social costs. What the presenter seemed to be proposing was more redevelopment than renewal. It seems like a proposal that was about enhancing the competitiveness of Jeju as a whole.

The hollowing phenomenon is something seen generally among cities of South Korea. It is not something like the U.S., where the middle class has fled to the suburbs and the phenomenon has been tied in with the expressway network. The problem is that even though there are industrial complexes near the old city centers, the hollowing effect has taken place in nearby areas. There is a strong likelihood that these complexes will have nothing to do with

ordinary jobs. Seoul has adopted a strategy of trying to integrate the younger population first. They have taken the hour around rush hour into account and have been able to provide shared residences in the regions in question. So we need to be oriented to achieving a productive population inflow and social integration.

With other cities and provinces, there is a certain minimum level in terms of scale, and the industrial infrastructure is already there. That is not the case with Jeju Island, and it is likely there is only so much that can be done through an internal rearrangement of things. So I do not think Jeju Island can achieve the kind of doubling of its GDP that the presenter mentioned. Currently, there appear to be a few projects under way in Jeju with national support from the Renewal Promotion Act, but that is not going to be enough in the long term. It needs to be tied together in the long term at the national level with the issue of industry relocation. There is clearly a connection between that vision and the one in this session.

— **JUNG Tae Yong** It is important to remember the fact that the population inflow and the tourism industry are not everything. We can take advantage of the external space that arises from concentrated development of old city center of Jeju, creating a pedestrian-centered city with a waterfront. The combination of those three things is, I think, an excellent outcome. But who is this development for? We also need to think about what kind of relationship the one million new arrivals will have with current population of Jeju. You need a strong public aspect for there to be sustainable. It is a very risky strategy if the global recession continues for another ten years and we do not get the population inflow. I am aware that a lot of efforts are being made in terms of attracting education and business, but there need to be more. There also needs to be social change.

— **Blaž KRIŽNIK** I spent a year working in Barcelona in the past. Barcelona has a good balance between development and the environment. They have established that balance over the past 20 years, where they continue to sustain the urban renewal, urban devel-

opment, and social fusion. But there was too much tourism development, and in the mid 2000s, crisis struck. Barcelona gets around eight million tourists, while Seoul gets six million. Barcelona is about six times smaller than Seoul. In terms of scale, Seoul would have over 50 million tourists. In Barcelona, nearly all public spaces are commercialized. It has gotten more and more Airbnb and tourist accommodation, and many of its houses have become part of the tourism market. Because of speculative urban development, there is been a phenomenon of gentrification due to a segmentation as urban development is integrated with the existing city. I cannot say for certain that Jeju Island will see the same negative results as Barcelona, but we must take into account that the risks are definitely there.

#### Keywords

Jeju City, old city center, renewal, redevelopment, company research year town



#### Policy Implications

- A net population inflow can be achieved by taking advantage of the unique natural environment of Jeju, which is something not present in most regions located within two hours flying distance from Jeju (e.g., in Korea or China). A more effective approach for Jeju City may be to adopt a course of old city center transformation through urban redevelopment that assumes a net population inflow.
- A net population inflow may be produced by developing old city center of Jeju into a company research year town. By establishing advanced Research and Development industry facilities to take advantage of this outstanding workforce and allowing the shopping center supporting these facilities to serve as a meeting point for high-tech industry and its workforce to encounter tourists and Jeju residents, it may be possible to create a structure that brings benefits to companies, tourists, and residents alike.

## The Present and Future of Jeju Healthcare Town



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Moderator	<b>KIM Ki-Young</b> General Director, Medical Industry Department, Jeju Free International City Development Center
Keynote Speaker	<b>LEE Key-Hyo</b> Professor, Graduate School of Public Health, Inje University
Presenter	<b>OH Jong-Hee</b> Executive Director, Global Healthcare Bureau, Korea Health Industry Development Institute <b>KIM Hwa-kyung</b> Professor, Jeju International University <b>SONG In-soo</b> President, Healice
	<b>SHINE Eun-Kyu</b> Professor, Health Administration, Dongseo University
Rapporteur	<b>YOO Dong-So</b> Assistant Manager, Jeju Free International City Development Center

