House of Commons
Foreign Affairs Committee

Global Security: Japan and Korea

Tenth Report of Session 2007–08

Report, together with formal minutes, oral and written evidence

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The Foreign Affairs Committee

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Japan and South Korea: Regional relations

1. We conclude that recent Japanese commitments to the international fight against terrorism and to reconstruction efforts in Iraq have strengthened Japan’s relations with the United States, as has the two countries’ co-operation in developing a ballistic missile defence programme in response to the nuclear threat from North Korea. (Paragraph 38)

2. We reiterate the conclusion in our 2006 East Asia Report that “productive links between China and Japan are essential for peace and stability in East Asia”. In that Report we expressed regret at the deterioration of the relationship to, as one witness put it, “the verge of dysfunctional”. We conclude that the successful visit of Chinese President Hu to Japan in April 2008, and the agreement concluded in June 2008 between the two countries over exploitation of gasfields in the East China Sea, are positive signs of an upswing in the relationship between China and Japan. We recommend that the Government should continue to do whatever it can to see that that this is maintained. (Paragraph 46)

3. We conclude that recent indications on both sides of a wish further to improve Japanese-South Korean relations are to be welcomed. Given the important contribution which enhanced Japanese-South Korean co-operation could make on a number of issues, especially policy towards North Korea, we further conclude that the continuing capacity of the Takeshima/Dokdo islets dispute to disrupt Japanese-South Korean relations is regrettable. We recommend that the Government should urge Tokyo and Seoul not to escalate the dispute and encourage both parties to seek a mechanism for its lasting resolution. We further conclude that the issue of the Second World War “comfort women”—Korean and other Asian women obliged to provide sexual services for the Japanese army—remains a painful and emotive issue for the South Korean public and Government, and that its importance should be recognised internationally, including by Japan. (Paragraph 54)

4. We conclude that there is a realistic prospect of Japan normalising relations with North Korea, if progress can be made to resolve both the North Korean nuclear issue and the issue of North Korea’s abductions of Japanese nationals, but that these issues should be resolved separately. We further conclude that although the number of Japanese nationals who were abducted by North Korea is small, even allowing for the highest possible estimate, nonetheless it should be recognised by the international community that this is an understandably emotive issue for the Japanese public and Government. Like the Prime Minister, we extend our sympathy and respect to the surviving abductees and to the abductees’ families. We conclude that the British Embassy in Pyongyang has played a useful role in bringing pressure to bear on North Korea in relation to the abductees. We recommend that the Government should continue to give such assistance as it can to Japan over this matter, and in particular that it should encourage North Korea to proceed speedily to set up the proposed reinvestigation commission, with a view to reaching a final resolution of the issue
and removing this significant obstacle to the normalisation of North Korea’s relations with Japan. While recognising the importance of these country-specific sensitivities, we further conclude that, in relations with North Korea, the greatest interest of the international community as a whole, including the UK, lies in denuclearisation. (Paragraph 68)

5. We conclude that the recent moves on both sides further to strengthen the South Korea-US alliance are to be welcomed. We conclude that the likelihood of greater convergence between South Korean and US approaches to North Korea should be especially useful. (Paragraph 76)

6. We conclude that the growing relationship between South Korea and China is to be welcomed as a potential factor for stability in East Asia, in particular as regards the management of the risks posed by North Korea, and on the assumption that there is no question of the two countries aligning against Japan. We recommend that the Government should make clear to the parties that it would welcome an early agreement on the South Korean-Chinese maritime border. (Paragraph 83)

7. Particularly in the context of the failure of the global Doha trade round, and given our support for a strengthening of relations among regional states, we conclude that bilateral and regional trade agreements involving Japan and South Korea are to be encouraged, provided that they do not prejudice economic access to local markets for the EU nor undermine any remaining prospects for the conclusion of a global trade agreement. We recommend that the Government should remain vigilant in assessing the implications of such agreements for the UK and the EU, and ensure that the EU maintains a similar stance. (Paragraph 91)

8. We conclude that North-East Asia is characterised by a set of interlocking and highly delicate inter-state relationships. While there have been improvements recently in some bilateral relationships, the region continues to be marked by a number of historical and territorial disputes which are potential sources of instability and obstacles to enhanced co-operation. We further conclude that the states of the region have a clear common interest in maintaining stability, in the interests of perpetuating economic growth and enhancing their international standing. We also conclude that, although there is no question of replicating European institutions in East Asia, there are some aspects of the European experience which might usefully be drawn on in the region, in terms especially of the mitigation of historical and territorial disputes, and that the strengthening of standing forums for regularised security dialogue among regional states would be welcome. We recommend that the Government should continue to work with its East Asian, European and US partners to encourage the further development of regional security forums in East Asia. In particular, the Government should convey to the US Administration its support for what appears to be a shift in US policy towards promoting multilateral regional frameworks in East Asia. We recommend that in its response to this Report, the Government should provide an assessment of the development of the various East Asian regional security forums so far, and in particular of the likely impact of the apparent shift in US policy and of prospects for the further institutionalisation of the Six-Party Talks framework. (Paragraph 101)
9. We recommend that in its work in East Asia, the Government should take every opportunity to support initiatives aimed at developing a shared historical understanding between the region’s Second World War combatants. We further recommend that the Government should build elements of co-operation between regional states into programmes and projects in the region that it might otherwise pursue bilaterally, for example regarding climate change or research co-operation. We recommend that in its response to this Report, the Government should provide information on such work as it is already doing to encourage co-operation between regional states in specific policy areas. (Paragraph 102)

North Korea

10. We conclude that the North Korean denuclearisation process in the framework of the Six-Party Talks is difficult and imperfect, and that there can be no certainty that it will lead to the elimination of all North Korea’s nuclear weapons activities. However, we also conclude that the process has achieved a significant degree of denuclearisation, namely a halt to plutonium production at Yongbyon, verified by International Atomic Energy Agency personnel, and significant dismantling of the facility. We conclude that the fact that the agreements reached in the Six-Party Talks process are similar in outline to the 1994 Agreed Framework—namely denuclearisation steps by North Korea in exchange for energy supplies and security gains through improved relations with the US—suggest that this is the most effective basic deal for securing progress in denuclearisation. We further conclude that, by better harmonising the policies towards North Korea of the states most immediately concerned, and by increasing the number of states signed up to agreements and therefore the costs of defection, the Six-Party Talks format is more effective than bilateral US-North Korean negotiations, and may also have wider knock-on benefits for regional security. We conclude that the leading role of China in the Six-Party Talks is to be welcomed, and that the Government is correct to identify China as key to North Korean denuclearisation. We therefore conclude that the Government is correct to support the Six-Party Talks process, including the priority which the process gives to denuclearisation over other policy aims regarding North Korea. (Paragraph 137)

11. Given the difficulties in the denuclearisation process which arose in September 2008, we recommend that the Government should make clear to Six-Party Talks participants that it is willing to assist in any way that might help prevent any further possible breakdown in the process. We further recommend that the Government should make clear to the incoming US Administration that it would welcome an early commitment to continuing the Six-Party Talks and the policy approach which they embody. We recommend that, in its response to this Report, the Government should provide an assessment of prospects for the international North Korean denuclearisation effort under the new US Administration, in light of the latest developments in the process and in the West’s relations with Russia. (Paragraph 138)

12. We conclude that the Government is correct to regard the North Korean case as having wider implications for nuclear proliferation and for international non-proliferation efforts. We conclude that it is important from this perspective that
North Korea should be returned credibly to the Nuclear Non-Proliferation Treaty (NPT) regime as a non-nuclear weapons state. We further conclude that the North Korean case highlights important weaknesses in the current NPT regime, and we recommend that policymakers should draw systematically on the North Korean case, alongside others, in considering the future of that regime. We further recommend that North Korea’s ongoing demand for civil nuclear power should be considered in the context of both the international effort to end the country’s nuclear weapons programme, and current international discussions about mechanisms for the future safe provision of such power to further states. (Paragraph 143)

13. We conclude that the G8 Global Partnership Against Weapons and Materials of Mass Destruction (WMD) could provide a strong base of political, technical and organisational experience for projects reducing the risks associated with WMD activities in North Korea, when appropriate political conditions are in place. We further conclude that the willingness of the G8, including the UK, to consider expanding the work of the Global Partnership beyond the former Soviet Union is welcome. We recommend that, as part of the discussions that are underway on the future of the Global Partnership after 2012, the Government should consider with its G8 partners—and especially the Six-Party Talks participants Japan, Russia and the US—the possibility of Global Partnership involvement in North Korea. We further recommend that the Government should encourage Global Partnership participants who are also participants in the Six-Party Talks to begin to explore the same possibility with their North Korean interlocutors. (Paragraph 150)