— **LEE Key-Hyo** Jeju Healthcare Town is one of the Jeju Free International City Development Center(-JDC)'s four projects in the Jeju Free International City. It is a challenging project, but so far it has made progress. Following regulatory approval, the project was designated as a tourism complex in 2009, and entered a Memorandum of Understanding with the Greenland Group, with the opening of Greenland International Hospital slated for end of 2017. Currently, the basic plan shows certain directionality, but lacks clarity as to how to implement the project. Fortunately, there are possibilities for the setting of new directions. Despite concerns over the opening of Greenland International Hospital, Korea's only foreign invested medical institute, its impact on the Korean healthcare system is likely to be marginal, as Greenland International Hospital does not have the function and status that could affect the Korean healthcare system.

Due to various challenges, Jeju Healthcare Town has yet to develop concrete concepts and plans. Like Jeju Special Self-Governing Province, other free

economic zones in Korea allow foreign investors to establish for profit hospitals, but Jeju was the only region to have attracted foreign investments.

Cluster strategies state that a healthcare town is made up of medical services, wellness, food and sports, and their direct impact needs to be revisited, as it remains unclear whether cluster strategies are targeted at medical tourism or healthcare clusters. Related facilities that have been developed thus far fall short of forming a cluster and lack an interconnected structure to create a single value chain. Clusters do not come into existence naturally, and Jeju Healthcare Town is a project which requires meticulous planning and long-term vision. It is time to devise ways to maximize the value of Jeju Healthcare Town, departing from the existing path of development. In this regard, Jeju Healthcare Town has to formulate detailed plans to enhance its competitiveness in the medical tourism segment.

It is important to attract investments from Korean private developers, departing from a heavy reliance on foreign investors. Given the role of Jeju Health-

care Town in offering high quality healthcare service to Jeju residents and the policy direction of the current administration, a structure should be established to raise funds from the central government to invest in healthcare services and beef up the public healthcare system. This does not just concern JDC, but also all of Jeju. As such, it calls for leadership with a long term vision, engaging all stakeholders on Jeju from the governor to local residents. Vision plays a key role in building a consensus on the future of Jeju Healthcare Town. As specialized medical tourism parks are built across the nation, Jeju should reestablish its vision to stand out from the pack.

— **OH Jong-Hee** Before making policy proposals for Jeju Healthcare Town, I believe the health conditions of Jeju residents need a closer look. According to a survey by the Korea Centers for Disease Control and Prevention, Jeju has seen an increase in rates of drinking and smoking, higher obesity rates than the national average and a gradual fall in the share of respondents self-reporting moderate health. As health trends have changed toward preventive care from treatment, a new approach is needed. I believe JDC's vision is well established, in that it includes happiness, one of three value propositions made by Yuval Noah Harari, an Israeli historian. Jeju Healthcare Town is a resort style, wellness themed medical tourism project, which builds medical infrastructure for Jeju International Free City. However, it has yet to develop content that engages Jeju residents or meets their needs. To address this issue, I propose the introduction of a medical simulation center, one which is designed to provide integrative wellness and healthcare programs, and enhance healthcare capabilities in the region.

In the U.S., where medical bills can be huge and the national health insurance system is underdeveloped, integrative medicine is touted as a model that can save the U.S. healthcare system. Miraval Resort & Spa, located in the Arizona desert, offers various programs and runs successful businesses despite its poor accessibility. North Rhine-Westphalia of Germany is establishing equipment and facilities with

subsidies from the state government. Blankenstein has established a natural healing treatment center with 50 to 60 beds within a 700 bed general hospital. Established in 1999, Kliniken Essen-Mitte offers natural medicine and integrative medicine by creating a clinic within a 100 bed hospital. The German health insurance system covers integrative medicine, makes it more affordable, and local residents are eligible for subsidies from the local governments.

A medical simulation center is considered to be the highlight of the U.S. medical segment. I believe that Jeju needs medical simulation centers to enhance the medical capabilities of the region. In Japan, the Okinawa Clinical Simulation Center provides a foundation for regional medical services, encompassing local businesses, universities, and healthcare personnel and enhances medical training. The Okinawa Clinical Simulation Center contributes to the promotion of medical education and research by training doctors and offering advanced clinical skills.

— **KIM Hwa-kyung** Global trends in the Meetings, Incentives, Conventions, and Events(MICE) industry is characterized by intensifying competition for investments amid growing interest in Asia. Leading players in the MICE industry include Singapore Marina Bay Sands and Resorts World Sentosa. The global medical tourism market is expanding at a steady pace of 17.9 percent. Sopron in Hungary offers various programs with dental implants and care accounting for 90 percent of total medical tourism. Dubai Healthcare City is the world's first healthcare free zone. Dubai plans to attract at least 500,000 medical tourists a year by 2020, offering world class medical services to become the center of medical service in the Middle East.

It is essential to develop distinctive medical tourism strategies and programs that set Jeju apart from other regions. South Korean medical tourism market is expected to expand from 364,000 visitors in 2016 to 792,000 visitors in 2018. The medical tourism industry is expanding across the board, driving income growth and creating new jobs. An analysis of the MICE environment highlights Jeju's strengths

such as its beautiful nature, visa waiver program and unique culture, but weaknesses include such things as a shortage of specialized services, international air routes and exhibition industries. In addition, the scheduled opening of Gangjeong Port creates growth opportunities such as an increase in cruise tourists and the expansion of services by low cost carriers. However, risk factors include climate conditions unique to the island, fierce competition from other regions and a high reliance on the Chinese market. Jeju's medical tourism environment has advantages such as an increase in domestic and inbound tourists, pristine nature, special laws, and institutional autonomy. On the other hand, weaknesses include the uneven distribution of medical resources across Jeju, untapped resources for wellness tourism and weak brand awareness of medical institutions in the region. However, the healthcare market presents growth opportunities on the back of the expansion of the medical tourism market, accelerating industrialization, relatively low medical bills compared to the advanced economies, an aging society and income growth. Jeju should make the utmost effort to become the center of medical tourism.

I would like to propose ways to connect the MICE industry with medical tourism in Jeju Healthcare Town. Jeju Healthcare Town should attract MICE businesses related to biotech and wellness and training programs from Korean medical institutions. Jeju Healthcare Town should make distinctive offerings such as IT & BT convergence products, healthcare programs based on herbal and Western medicines, and special VIP products for long term stays. Its overseas marketing strategy should be tailored to target countries, and aggressive marketing campaigns should be launched, harnessing the star power of celebrity. High-end and long-term stay products need to be developed to attract VVIP medical tourists. Jeju is rich in key resources, but lags behind in marketing. In this regard, antiaging businesses based on traditional Korean herbal medicine in Gyeongsangnam-do provide a good example. It is necessary to operate an organization dedicated to the MICE industry and build

related infrastructure. Jeju Healthcare Town should enhance its brand value by expanding exchanges with international organizations.

The Swiss town of Davos, host of the World Economic Forum, is a rural town located 1,540 meters above sea level, which has reinvented itself as a venue for international conventions. Geneva, which hosts its own International Motor Show, has transformed itself from a town without automotive factories to the automotive industry center for innovation and creativity. As such, the creation of global brand value requires cooperation between related authorities.

— **SONG In-soo** As for the Healthcare Town, the word “town” gains value when it is equipped with a healthcare system for local residents. However, attracting and operating hospital facilities should not be equated with offering healthcare services. It is desirable to include healing, food, exercise, and preventive care, and ensure that all residents have access to medical services. However, I believe the Jeju Healthcare Town Project has derailed from the main objective and direction. It is imperative to reestablish and redirect the project to avoid failure.

One may wonder if attracting a hospital with a brand power guarantees success. The answer is no. Medical services can be successful and generate synergy effects when there are people who need it. However, the Healthcare Town is not a residential area for patients. As such, it should become a preventive healthcare service town, one which helps people remain free from health concerns by offering medical services, healing and exercise, and nutrition programs. In Jeju Healthcare Town, successful medical service means a network of services, encompassing preventive healthcare services for residents of the town and referrals to top notch hospitals and doctors for those who have fallen ill.