14. We conclude that North Korea appears to retain an active ballistic missile programme. We further conclude that there is evidence that international efforts to deny North Korea both assistance and customers for its missile programme appear to be having some effect. We recommend that the Government should continue to work with its international partners to deny North Korea missile-related materials, equipment, technology and overseas sales. We further recommend that, in its response to this Report, the Government should provide an updated assessment of the impact of current international measures against North Korea’s missile programme, including the transport of North Korean missiles and missile components overseas. (Paragraph 161)

15. We conclude that the North Korean regime is one of the worst human rights abusers in the world, that its human rights practice is an affront to the international community, and that the main reason that the issue is not the subject of a larger international outcry is because it remains too little known. We conclude that the work of the FCO in attempting to address North Korean human rights, both bilaterally and with international partners, is to be commended. Although we conclude that human rights abuses are deeply linked to the nature of the North Korean regime, we recommend that the Government’s efforts to address North Korea’s human rights abuses should avoid language which Pyongyang might construe as threatening, and should be couched in terms of reference to specific obligations under international instruments to which North Korea has signed up. We further recommend that enabling the acquisition of more human rights information from inside North Korea should be a major goal of the Government’s work, and that efforts should focus in particular on securing access for the UN
Special Rapporteur. We further recommend that the Government should seek to coordinate its work on North Korean human rights with that of the South Korean Government, as Seoul’s new willingness to raise human rights issues with Pyongyang may come to represent an important strengthening of the international effort in this field. (Paragraph 175)

16. Given the failure of UN mechanisms so far to achieve any significant improvement in North Korea’s human rights practice, we conclude that the Universal Periodic Review (UPR) which North Korea is to undergo at the UN Human Rights Council in December 2009 offers a major opportunity to advance the international effort to secure improvements in North Korean human rights, as well as to establish the credibility of the UPR process. We recommend that the Government should engage actively with Pyongyang and with international official and non-governmental partners to ensure that the potential of North Korea’s UPR process is realised to the maximum extent possible. (Paragraph 178)

17. We conclude that North Korea’s longstanding food shortage is an avoidable human tragedy and a matter of the gravest concern. Provided that conditions are felt to be in place that ensure the receipt of aid by the most needy, we recommend that the international community should do everything possible to respond to the food shortage. We conclude that the recent resumption of US food aid and expansion of World Food Programme access and monitoring in North Korea are to be welcomed. We recommend that the Government should point to the ongoing food crisis when discussing with North Korean interlocutors the possible advantages of further economic modernisation and international opening. (Paragraph 190)

18. We conclude that China is in breach of its obligations under the 1951 Refugee Convention as regards its treatment of North Korean emigrants—specifically, its failure to allow them access to a determination-of-status process, and its practice of repatriation without ensuring that deportees will not be subject to persecution, torture or cruel, inhuman or degrading treatment or punishment in North Korea. We further conclude that China’s practice as regards North Korean emigrants places them in a distressing and dangerous situation. Especially given its view that North Koreans in China include people who are not economic migrants, we recommend that the Government should press harder on the issue of Beijing’s treatment of North Korean emigrants, in its bilateral dealings with China, at EU level, and at the UNHCR. We recommend that in this effort the Government should prioritise the aims of: halting forced deportations from China to North Korea; securing access to the Chinese/North Korean border region for the UNHCR; and seeing the development in China of a legal regime allowing the regularisation of the status of North Koreans there, and above all of children with a North Korean parent. We recommend that in its response to this Report, and again in its 2008 Human Rights Annual Report, the FCO should report on the progress being made towards these aims. We further recommend that the Government should ensure that the issue of Beijing’s treatment of North Korean emigrants is raised effectively as part of China’s Universal Periodic Review process at the UN Human Rights Council in 2009. (Paragraph 209)
19. Given what appears to be rising interest in South Korea in pressing the issue of China’s treatment of North Korean emigrants, and given South Korea’s intimate connection with North Korea and its relationship with China, we recommend that the Government should consult on policy regarding North Koreans in China with the Government in Seoul. (Paragraph 210)

20. We conclude that the growing outflow of North Koreans from North Korea is creating an emigrant population in several parts of Asia whose human rights are systematically vulnerable. We recommend that the FCO should ensure that its Posts in relevant locations are aware of the issue and ready to assist both the individuals concerned and host Governments as needed. (Paragraph 214)

21. We conclude that the absence of market reform in the official North Korean economy contributes to the international risks which the regime represents, by failing to generate incentives for improved relations with the West, and by fuelling the regime’s need to generate income from sales of weapons and illegal goods in the absence of alternative exports. We further conclude that, although the forces working against economic reform in North Korea are powerful, the Government should not assume that there is no possibility at all of more meaningful reform under the present regime. We recommend that the Government should remain alert so as to identify and cultivate any elements in the regime which may be open to further economic reform. (Paragraph 228)

22. Given North Korea’s possession of WMD materials, we conclude that the degree of uncertainty surrounding possible future political developments in the country is worrying. We conclude that, given the lessening in the regime’s social control since North Korea’s last leadership succession, and the apparently enhanced likelihood that Kim Jong-il is suffering from health problems, the international community should have a set of co-ordinated plans in place for sudden change in the situation in North Korea. We further conclude that, although the parties to the Six-Party Talks would be the lead states in any international response, the UK and the EU would be likely to be called upon to assist and would have an interest in doing so. We appreciate that there are reasons why it may be sensible not to discuss plans in public, but we recommend that in its response to this Report, the Government should provide assurance that such planning is being undertaken. (Paragraph 234)

23. We conclude that a breakdown in relations between North and South Korea would bring to an end opportunities for valuable human contacts, and increase insecurity on the Korean peninsula. We further conclude that it is legitimate for South Korea to attach conditions to its co-operation with the North. We recommend that the Government should continue to support North-South engagement. (Paragraph 250)

24. We conclude that the current arrangements for the Kaesong Industrial Complex (KIC)—which allow South Korean firms to escape the International Labour Organisation standards to which they are subject at home, while providing non-transparent transfers of hard currency to the North Korean regime—are far from ideal. However, we also conclude that the contact between North and South Koreans, and exposure of North Koreans to South Korean business practices, which take place at the KIC are to be welcomed; and that the KIC offers much better pay and working conditions than are available elsewhere in North Korea. We recommend that the
Government should seek to use the leverage which is afforded by South Korea’s wish to see the KIC included in the South Korea-EU Free Trade Agreement (FTA) to encourage improvements in the position of workers at the KIC, within a context of what is realistically achievable, and without jeopardising either the FTA or the continued operation and expansion of the Complex. (Paragraph 268)

25. We conclude that, while the UK is not in the frontline of the international effort to secure North Korea’s denuclearisation, it occupies a special position as a close US ally which has diplomatic relations with Pyongyang. Especially given the difficulties into which the denuclearisation process ran in August-September 2008, we recommend that the Government should ask both North Korea and the US whether, coming to the process as a fresh element, it could facilitate any meetings which would help to strengthen the process. (Paragraph 273)

26. We conclude that the Government is correct to make the aim of exposing North Korea’s people to alternative ways of life its top policy goal with regard to engagement with that country. However, we also conclude that the restrictions on relations which the Government has introduced, to try to leverage progress on denuclearisation and human rights, may be undercutting this goal. We recommend that the Government should think more creatively about ways in which it might increase contacts with North Koreans without simply benefiting the regime’s elite. We recommend that the FCO should discuss with interested higher education institutions possibilities for hosting North Korean students. (Paragraph 287)

27. We conclude that the work that the British Council is doing in North Korea is to be commended. We recommend that the British Council should expand its work there if possible. (Paragraph 288)

28. We conclude that the existence of a British Embassy in Pyongyang brings diplomatic benefits to the UK, in terms of both bilateral dealings with North Korea and the UK’s position in regional and international North Korea policy, and we recommend that its staffing and resources should reflect its value. (Paragraph 290)

29. We conclude that the UK’s participation in the UN Command Military Armistice Commission represents an important British commitment to peace and security on the Korean peninsula, and we recommend that it should be maintained. (Paragraph 296)

30. We conclude that although there had been some risk of a disjunction opening up between the evolution of the bilateral South Korean-US military relationship and the formal responsibilities of the wider UN Command for peace and security on the Korean peninsula, under UN Security Council Resolution 84 and the Armistice Agreement, the UN Commander and his team are making efforts to avoid this risk, and that this is to be welcomed. We recommend that the Government should participate actively in UN Command preparations for the transfer of operational wartime command to South Korea in 2012. (Paragraph 305)

31. We conclude that the Government’s continued willingness to send officers to serve in the UNCMAC Joint Duty Office and at the UNC Rear Headquarters in Japan is a welcome expression of the UK’s commitment to the UN Command. We conclude
that the agreement reached among the Command’s participating states to ensure the continued provision of an international officer at Rear Headquarters is to be particularly commended. (Paragraph 306)

Japan and South Korea: International roles

32. We conclude that Japan has offered valuable support to the international community through its very generous funding of peacekeeping and reconstruction activities, not least in Iraq and Afghanistan. We further conclude that the Japanese Government has displayed political courage in deploying Japanese ground and air forces to Iraq, and Japanese naval forces to assist in refuelling coalition vessels conducting operations in the Indian Ocean, and that these deployments are to be welcomed. We recommend that the Government should continue to engage with Japan as a co-operative partner in promoting international security and the fight against terrorism, and to encourage Japan to expand its participation in UN peacekeeping and international military missions as far as permitted by its Constitution to do so. (Paragraph 326)

33. We conclude that South Korea’s growing willingness and ability to deploy its forces in international peacekeeping and peace support operations are to be welcomed. We further conclude that South Korea continues to make valuable contributions to the international efforts in Afghanistan and Iraq in which the UK is also engaged. We recommend that the Government should continue to encourage South Korea to participate more extensively in international peacekeeping and peace support operations and to enhance its capacities to do so. (Paragraph 333)

34. We recommend that the Government should, with its EU partners, continue to work with Japan to develop a common approach on developing realistic proposals for a reduction in emissions and other measures to tackle climate change. (Paragraph 341)

35. We conclude that recent signs that South Korea is coming to see efforts to mitigate climate change as a potential source of growth, not an obstacle to it, are greatly to be welcomed. We recommend that the Government should continue to encourage South Korea to develop its efforts against climate change, focusing on the potential which the development of “green” technologies offers for the country to exploit its industrial and technological strengths to boost growth and reduce energy dependence, but still aiming to secure a concrete national emissions reduction commitment which would help towards the achievement of a global Kyoto successor agreement in 2009. We recommend that the Government should ensure that British companies are aware of opportunities for climate change-related projects which open up in South Korea. We further recommend that in its response to this Report, the Government should update us on progress regarding the implementation of the bilateral Memorandums of Understanding on climate change co-operation which were signed in May 2008. (Paragraph 351)

36. We conclude that Japan continues to play a positive role with regard to development issues. We recommend that the Government should continue to work with Japan in the G8 and other forums to press for the implementation of the Millennium Development Goals. (Paragraph 357)
37. We conclude that, from a low base, South Korea’s growing willingness and capacity to contribute to overseas development assistance are to be welcomed. We further conclude that the Government is correct to encourage and co-operate with South Korea in this area and recommend that it should continue to do so, as an opportunity to shape the development practice of a potentially important donor. (Paragraph 360)

38. We conclude that, although the process of United Nations reform is currently stalled, the Government is right in principle to support Japan’s case for a permanent seat on the Security Council, on grounds of Japan’s economic strength, size of population, commitment to democracy, and ability to make continuing contributions to the finances and work of the United Nations. (Paragraph 364)

39. We conclude that South Korea’s support for the UN and for UN reform is to be welcomed. We recommend that the Government should continue to encourage South Korea to enhance its tangible commitment to the UN. We further recommend that the Government should seek to engage South Korea fully with the UK’s ideas for UN reform. (Paragraph 368)

40. We conclude that support for whaling is culturally entrenched in Japan, and that this state of affairs is unlikely to alter in the short term. We further conclude that, notwithstanding this, the Government is right to lobby its Japanese counterparts vigorously on this issue, and to pursue all means at its disposal of dissuading the international community from turning back the clock in relation to the protection of whales. (Paragraph 375)

Human rights in Japan and South Korea

41. We conclude that, although there is undoubtedly a high level of public support for the death penalty in Japan, the moratorium on its use in 2005-06, under Justice Minister Sugiura, demonstrates that the Japanese Government is not necessarily immovable on this subject. We recommend that the Government should continue to convey its views on the death penalty to Japan, both directly and through EU channels; and that it should encourage the Japanese Government, if it remains committed to the death penalty, to reform the system so as to eliminate the unnecessary secrecy and arbitrary delay to which attention has been drawn by the UN Committee against Torture. (Paragraph 387)

42. We conclude that South Korea’s 10-year record as a non-user of the death penalty is to be welcomed. While we recognise that the issue is subject to considerable domestic debate in South Korea, we recommend that the British Government should continue to encourage the new Administration and National Assembly in Seoul to move to formal abolition, as one of the priorities in the Government’s human rights work with South Korea. We further recommend that in its response to this Report the Government should update us on prospects for passage of abolitionist legislation in the new National Assembly. (Paragraph 395)

43. We conclude that there is compelling evidence that the ‘substitute prison’ or daiyo kangoku system in Japan involves significant breaches of the rights of suspects, and is likely to lead to miscarriages of justice. We further conclude that the reforms to the
system introduced in 2006 are to be welcomed, but that there remains cause for concern. We recommend that the Government should continue to press Japan to modify the daiyo kangoku system to ensure that detention procedures are consistent with its obligations under human rights law, and in particular to ensure that interrogations are subject to some degree of external monitoring in order to prevent abuses. (Paragraph 402)

44. We conclude that South Korea has recorded major improvement in its human rights observance since the advent of democracy two decades ago. We welcome this. We further conclude that despite these significant improvements, several human rights concerns remain, such as the policing of demonstrations, the scope of free speech on the internet and the rights of migrant workers. However, we recognise that these issues also pose challenges to many other open societies, including the UK. We recommend that, in a spirit of partnership, the Government should continue to encourage South Korea to address human rights concerns and to ensure that human rights are safeguarded in new legislation and its implementation, prioritising the rights of migrant workers, the development of alternatives to military service, and reform of the National Security Law. We further recommend that the Government should update us on the steps which it is taking in these areas in its response to this Report. (Paragraph 408)

The UK and Japan and South Korea

45. We conclude that the UK’s trading relationship with Japan is of great importance to both countries. We recommend that the Government should continue actively to encourage British companies to seize the long-term gains that the huge Japanese market offers, despite the initial difficulties of penetrating that market. We further conclude that the FCO is to be commended for its pro-active approach in encouraging Japanese inward investment in the UK, and in particular for its recent successful intervention to ensure that the implementation of the points-based visa system did not act as a disincentive to Japanese investors. (Paragraph 417)

46. We conclude that the South Korea-EU Free Trade Agreement which is currently under negotiation is a potentially effective means of securing further opening of the South Korean economy and improved access for UK firms, and that its early and successful finalisation would be of great benefit to the UK and South Korea. We further conclude that the FCO is correct to identify the services sector as a key target for further liberalisation under the planned agreement. We recommend that in its response to this Report, the FCO update us on progress in the negotiations, especially as regards access to South Korea’s services markets. (Paragraph 425)

47. We conclude that the economic, commercial and research ties which have developed between South Korea and the UK are to be welcomed, and that the work in this respect of UKTI, the Seoul Embassy and other relevant bodies is to be commended. We further conclude that, given South Korea’s level of development and rate of growth, and the existence of generally positive sentiment towards UK partners, there is considerable potential for the further development of such links. In this context, we conclude that the lack of UK Ministerial representation at President Lee’s inauguration was regrettable. While we welcome the recent Ministerial and other
visits to Seoul from the UK that have taken place and are planned, we conclude that a visit by an FCO Minister, and the Foreign Secretary in particular, with a significant economic component to the trip, would be appropriate, in South Korea’s 60th anniversary year, and as the South Korea-EU Free Trade Agreement is being negotiated. We recommend that the FCO should take every opportunity with its South Korean partners to identify an early opportunity for such a visit. We further conclude that the FCO and the Department for Business, Enterprise and Regulatory Reform should increase the ability of our Embassy to support British business opportunities in South Korea. (Paragraph 430)