— **SHINE Eun-Kyu** As the graying population leads to greater interest in health conditions, the healthcare industry is facing new changes driven by the development of the Intensive Outpatient Treatment market. Since the Roh Moo-hyun administration, Korean medical institutions have accelerated their

expansion into the global market. That global expansion is accompanied by problems. The perception of healthcare workers and qualification certification systems differ by countries which Korean medical institutions seek to enter. China has a keen interest in preventive care, especially due to a likely increase in cancer patients and chronic diseases from an aging population. In contrast, the United Arab Emirates region faces many health issues resulting from dietary habits and cultural characteristics. In Saudi Arabia, healthcare is the second largest recipient of investments. Despite Saudi Arabia's high demand for healthcare services, about 75 percent of healthcare workers originate from outside Saudi Arabia. As such, Saudi Arabia needs to recruit foreign doctors. However, an influx of Korean doctors into the Saudi Arabian market may raise problems, such as differences in qualification certification systems in Saudi Arabia and a brain drain in Korea.

17 major countries can be classified into different categories, such as overseas expansion, healthcare modernization and compatible healthcare systems. As such, it calls for distinctive approaches and analyses according to country specific characteristics. Jeju should be able to contribute to improving the quality of healthcare services in Asia by facilitating the global expansion of Korean medical institutions, offering training programs which recognize the qualifications of global medical institutions and attracting training institutions. As such, the extension of stay should be discussed, and it would be desirable for Jeju to serve as a pathway for healthcare workers on their way to a third country. If doctors are attracted to Jeju, so will patients. Of the three major elements of healthcare services which are patient examinations, Research and Development, and education, I think education is the area where Jeju Healthcare Town can stand out.

#### Keywords

Jeju City, old city center, renewal, redevelopment, company research year town



#### Policy Implications

- Jeju Healthcare Town should have a second look into its business direction and cluster strategies by shifting its focus from foreign investments to include Korean companies and clarifying the meaning of cluster plans. Above all, the participation of public institutions and the government should be considered to provide high quality healthcare service to Jeju residents. From a long term perspective, the project should proceed based on strategic leadership, engaging all stakeholders such as Jeju Special Self-Governing Province, Jeju residents and JDC.
- Based on the analysis of health conditions of Jeju residents, it is essential to conduct an in depth review of which healthcare services will have a bright market outlook and enable efficient business operations to meet growing needs. In this regard, overseas success stories in integrative medicine should be taken into consideration to find ways to deliver integrative medicine in Jeju Healthcare Town. Most of all, the introduction of a medical simulation center is proposed to enhance the capabilities of healthcare services in Jeju. A medical simulation center can bridge universities, businesses, and research institutes in the region and contribute to enhancing overall medical technologies and capabilities of healthcare workers.
- It is necessary to establish strategies that connect the MICE industry and medical tourism within Jeju Healthcare Town and develop content unique to Jeju Healthcare Town. Jeju Healthcare Town should devise ways to raise its profile by aggressively pursuing training programs targeting healthcare workers at medical institutions in Korea and abroad, and brand the region by promoting the strengths in the MICE industry and medical tourism.
- The global expansion by Korean medical institutions are creating an imbalance in supply and demand of healthcare workers. The top priority is to fill the gap caused by a brain drain of highly skilled healthcare workers from Korea. Above all, despite disparate credential recognition policies across countries, Korea lacks an integrated organization which can take the lead in the qualification process in the healthcare sector and assist Korean healthcare workers advance into global markets. Jeju Healthcare Town should be able to sharpen its competitiveness if it can induce health workers to stay longer on Jeju by attracting training or education institutes that can prepare healthcare workers for global markets. It is necessary to develop distinctive strategies through healthcare personnel training in the belief that patients will follow doctors to where they are located.

# The Jeju April 3 Incident, Human Rights and Peace of Women and Minorities in East Asia



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Discussant	<b>OH Soo Sung</b> Director, Gwangju Trauma Center <b>YOO Jin Eui</b> Member, Jeju Special Self-Governing Provincial Council <b>YEOM Mi Kyoung</b> Professor, Jeju National University <b>JUNG Weonok</b> Professor, Chung-Ang University
Rapporteur	<b>KIM Eunhee</b> Head of Research, Jeju 4-3 Research Institute

— **KANG Woo Il** Every year I have been waiting for a session on the April 3 Incident to be held during the Jeju Forum for Peace and Prosperity. Now, as we finally look back on this part of our modern history and share and reflect upon the experiences of horrifying violence and oppression the people of Jeju underwent, suffering the loss of their pride and dignity at the hands of outsiders, I believe that the people of our nation and all people of goodwill, and who value peace, will find inspiration in our story.

The April 3 Incident is an embarrassing part of Korea's modern history that remained hidden for a long time and is still not very well known even among Koreans. It is a tragedy that occurred during a chaotic time when our people were trying to establish a new political system after the Japanese colonial government left the Korean Peninsula at the end of World War II and the United States Army Military Government in Korea took over. During the period from April 3, 1948, until 1954, over 30,000 men, women, and young and old citizens of

Jeju, which was more than ten percent of the total population at the time, were killed by governmental forces and every islander was oppressed and under constant surveillance as potential leftist rebels.

According to an investigation report issued by the government on Mar. 29, 2003, 5.8 percent of those killed in the massacre were under ten years of age and 6.1 percent were 61 or older. Just these two figures are enough to show that the government forces killed the people of Jeju Island indiscriminately. Young adults aged 21 to 30 accounted for 35.3 percent of deaths, and youngsters aged 11 to 20 made up 21.6 percent of the victims. This means that more than 55 percent of those killed were teenagers and young adults. Civilians of all ages, from the youngest to the oldest, were detained or arrested and then murdered en masse without any proper investigation or trial. Pregnant women, young girls, widows, women of all stations in life were cruelly subjected to sexual abuse and rape, and in many cases were subsequently killed. Those who survived simply suppressed the

horror they had suffered and were unable to speak about it. Unforgivable, inhumane crimes were committed all over Jeju Island. The recent testimony by a survivor Oh Tae-kyung was a shock to many people. One dark night, the innocent residents of Gasi-ri were called out and the women were told to look up at the moon. This was so that the soldiers could see their faces better in the moonlight, and they picked the ones they liked and dragged them off.

After the Japanese military surrendered in 1945, the Americans came in and, in the name of economic liberation, switched us to a free-market economy from the previous system that had been under the control of the colonial government. The American military government took over control of the country, but neglected to establish proper policies for the people of each region. In the absence of economic order, a small number of landowners and capitalists cornered a wide range of markets and caused them to fall into disarray. By September 1945, the price of rice, which had been 9.4 yen before the end of the occupation, skyrocketed to 2,800 yen. Jeju was especially hard hit by the worsening economy, making life harder than it had been under the Japanese.

The 1947 celebration of the March 1st Independence Movement turned into a demonstration because the people had reached the end of their rope. The police fired on the crowd, and six of the peaceful demonstrators were killed. The citizenry responded by going on a general strike, and the military government and the police began forcibly detaining people and torturing them. The American forces, who had landed on Jeju on Sep. 28, 1945, to accept the Japanese surrender and disarm them, had more than a hundred personnel stationed on Jeju Island by November. A major who knew nothing about Jeju was put in command here, and trusting biased intelligence prepared by the previous Japanese and Korean police, decided that even rural farmers, who had no connection whatsoever with ideology or political affairs, were communist sympathizers. In order not to lose ground against the Soviet Union's Cold War tactics, the United States Army Military

Government in Korea practiced a scorched-earth policy wherever it found a base of communist influence, thinking only in terms of military gains and losses and devoting no attention at all to the lives and safety of Jeju islanders. Immediately after Syngman Rhee's regime came to power in 1948, a garrison command was established on Jeju and reinforcements were sent here from the mainland. In October 1948, Song Yo-chan, commander of the 9th Regiment, issued a decree stating that anyone going more than five kilometers inland from the coast to the mid-mountain area would be shot, and all residents of the mountain slopes were forcibly moved down to the coastal areas. In November 1948, the Syngman Rhee administration declared martial law and started cracking down indiscriminately. A punitive force of about 500 armed rightist personnel from the military, the police, and the Northwestern Youth Corps were dispatched to Jeju to carry out a scorched earth campaign throughout the island.