48. Given the economic and strategic importance which the Government attributes to East Asia, and noting the Minister’s acknowledgement of the value of university-level specialist regional capabilities, we conclude that the Government should take steps to avert any risk of East Asian studies in the UK again facing a crisis. As the initial Government core funding for the White Rose East Asia Centre is due to expire in 2011, we recommend that the Government should start now to consult with relevant partners in the university and private sectors with a view to developing follow-on core funding that will allow, as a minimum, the maintenance of UK university-level research and teaching on East Asia at its current level. We further recommend that the Government should ensure that public support for the development of regional language and other skills does not focus unduly on China but gives due weight to Japan and Korea, as important economies and cultures in their own right and vital components of China’s regional environment. (Paragraph 437)

49. We conclude that the FCO’s practice of ensuring that the UK sends Ambassadors to Japan and Korea who speak the language of their host state is to the UK’s diplomatic advantage. We recommend that the FCO should continue this practice. (Paragraph 440)

50. We recommend that in its reply to this Report, the Government should set out its assessment of the scope for expanding the British Council’s role as a provider of English-language teaching in Japan, to cater for the large market of young people seeking English-language skills. We further recommend that the Government should continue to make efforts in its cultural promotion work in Japan to emphasise the UK as a modern, creative, technologically advanced country, and that it should, where appropriate, utilise the UK’s status as Olympic host nation in 2012 as way of highlighting this. We conclude that the British Council in Japan is to be commended for its emphasis on working with young people to deal with the challenges of climate change. (Paragraph 445)

51. We conclude that the British Council is correct to identify the potential for increase in the take-up of UK education services among South Koreans, especially in light of the Lee Administration’s push to enhance English language provision in South Korea’s state schools. We recommend that the British Council should continue to pursue these opportunities, while ensuring that UK universities are aware of the need to demonstrate the value of UK study in a tough South Korean market. We further recommend that, inasmuch as resources allow, the British Council should seek to increase its British cultural promotion work in South Korea, since the existence of a modern and dynamic cultural profile will contribute to the attractiveness of the UK
educational offer. Given South Korea’s history as an Olympic host nation and its strong showing at the 2008 Games, we recommend that the British Council should consider capitalising on the approach of the 2012 London Games as a means of giving focus to this objective. (Paragraph 455)

52. We recommend that BBC World television should continue to seek opportunities to increase its distribution in South Korea. (Paragraph 457)
1 Introduction

1. This is the fourth in the Committee’s series of Reports under the general heading “Global Security”, following its Reports in 2007 and earlier in 2008 on the Middle East, Russia and Iran.¹

2. In February 2008 we announced that we would “inquire into the foreign policy aspects of the United Kingdom’s relationship with Japan, the Republic of Korea (South Korea) and the Democratic People’s Republic of Korea (North Korea).”² In particular, we agreed that we would “examine:

- Japan’s and South Korea’s contribution to international security and peacekeeping
- North Korea’s nuclear programme and international efforts to bring it to an end
- Relations between North and South Korea
- The three countries’ relations with the EU and other international organisations (particularly in the light of Japan’s current presidency of the G8)
- The effectiveness of the Foreign and Commonwealth Office (FCO)’s work in pursuing UK policy priorities—such as action against climate change and the upholding of human rights—with these countries, and in promoting diplomatic, economic and cultural links between these countries and the UK (including through the work of UK Trade and Investment, the British Council and the BBC World Service).”³

3. As the FCO Minister of State, Lord Malloch-Brown, put it to us in his evidence, the UK is “in the second row”⁴ of states on the East Asian scene. For instance, neither the UK nor the EU is a participant in the Six-Party Talks involving North Korea (see Chapter Three), while, among Western countries, the US is the dominant state in East Asia. There is no direct security threat to the UK from the region: Lord Malloch-Brown told us that he did “not think that Europe […] is at any risk at this stage” from North Korea.⁵

4. However, North Korea’s nuclear and other weapons activities are of international significance, and continue to be a matter of serious concern for all Western states, including the UK. There are risks of further proliferation or terrorist acquisition, and North Korea’s activities also have implications for the global non-proliferation regime.⁶ Under the FCO’s new strategic framework, announced in January 2008, the first of what are now four policy goals for the FCO is to “counter terrorism, weapons proliferation and

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² The names “Republic of Korea” and “Democratic People’s Republic of Korea” are sometimes abbreviated to “ROK” and “DPRK”, respectively. In this Report, we tend to use “South Korea” and “North Korea”, for simplicity.
⁴ Q 110
⁵ Q 111
⁶ In July 2008, we announced a new inquiry into “Global Security: Non-Proliferation”; Foreign Affairs Committee press notice 38 (Session 2007-08), 14 July 2008
their causes”. The new UK National Security Strategy, published in March 2008, similarly identified nuclear weapons and other weapons of mass destruction as a risk for the UK. North Korea also presents foreign and security policy challenges beyond its weapons-related activities (see Chapter Three).

5. Our choice of inquiry also reflected the status of Japan and South Korea as major economies, with important commercial links to the UK. Japan remains the world’s second-largest economy. It is the UK’s largest trading partner outside the US and the EU, and the second-largest source of foreign direct investment (FDI) into the UK after the US. The South Korean economy is between eleventh- and fourteenth-largest in the world, and the UK’s 25th-largest export market. As the FCO told us in its memorandum to our inquiry, trade and investment are “the dominant side of [the UK’s] relationship” with both Japan and South Korea.

6. The economic weight of Japan and South Korea gives added significance to the existence of a number of difficult regional relationships and issues in East Asia, even beyond the question of North Korea. For example, the way in which its East Asian neighbours interact with China’s rising power will be crucial to regional stability. We also considered that an inquiry into Japan and the Koreas would offer an opportunity to revisit, from a different perspective, a number of the regional issues which we considered in the China-focused Report on East Asia which we produced in 2006.

7. South Korea and especially Japan are increasingly important as regards several of the international issues which are central to UK foreign policy. These include climate change, international peacekeeping, development policy and UN reform. Japan has had a particularly important international role in 2008 as chair of the G8.

8. A number of anniversaries made 2008 an auspicious year to examine the UK’s relations with Japan and the Koreas. The year marks the 150th anniversary of the opening of diplomatic relations between the UK and Japan, a milestone which is being marked by a major British Council programme of events in Japan (see Chapter Six). In 2008, it is also 125 years since the 1883 UK-Korea Friendship Treaty, 60 years since the foundation of South and North Korea, and 55 years since the end of the Korean War.

9. We held three evidence sessions during the inquiry. In March 2008, we heard from Dr John Swenson-Wright (Cambridge University), Aidan Foster-Carter (Leeds University) and Professor Hazel Smith (Warwick University). In April, we heard from Norma Kang

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8 Cabinet Office, The National Security Strategy of the United Kingdom, Cm 7291, March 2008, pp 11-12, 29-31
11 Ev 61 [FCO]
12 Ev 56 [FCO]. The World Bank puts it thirteenth and the OECD fourteenth (in PPP terms).
13 Ev 67 [FCO]
14 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860
Muico (Amnesty International), Sir Stephen Gomersall (Hitachi; formerly British Ambassador to Tokyo) and Dr Jim Hoare (author and former FCO official in Beijing, Seoul and Pyongyang). The FCO Minister responsible for Asia, Lord Malloch-Brown, appeared before us in July, together with the FCO’s Head of Eastern Group, Stephen Lillie. As part of our inquiry, we travelled in May to Japan (Tokyo and Osaka) and Korea (Seoul and the Demilitarised Zone in South Korea, and the Kaesong Industrial Complex in North Korea). Our meetings and visits there are listed in an Annex. We also took the opportunity to discuss questions relevant to our inquiry during meetings with UN and other interlocutors in New York in October 2008. We would like to thank all those who gave evidence to our inquiry, and the relevant UK Posts for their assistance in connection with our visits.

10. We are grateful to all those who submitted written material. They included the Japanese and South Korean Embassies in London, who sent us a selection of their publicly-accessible foreign policy materials which we have not reproduced here. The North Korean Embassy was invited to submit evidence but declined to do so.

11. Given the specific complex of policy issues which North Korea presents, in this Report we consider that country in a dedicated chapter (Chapter Three). The remaining Chapters consider Japan and South Korea, under a number of broad thematic headings. By taking the two countries together, we do not wish to downplay their independent status or the many important differences between them, but rather to reflect the fact that they present some common issues from a UK policy perspective. In our first substantive Chapter (Chapter Two), we establish the regional context, focusing on the relations of Japan and South Korea with the US and China, as well as each other. We also consider regional trade and security arrangements in this chapter. Our discussion of policy towards North Korea in Chapter Three—which includes consideration of North-South Korean relations—must be set against this background. Chapter Four discusses the wider international roles of Japan and South Korea, especially in light of Japan’s 2008 G8 chairmanship. Chapter Five considers human rights in Japan and South Korea, given that the promotion of human rights is an FCO policy goal. Chapter Six discusses the UK’s relations with Japan and South Korea in the economic and cultural spheres, including the work of the British Council and the BBC World Service.

**Current political and economic scene in Japan and South Korea**

12. Our inquiry took place at a time when domestic political and economic circumstances were impinging especially prominently on Japan and South Korea’s international affairs.

**Japan**

13. The recent political history of Japan has been marked by instability within the ruling party and parliamentary deadlock. This has particularly hampered attempts to expand Japan’s capacity to contribute to multinational peacekeeping operations and other forms of overseas intervention.

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14. The dominant party in Japanese politics since the 1950s has been the conservative Liberal Democratic Party (LDP). It was in power continuously from 1955 to 1993, when a coalition of opposition parties briefly took over the government. By the following year the LDP was back in power as the head of a coalition, a pattern that has been followed in every parliament since then. The current coalition was formed in April 2000 between the LDP and New Komeito, a small party with Buddhist affiliations. The second-largest party is the Democratic Party of Japan (DPJ), formed in 1998 from a merger of four smaller parties. The DPJ forms the opposition in the lower house, but is the largest party in the upper house.

15. The current period of turbulence in Japanese politics began following the resignation of Junichiro Koizumi in September 2006. The charismatic Koizumi had become Prime Minister in 2001. He made his mark as an economic reformer, steering through the privatisation of the post office (the largest financial institution in the country, offering banking and insurance services), and presiding over an improvement in Japan’s economic fortunes. In foreign policy, he struck up a personal friendship with US President George W. Bush, deployed the Self-Defence Forces to Iraq, was assertive in dealing with North Korea (over the nuclear issue and abductions), and controversially visited the Yasukuni shrine (where the spirits of Japan’s war dead—including convicted war criminals—are honoured) six times. He was popular with the general public and won a landslide victory in the general election of 2005. His resignation the following year followed his decision not to seek re-election as LDP leader after the expiry of his term of office.

16. Koizumi was succeeded by Shinzo Abe, Japan’s youngest post-war Prime Minister, and the first to be born after the Second World War. In his brief spell in office he pledged to continue Koizumi’s reform programme, took a hard line on North Korea, and made a successful three-day visit to India in August 2007. He suddenly resigned in September 2007 for health reasons, following mounting unpopularity, severe LDP losses in the upper house elections, and the suicide of his Agriculture Minister.

17. Abe’s replacement, the 71-year-old Yasuo Fukuda, was described by the FCO as taking a “moderate, consensual approach”. His 12-month period in power was dominated by continuing parliamentary gridlock arising from the opposition DPJ’s control of the upper house. The government can secure its economic measures because only the lower house votes on these, but for the passage of other legislation the consent of both houses is required. There is an ‘override’ mechanism, whereby if the upper house votes down a bill, or fails to take a decision on it for 60 days, a two-thirds majority of the lower house can force it through. As with the use of the broadly comparable ‘Parliament Act’ mechanism in the UK, recourse to this means of over-ruling the upper house is seen as controversial. The Fukuda government made use of it in January 2008 to force through the Diet a bill to enable Japanese ships to continue to refuel coalition vessels in the Indian Ocean. However, the Government made no progress with general legislation to obviate the need for case-by-case parliamentary approval of overseas deployment of the Self-Defence Forces. It also

16 See para 321 below.
17 See paras 55-68 below.
18 FCO website, country profile: Japan (reviewed July 2008), at www.fco.gov.uk
19 See paras 310-26 below.
had to deal with other political problems including allegations of corruption at the Defence Ministry, and gathering signs of an economic downturn.

18. The Fukuda premiership came to an abrupt conclusion in September 2008. On 1 September Mr Fukuda announced his intention of resigning. At a press conference he complained of the burdens of office and the intractable nature of the political problems facing his government.\(^\text{20}\) Like his predecessor Shinzo Abe, he had served only 12 months in power. Following an LDP leadership election, Taro Aso succeeded Fukuda as Prime Minister on 24 September 2008. He is Japan’s eleventh Prime Minister in 15 years, and its fourth in the last two years.

19. Mr Aso, aged 68, served from 2005 to 2007 as Minister for Foreign Affairs. He has described himself as a “hawk” on foreign policy issues.\(^\text{21}\) As of November 2008, it is not yet clear whether he intends to continue Fukuda’s policy of conciliating China and other regional states by not visiting the Yasukuni shrine. However, he visited China in late October 2008 to attend the Asia-Europe Meeting (ASEM) of Asian and European leaders.

20. The DPJ has called for early elections for the lower house. However, from Mr Aso’s perspective this would be a risky strategy because further LDP losses might eliminate the LDP’s two-thirds majority in that house. Opinion polls have shown a steep decline in support for the LDP since the 2005 election, but the party will be hoping for an upwards ‘bounce’ following the change of Prime Minister. There is no obligation to hold lower-house elections until September 2009. Speaking on 2 October 2008, Mr Aso said that he had not decided on a timetable for these because he wished to give priority to sorting out the economy.\(^\text{22}\) Meanwhile, the LDP will have no opportunity to overturn the DPJ’s majority in the upper house until the next set of elections for that house, which will not be held until 2010.

21. As Prime Minister Aso has indicated, the major issue facing his new administration is the state of the Japanese economy. Japan’s economy remains the world’s second-largest, measured by nominal GDP (behind the US), and its third-largest measured on a purchasing power parity basis (behind the US and China). In recent years the economy has staged a partial recovery after the ten years of near-stagnation which followed the bursting of the asset price ‘bubble’ in 1989. From 2002, growth rates picked up. In 2006 growth was 2.2%, GDP per head was U$34,188 and total GDP was $4,367 billion.\(^\text{23}\) The FCO commented in early 2008:

That the economy is recovering strongly is no longer in doubt. [...] Booming exports and business investment and solid growth in private consumption have been driving this, but increasingly the domestic private sector has taken over from exports as the main driver for growth. The economy is now as close to achieving self-sustaining growth as it has been at any time since 1990.\(^\text{24}\)

\(^\text{20}\) “For Japan, ‘another year, another prime minister’”, *International Herald Tribune*, 3 September 2008
\(^\text{21}\) “Japan PM front-runner says ‘I’m a hawk’”, *AFP*, 18 September 2008
\(^\text{22}\) “Japan PM Aso says unsure about snap election”, *Wall Street Journal*, 2 October 2008
\(^\text{23}\) FCO website, country profile: Japan (reviewed July 2008), at www.fco.gov.uk
\(^\text{24}\) Ibid.
22. However, Japan has longer-term structural problems including the size of government debt, which totals 182% of GDP, and the world’s fastest-ageing population (attributable to high life expectancy and a low birth rate), which has implications for future health and social care costs. Japan has few natural resources and its major industries are heavily dependent on imported raw materials, making the economy vulnerable to increases in global commodity prices.

23. Giving evidence in April 2008, Sir Stephen Gomersall, Chief Executive for Europe at Hitachi and formerly British Ambassador to Tokyo, told us that the Japanese economy was polarised between an efficient export sector (which had benefited from restructuring during the 1990s) and a less efficient domestic sector. He argued that, although growth rates under Mr Koizumi were comparable to those of the EU as a whole, looked at in the longer term, “the Japanese economy is under-performing in comparison to its potential”. He added that, although in the short term Japan was probably less exposed to the sub-prime crisis than other countries, nonetheless “the combination of dependence on export markets, increase in import prices, the potential rise in the value of the yen, the expected decrease in corporate earnings, and generally low consumer sentiment in Japan” is likely to result in significantly reduced rates of growth.

24. Since Sir Stephen gave evidence, Japan has increasingly felt the effects of the global downturn and the dramatic instability in financial markets in September and October 2008. Prime Minister Aso has undertaken to introduce an emergency budget to tackle the deteriorating economic situation in a context of rising inflation, slowing growth and a fall in both business and consumer sentiment. There is a debate within the LDP over how far to discipline Japan’s fiscal policy. While there is agreement that in the short to medium term, fiscal measures are needed to stimulate demand, some senior LDP politicians also argue that there should be a longer-term shift from income tax and other forms of direct taxation, to indirect taxation on the European model. Consumer tax in Japan is currently set at 5%, significantly below the EU rate for VAT.