An official investigation of the April 3 Incident at the national government level did not begin until the Special Law on the April 3 Incident was signed by President Kim Dae-jung on Jan. 11, 2000. This resulted in the publication on Oct. 15, 2003, of the The Jeju April 3 Incident Investigation Report. One of the worst tragedies in the modern history of Korea remained deeply hidden for 50 years before the seals were finally broken. Nevertheless, most Koreans are still unaware of it, and for them it is just a forgotten event buried in the tomb of the past. Until the truth about the background of the April 3 Incident, and where the responsibility for it lies, is fully made clear, until our people acquire a proper understanding of our history, and until the countries involved acknowledge their part in this history, the Republic of Korea will not be able to proceed as a real democracy that pursues truth, freedom, and peace.

— **HEO Young Sun** A stern message comes home to us here: if we cannot bring to light the causes and background of the violence committed indiscriminately against the Jeju people and clarify where the responsibility lies, then every Korean may be impli-

cated in aiding and abetting the grave injustice that was committed. This also sends a message to President Moon Jae-in that now there is an opportunity to ease the pain and heal the wounds inflicted on the people of Jeju over the course of the April 3 Incident.

— **LIN Lanfang** After the end of World War II on Aug. 15, 1945, international status of Taiwan has changed. A massacre that began on Feb. 28, 1947, lasted until May. 16. Many of the intellectual and social elite of Taiwan disappeared without a trace or died, and government suppression is clearly in evidence in this case as well. And what do you suppose happened to their widows? This question drew the attention of researchers who studied the political aspects of the February 28 Incident.

In 1949, Taiwan entered yet another period of violent government oppression. Even during the Cold War period after the Korean War, White Terror continued in Taiwan on until 1992. What were the roles and positions of women during the White Terror? Their story is told in the book *Female Youth Brigade* by Chu Hung-yuan has published in 1995. Stories of the women are also found in oral interviews, but they have not drawn as much attention. Although politically Taiwan often underwent regime change, intermarriage between foreign men and Taiwanese women continued and became a special characteristic of Taiwanese social history. However, after the Kuomintang came to Taiwan in 1945, government misrule led to the February 28 Incident, and the April 3 Incident of 1949 signaled the beginning of the White Terror. These two incidents had a large influence on the fate of Taiwanese women and indicated how the government would control them. According to February 28 Incident Research Report, published in 1992 by the Executive Yuan, the number of people killed was between 18,000 and 28,000. At the end of 1949, the Kuomintang government had to pull out of mainland China and moved to Taiwan, and then in 1950 the Korean War broke out. The psychology of the White Terror stemmed from anti-communism and opposition to independence for Taiwan, and out of fear, people began to point fingers

at each other. When we look back on such historical events, we find ourselves wondering what sort of actions would benefit peace in East Asia. Peace must have an unbiased view as its basis. Any persecution by a government for contrived reasons or as policy is a divergence from what is fair and just, and no one, man or woman young or old, is guaranteed basic human rights in such circumstances. Governments must never forget their duty to bring happiness to their people.

— **Kimiko MIYAGI** During the latter part of World War II, Okinawa became the theater of brutal ground warfare. Okinawa became a “deserted rock” because the Emperor, turning down suggestions by some of those close to him that it might be best to surrender, insisted on pressing ahead with the goal of winning. Because of a lack of food, many boys and girls were put on boats and sent to the main islands of Japan in order to reduce the number of mouths to feed, but most of them died in attacks by the Americans. One quarter of the population of Okinawa was lost.