South Korea

25. South Korea experienced a political earthquake in December 2007, when the conservative Lee Myung-bak won the Presidency in an emphatic election victory which ended a decade of government by the political left, under former Presidents Kim Dae-jung and Roh Moo-hyun. President Lee took office in February 2008. His position and that of his Grand National Party (GNP) appeared to be strengthened in the April 2008 Parliamentary elections, in which the political right similarly overturned a previous left-wing majority. Coming from a business background, as a former CEO of Hyundai Construction (part of one of South Korea’s major conglomerates), President Lee was seen as a forceful, “can-do” executive, nicknamed “the Bulldozer”. However, a series of incidents saw the new President’s popularity collapse to around 20% by early summer 2008, when

25 Q 84
26 Q 84
27 “Japanese PM signals delay on election”, Financial Times, 2 October 2008
the GNP also lost a number of local by-elections, although the President’s standing had recovered somewhat by the autumn.28

26. The most high-profile controversy of the new Presidency surrounded the import of US beef, an issue relevant to both trade policy and US relations. South Korea banned such imports in 2003, after a BSE case, but in April 2008 President Lee announced the lifting of the ban, as he left on his first visit in office to the US. President Lee appeared to be aiming to boost prospects that the US Congress would ratify the South Korea-US Free Trade Agreement (KORUS FTA) (see Chapter Two).29 Amid food safety fears, President Lee’s move was rejected by the political opposition in Seoul, which linked the beef deal to its own willingness to ratify the KORUS FTA. The proposed resumption of US beef imports also prompted prolonged mass protest demonstrations which appeared to channel other sources of discontent with the new Administration, rooted partly in the historic divide between the former right-wing authoritarian regime and the 1980s pro-democracy movement against it, and perhaps also drawing on economic protectionist and anti-American sentiments and dislike for President Lee’s political style.30 President Lee felt obliged to apologise publicly for his handling of the beef issue, and to negotiate a revised agreement with the US which allowed imports from July only of beef younger than 30 months.31 President Lee replaced three Ministers over the affair, although in the midst of the crisis the entire Cabinet had offered to resign. Largely owing to the beef row, the outgoing National Assembly did not ratify the KORUS FTA before its term ended in late May, as President Lee had wished; the opposition boycotted the new National Assembly until mid-July; and US President Bush postponed a visit to Seoul which had been planned for the same month.32 The Government re-introduced the ratification bill to the new National Assembly in October 2008.33 When he gave evidence to us in early July, Lord Malloch-Brown said that President Lee’s domestic crisis meant that the Government was “not quite sure how dynamic [South Korea’s] foreign policy can be in the coming months”.34

27. In the economic field, President Lee came to office with ambitious plans to boost South Korea’s flagging growth, through privatisations and pro-business measures as well as free trade agreements such as that with the US. However, given President Lee’s background in one of South Korea’s large conglomerates (chaebol), which had flourished in the country’s somewhat more closed and state-dominated economy up to the 1990s, Aidan Foster-Carter of Leeds University already expressed some scepticism to us in March about the strength of the new Administration’s commitment to further economic liberalisation and

28 “Lee pushes for economic rebound”, Korea Herald, 18 September 2008
29 “South Korea agrees to lift ban on US beef exports”, Wall Street Journal, 19 April 2008
34 Q 106
internationalisation. The US beef row also highlighted economic sentiments—and left a political landscape—which some have interpreted as casting doubt over prospects for President Lee’s reform agenda.

28. The South Korean economy is also being hit by the global economic downturn. Following the liberalisation undertaken after the 1997-98 Asian economic crisis, South Korea is highly exposed to the international economy, and it is heavily dependent on imports for its energy supplies. By October 2008, the won had fallen to 10-year lows against the US dollar, amid liquidity and debt fears. Forecast economic growth had been lowered to perhaps 4.7% for 2008 and significantly less for 2009. Having raised interest rates in August to tackle inflation, the central bank cut them twice in October, including as part of central banks’ coordinated international response to the credit crunch early in the month. In October and early November, the Government extended liquidity to banks, guaranteed their foreign-currency borrowings and announced an economic stimulus package of tax cuts and extra spending worth $11 billion.

29. The former FCO official Dr Jim Hoare told us in April that he thought that President Lee realised that “one way to get round [South Korea’s economic problems] will be more international links and trade.” Although the Administration has delayed some planned privatisations, in his opening address to the new National Assembly in mid-July President Lee reaffirmed his commitment to deregulation, privatisation and reform of the state sector; and in September and October President Lee again indicated plans along these lines, particularly regarding services, and including a relaxation of some restrictions on foreign ownership. In August, South Korea agreed with Australia to open talks on a free trade agreement (see Chapter Two).

30. See also Aidan Foster-Carter, “Seoul needs sound policy, not soundbites”, Financial Times, 17 February 2008
34. “Financial crisis: world round-up”, BBC News online, 3 November 2008
35. Q 91
37. “Economic reform shifts into high gear: Lee Administration unveils more deregulation, urges corporate investment”, Korea Herald, 19 September 2008; “Provincial consolidation tops 100 policy priorities”, Korea Herald, 8 October 2008
38. “Korea to launch FTA talks with Australia”, Korea Herald, 12 August 2008

39. Q 32; see also Aidan Foster-Carter, “Seoul needs sound policy, not soundbites”, Financial Times, 17 February 2008
40. "Lee faces more than beef crisis in Seoul - his economic agenda is threatened by his crumbling support", International Herald Tribune, 4 June 2008; "5 Korean leader to slow pace of reform", Financial Times, 20 June 2008
44. Q 91
46. “Economic reform shifts into high gear: Lee Administration unveils more deregulation, urges corporate investment”, Korea Herald, 19 September 2008; “Provincial consolidation tops 100 policy priorities”, Korea Herald, 8 October 2008
47. “Korea to launch FTA talks with Australia”, Korea Herald, 12 August 2008
2 Japan and South Korea: Regional relations

30. Relations among East Asian states, including Japan and South Korea, continue to be marked by the legacy of earlier historical periods. Western powers, including the UK and the US, began to “open up” the region from the mid-19th century, through instruments such as the treaties signed between the UK and Japan in the 1850s and the UK and Korea in 1883. Among regional states, Japan emerged in the early 1900s as the dominant power, defeating China and then Russia, and formally annexing Korea in 1910. Under a militarist regime, Japan invaded China in the 1930s and extended its control across much of Asia during the Second World War. After Japan’s surrender to the Allies in 1945, the US became the dominant political and security force in East Asia. With the Cold War looming between the former Allies, the US and the Soviet Union encouraged the creation of two separate client states in liberated Korea, one in each of their occupation zones, in the South and North of the country respectively. Meanwhile, the Communist Party emerged victorious from China’s post-1945 civil war. In 1950, North Korea attacked South Korea, with the backing of the USSR, triggering the Korean War. Military successes in defence of the South by a US-led coalition mandated by the UN, which included the UK, prompted Communist China to join in on the North Korean side. The inconclusive conflict was brought to an end in 1953 only with an Armistice; technically, North and South Korea remain at war (see Chapter Three). As part of the Cold War alignments which were institutionalised after the Korean War, the US incorporated Japan and South Korea into its regional alliance system, while North Korea was aligned with the Soviet Union and China in the communist camp. Western states did not initially recognise North Korea, while communist and pro-Soviet states did not initially recognise South Korea. As the Cold War system broke down, North and South Korea were admitted to the United Nations as two separate states in 1991. Many countries subsequently recognised the previously unrecognised of the two Korean states, although South Korea, the US and Japan have not normalised diplomatic relations with Pyongyang.

Japan’s regional relations

United States

31. The relationship with the US remains Japan’s most extensive security relationship. Since 1960 the US has guaranteed Japan’s security under the US-Japan Security Treaty.

32. In several respects, the relationship with the US is deepening. The FCO notes that the “Japanese support for the war on terrorism, along with the absence of major trade frictions, has contributed to a warming of relations”, and that the two countries “have begun cooperation on a ballistic missile defence programme in response to [North Korea] and terrorist threats”. Largely driven by the US, NATO is also seeking to forge a new relationship with Japan, among other out-of-area allies. Former Prime Minister Fukuda

44 FCO website, country profile: Japan (reviewed July 2008), at www.fco.gov.uk
45 Ev 58
appeared to reaffirm the importance of the US relationship by making Washington his first foreign destination after taking office.