Acts of violence committed by physically and mentally militarized U.S. soldiers on their way to battle increased, including abuse of women young and old, kidnapping, rape, and murder. It was common for women in the villages that sprang up around American bases to become victims. Until the U.S. military government returned Okinawa to Japan in 1972, it had no status under the Constitution of Japan. This small prefecture, which accounts for only 0.6 percent of the total land area of Japan, was host to a disproportionate 74 percent of all the American military personnel stationed in Japan. Society should recognize and acknowledge the excessive burden this placed on Okinawa, but the vast majority of Japanese have ignored this, just going along with the U.S.-Japan security alliance. The power structure under which military violence and gender violence were committed, and the pain inflicted on women and the people of Jeju who were tormented at the hands of Japanese and American men, continues to exist. It is time to guarantee human rights under which peace is viable and to end gender violence by

the military.

— **JUNG Weonok** The violence committed against women by governments in Taiwan, Okinawa, and Korea are similar, yet different. How the next generation will deal with these historical issues is important. Since 1987, many errors of the past have been corrected in Korea, but it is still not enough. Many of the difficulties in dealing with such matters stem from the fact that the victims are ageing. At this time when a new generation is coming to power, I want to pose the question of how these issues are to be handed over to them. During the recent regressive regime, we saw the possibility that the younger generation can be the agents of change.

— **OH Soo Sung** In relation to the May 18 Incident, we previously held a session on it and the resistance movements of Daegu, Jeju April 3 Incident, Geochang Incident, and Busan-Masan Democratic Protests. After the event, one of the participants asked: “How can you lump the Daegu resistance movement together with the April 3 Incident and the May 18 Incident? It was a communist plot.” This brought home the fact that many of us are suffering from a so called “red complex.” The modern history of South Korea has been a period of barbarism. Truth has been suppressed to ensure that the dominant political forces can maintain their power, and the trauma suffered by the victims has been swept under the rug. It strikes me that Jeju seems to be suffering from a collective trauma. For there to be healing, the government has to acknowledge their pain, listen to the victims, take an interest in the problem, and empathize. I would like to see this become a world where communities suffering trauma become communities of healing, where violence committed by governments disappears, and where human rights are respected.

— **YOO Jin Eui** I have always been interested in the weaker sectors of society and minorities and am actively involved in parliamentary matters as a member of the Standing Committee on Welfare. Welfare means a way for everyone to live happily. I hope that this will prove to be a chance for Jeju to overcome the pain it suffered in the April 3 Incident and ad-

vance in its role as an Island of World Peace.

— **YEOM Mi Kyoung** I would like to talk about what the Jeju April 3 Research Institute is preparing to do as we approach the 70th anniversary of the incident. We should keep in mind that the April 3 Incident is still unfinished business. Although we have had a presidential apology and have issued an investigation report, there remain unhealed aspects of the trauma. I think the most basic thing needed for the healing to progress is support by society. We have to record the memories and the voices that need to be heard, and we have to lay out the facts and viewpoints related to women issues, the problems of those who were disabled in the incident, the victims of unjust imprisonment.

The perpetrators of the violence of the April 3 Incident were not just agents of our own government. The hegemony of the powerful nations of Japan and the United States has a strong connection to those events. It is important for there to be a global point of view about the April 3 Incident, and in that regard, this session of the Jeju Forum for Peace and Prosperity has great significance. To uncover the real, full story of April 3, it is important to hear and record the memories of all those who lived it and pay tribute to its victims. I think we will be able to celebrate it as a true day of tribute when the wishes of those who remember it and those of society as a whole converge.



### Policy Implications

- We should form a “Trauma Community” together with other regions that have suffered events similar to Jeju April 3 Incident and then raise it to the level of a “Healing Community.”
- We need to systematically gather, organize, and archive relevant documents and the stories told by those who experienced the events. We need to change the level of overall awareness of minorities.
- We look forward to the important role the Jeju Forum for Peace and Prosperity will play in bringing the April 3 Incident to the attention of the entire nation and the world.

**JEJU FORUM 2017**  
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