33. However, a recent incident in which a US soldier stationed in Okinawa was accused of raping a Japanese woman has disturbed the bilateral relationship and reawakened anti-American sentiment in Japan. A similar incident in the mid-1990s helped to trigger a reconfiguration of US forces in the region which is still being implemented. During our visit to Japan, we were told that the presence of US troops is strongly resented by local people in Okinawa, where they are based in large numbers: Okinawa accounts for 1% of the total land-mass of Japan, but is host to 65% of the US forces stationed in the country. We were told that the US military presence is much less of an issue elsewhere, and that there was no strong anti-US feeling across the board. Dr Swenson-Wright confirmed that “general attitudes towards the United States […] for the most part remain very favourable”.

34. In September 2008 the nuclear-powered aircraft carrier USS George Washington arrived at her new home port of Yokosuka at the entrance to Tokyo Bay. She is the first nuclear-powered surface warship to be permanently stationed in Japan. Her arrival was welcomed by the Japanese Minister for Foreign Affairs as “symbolizing the firm commitment of the United States to the [Japan-US] Alliance”, but was greeted by some local people with protests.

35. There are some concerns in Japan that, as regards North Korea, the US might be concentrating on that country’s plutonium programme at the possible expense of managing other threats which North Korea represents to Japan, and resolving the North Korea-Japan abductees issue.

36. In its written evidence, the FCO states that the success of Japan (and South Korea) in ensuring stability in East Asia “will depend on their close relations with the US”, and notes that former Prime Minister Fukuda commented that Japan’s alliance with the US “should be used to leverage an enhanced Japanese role in Asia to boost relations with China and the Republic of Korea”.

37. Japan has a policy, not enshrined in the constitution but of long standing, not to export defence equipment or technology. This has caused problems in terms of Japan-US cooperation, especially in the field of ballistic missile defence. There is a question as to how far Japanese and US systems can be integrated. Ballistic missile defence for Japan involves not only short-range Patriot missiles but also Aegis mid-range interceptors.

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46 Q 10
50 For which, see paras 58-68 below.
51 Ev 56
52 Ev 58
38. We conclude that recent Japanese commitments to the international fight against terrorism and to reconstruction efforts in Iraq have strengthened Japan’s relations with the United States, as has the two countries’ co-operation in developing a ballistic missile defence programme in response to the nuclear threat from North Korea.

39. We deal in paragraphs 58 to 68 below with the specific question of Japanese concern that US rapprochement with North Korea over the nuclear issue should not be at the expense of a satisfactory resolution of the abductees issue.

China

40. Japan normalised relations with the People’s Republic of China in 1972. In the course of our 2006 East Asia inquiry, we heard evidence that Japan was in some respects concerned about the “rise of China”, particularly as regards the scale and non-transparency of the increase in Beijing’s defence spending, and the potential economic competition which the Chinese economy may represent. However, we also heard that Japan, along with other regional economies, was benefiting economically from the opening-up of China, as a new market and a new element in the regional supply chain.53 One of our witnesses in that inquiry described the relationship between the two countries as “hot economics, cold politics”.54

41. Politically, Japan’s behaviour during its pre-1945 occupation of China, and Tokyo’s subsequent handling of the issue, continue to cause friction. Particular flashpoints are the disagreement between Chinese and Japanese historians over the scale of Japanese atrocities in the so-called “Rape of Nanking” in 1937-38, and the issue of Chinese women abducted into sexual slavery, known as “comfort women” (although in its peace treaty with Japan, China renounced all claims for compensation arising from wartime actions).55

42. Former Prime Minister Koizumi’s visits to the Yasukuni shrine in Tokyo, which honours Japanese war dead, including war criminals, caused particular offence in Beijing. However, neither of Koizumi’s two immediate successors, Mr Abe and Mr Fukuda, visited the shrine. It is not yet clear whether new Prime Minister Aso will do so. During his period as Foreign Minister he made statements supportive of Koizumi’s visits, but it is noteworthy that although three cabinet ministers and 53 members of the Diet, along with former Prime Ministers Koizumi and Abe, visited the shrine on 15 August 2008 (the anniversary of Japan’s surrender), Aso did not do so.56

43. More generally, Sino-Japanese relations appear to be improving. The Chinese President Hu Jintao spent five days in Japan in April 2008, the first visit by a Chinese head of state for a decade. During the visit, President Hu and former Prime Minister Fukuda made a joint statement which was the first bilateral political document signed by the two countries’ top political leaders. The declaration signed in 1972, when the two countries normalised their relations, was signed by the then Chinese Prime Minister, Chou En-lai, not the President.

53 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, paras 229-46
54 Ibid., para 229; the witness was Professor David Shambaugh of Washington University.
55 For “comfort women”, see para 48 below.
The two countries’ 1978 treaty was signed by the two Foreign Ministers. In 1998, the then Chinese President Jiang Zemin refused to sign a bilateral joint declaration. The willingness of President Hu to sign the new joint statement signals the political importance that China now attaches to the relationship.

44. In June 2008 the two countries announced that they had reached agreement on what had been a significant area of contention between them, regarding the ownership of rights to exploit what may be extensive gas fields in the East China Sea. This is linked to a territorial dispute over a group of islets in that Sea which the Chinese call the Diaoyu islands and the Japanese call the Senkaku islands. China’s official position has been that the whole of the East China Sea belongs to its economic zone. Japan’s position has been that the area should be divided along a central line which does not take Taiwan and the southern area into account. China has already started unilateral development of some of the fields. At the Hu-Fukuda summit in April, both sides agreed that great progress had been made in their negotiations over the gasfields issue. On 19 June it was announced that the two sides had effectively shelved their dispute over the sea border, whilst at the same time neither side had actually renounced its claim. The two countries will co-operate in carrying out joint surveys of the sea bottom, and Japanese companies will invest in Chinese petroleum firms operating in a defined “joint development area”.

45. In its written evidence, the FCO commented that “a confident, outward-looking Japan which enjoys good relations with China is essential for regional security”.

46. We reiterate the conclusion in our 2006 East Asia Report that “productive links between China and Japan are essential for peace and stability in East Asia”. In that Report we expressed regret at the deterioration of the relationship to, as one witness put it, “the verge of dysfunctional”. We conclude that the successful visit of Chinese President Hu to Japan in April 2008, and the agreement concluded in June 2008 between the two countries over exploitation of gasfields in the East China Sea, are positive signs of an upswing in the relationship between China and Japan. We recommend that the Government should continue to do whatever it can to see that that this is maintained.

South Korea

47. Like Japan, South Korea has been a US ally in the post-1945 era. However, the common geopolitical alignment between Japan and South Korea has not overcome the strains deriving from the two states’ pre-1945 history, when Korea was under Japanese rule. In this respect, Japan’s relationship with South Korea has points in common with its relationship with China: Dr Swenson-Wright told us that “difficult historical issues […] bedevil” both sets of ties, and that Japanese public opinion could be “volatile” with regard to both states. Japan normalised relations with South Korea in a Basic Treaty of 1965, but any enduring
improvement in relations has repeatedly been disrupted by flare-ups over historical issues, including the Second World War “comfort women”\textsuperscript{62} and history text books. Relations deteriorated especially under former Japanese Prime Minister Koizumi (2001-06), principally over his visits to the Yasukuni shrine. Although relations improved somewhat subsequently, Dr Swenson-Wright told us that Japan had still tended to see South Korea’s previous President, President Roh, “as being over-willing to play the history card over territorial differences and to use the vexed question of history text books as a means of securing domestic support on the home front”.\textsuperscript{63}

48. It is alleged that 200,000 young women captured during the Second World War were forced to serve in Japanese army brothels. These victims—euphemistically known as “comfort women”—were predominantly Korean, but also included Chinese, Philippine and Indonesian women. The Japanese Government has not offered an apology to former “comfort women”, and has not offered direct compensation, on the grounds that compensations claims were settled by post-war treaty arrangements. However, in 1995 it established an “Asian Women’s Fund”, funded by donations from the general public. This paid 2 million yen (about £10,000) each in compensation, plus medical and welfare support, to 285 former “comfort women” in South Korea, the Philippines and Taiwan. These arrangements have been criticised by Amnesty International as “fail[ing] to meet international standards on reparation and […] perceived by survivors as a way of buying their silence”.\textsuperscript{64} Hitherto, all claims for reparation brought on behalf of survivors before the Japanese courts have failed. The Asian Women’s Fund was recently wound up. Japan’s treatment of the former “comfort women” continues to face criticism internationally, for example in resolutions passed by the European Parliament\textsuperscript{65} and by a number of national legislatures, including the US House of Representatives, which said in July 2007 that Tokyo should “formally acknowledge, apologise and accept historical responsibility in a clear and unequivocal manner”.\textsuperscript{66} Japan’s Foreign Minister at that time, now the Prime Minister, Taro Aso, issued a reply to the US House, stating that its resolution was not based on facts and was “extremely regrettable”.\textsuperscript{67} At government-to-government level, Japan and South Korea regard the “comfort women” issue as being settled. However, some South Korean former “comfort women” continue to protest about their treatment.

49. Despite recurrent difficulties over historical issues, economic and human contacts between Japan and South Korea have continued to expand. Bilateral trade was worth around $78.5 billion in 2006; Japan was South Korea’s third-largest trade partner after China and the EU.\textsuperscript{68} Japan and South Korea agreed a visa waiver programme in 2006, and Tokyo has been issuing growing numbers of working holiday visas to South Koreans; air traffic between the two states is busy. The two states successfully jointly hosted the football World Cup in 2002. Dr Swenson-Wright also drew our attention to “the importance of

\begin{itemize}
\item \textsuperscript{62} For which, see para 48 below.
\item \textsuperscript{63} Q 13
\item \textsuperscript{64} Amnesty International submission to the UN Universal Periodic Review: Japan, 22 January 2008
\item \textsuperscript{66} H. Res. 121, 30 July 2007
\item \textsuperscript{67} “Japan anger at US sex slave bill”, BBC News online, 19 February 2007
\item \textsuperscript{68} South Korea Ministry of Foreign Affairs and Trade, 2007 Diplomatic White Paper, Seoul, 2007, p 218
\end{itemize}
cultural exchange” in the Japanese-South Korean relationship, in the form of significant consumption of the popular culture of the other country. Even in the difficult field of history, a Korea-Japan Joint History Research project was launched in 2002, to try to start to develop a common historical understanding.

50. South Korea’s new President, President Lee, came to office aiming to improve relations with Japan as one of his top foreign policy goals. The FCO told us of “signs that [President Lee’s stance was] receiving a warm response in Tokyo”, and Dr Swenson-Wright told us that Japan’s reaction to President Lee’s election had been “generally […] very positive”. Dr Swenson-Wright noted that President Lee had been born in Japan, and that he was seen in Tokyo as a “pragmatist”. Former Japanese Prime Minister Fukuda attended President Lee’s inauguration in February 2008, and President Lee made Tokyo his second destination in office, after the US, in April 2008. During our visit to the region, shortly after President Lee had been in Tokyo, we too gained the impression that both sides saw prospects for a welcome improvement in relations. At his April summit with then Prime Minister Fukuda, President Lee said that “the past should not stand in the way of the two countries”. The two leaders pledged to step up diplomatic dialogue and further strengthen business and people-to-people links. President Lee also invited Emperor Akihito to Seoul.

51. Japan and South Korea are the two states which face the most immediate potential security threat from North Korea, primarily from Pyongyang’s missile arsenal. Japan and South Korea are both participants in the Six-Party Talks, in which regional states are pursuing North Korea’s denuclearisation. Professor Smith said that Tokyo and Seoul—along with Beijing—share an interest in ending the North Korean crisis, in order to ensure stability and thus continued economic growth in the region, and that Japan broadly supported South Korea’s efforts to engage with North Korea. Nevertheless, Japan itself has tended to adopt a tougher approach towards Pyongyang than has South Korea. Under President Lee, South Korea is now adopting a more robust stance towards the North. Dr Swenson-Wright told us that under these circumstances Japan’s “relations with South Korea offer a new opportunity […] with regard to co-operation between Seoul and Tokyo in developing a more co-ordinated approach towards North Korea”.

52. In the period following the April 2008 summit between former Prime Minister Fukuda and President Lee, Japanese-South Korean relations were again disrupted in familiar fashion, on this occasion over the two states’ rival claims to a group of islets situated between the two states, known as Takeshima in Japan and Dokdo in South Korea (and also sometimes as the “Liancourt Rocks”). The islets are located between South Korea’s Ullung-
do island and Japan’s Oki islands (see map). The islets are barely inhabited but South Korea maintains a police garrison there and South Korean tourist boats visit regularly.\(^79\) The sea area around the islets is rich in fishing, and possibly also energy resources. The dispute turns on whether Japan’s claim to the islets—made in 1905—was part of its subsequent annexation of Korea and thus surrendered as part of the post-1945 peace settlement, or a separate issue. The sovereignty question was not resolved in the post-Second World War settlement, and it has been one of the periodic irritants in bilateral relations over the last decade. In July 2008, Japan’s Education Ministry issued a set of school curriculum guidelines which referred to the islets as Japanese territory, while also noting the existence of South Korea’s different view. South Korea temporarily recalled its Ambassador to Tokyo in protest.\(^80\) There were also protests outside the Japanese Embassy in South Korea, where Dr Swenson-Wright told us that the dispute was “much more of a live issue […] than in Japan”.\(^81\) In the wake of the row, the Lee Administration announced plans to back up Seoul’s claim to the islets in more concrete fashion, for example by making them habitable and starting energy exploration.\(^82\) There were some signs during the summer that the dispute might hobble the nascent reinvigoration of Japanese-South Korean diplomatic relations,\(^83\) although it did not prevent the two states from meeting together with the US in the revived Trilateral Oversight and Coordination Group (TOCG) in October.\(^84\) New Prime Minister Aso met President Lee for the first time at the Asia-Europe (ASEM) meeting in China in late October, at which relations appear to have been repaired somewhat, and by early November it was being reported that a three-way Japan-China-South Korea summit would go ahead in December.\(^85\)

53. Dr Swenson-Wright told us that Japan and South Korea could not agree on a mechanism to resolve the dispute over the Takeshima/Dokdo islets: while Japan has been willing to take the issue to international arbitration, this meets with “complete reluctance on the part of the South Korean Government, who see the territory as legitimately Korean”.\(^86\) Dr Swenson-Wright was therefore “afraid that [the issue] will continue to bedevil the relationship”.\(^87\) However, he noted that “we may see the leaders being willing to find some formula for avoiding […] unexpected flare-ups”.\(^88\)


\(^80\) South Korean sensitivity over the issue was heightened because, also in July, the official US Board of Geographical Names changed its classification of the islets from “South Korean” to “undesignated” territory. The Board reversed its change within days, apparently on the instructions of President Bush, shortly before the President made his previously postponed visit to Seoul in early August; “US admits erroneous change of Dokdo sovereignty”, *Korea Times*, 1 August 2008.

\(^81\) Q 15

\(^82\) “Seoul seeks to make Dokdo liveable”, *Korea Herald*, 21 July 2008; “Projects unveiled to reinforce sovereignty over Dokdo”, *Korea Times*, 21 August 2008


\(^84\) “Seoul, Tokyo, Washington hold security talks”, *Korea Herald*, 15 October 2008

\(^85\) “Northeast Asia summit likely to be held Dec 14”, *Korea Herald*, 3 November 2008

\(^86\) Q 15

\(^87\) Q 15

\(^88\) Q 15
54. We conclude that recent indications on both sides of a wish further to improve Japanese-South Korean relations are to be welcomed. Given the important contribution which enhanced Japanese-South Korean co-operation could make on a number of issues, especially policy towards North Korea, we further conclude that the continuing capacity of the Takeshima/Dokdo islets dispute to disrupt Japanese-South Korean relations is regrettable. We recommend that the Government should urge Tokyo and Seoul not to escalate the dispute and encourage both parties to seek a mechanism for its lasting resolution. We further conclude that the issue of the Second World War “comfort women”—Korean and other Asian women obliged to provide sexual services for the Japanese army—remains a painful and emotive issue for the South Korean public and Government, and that its importance should be recognised internationally, including by Japan.

North Korea

55. Japan does not have diplomatic relations with North Korea. In this respect, Japan has followed the US position. The central policy issue for Japan, as for the US, is whether to normalise bilateral relations with Pyongyang.

56. Japan regards North Korea as a direct security threat. This was confirmed to us in our meetings in Tokyo. Rather than Pyongyang’s nuclear activities, Dr Swenson-Wright told us that “from the vantage point of Tokyo, the principal security concern is about ballistic missiles”. In its submission to our inquiry, the Royal United Services Institute (RUSI) listed North Korea’s test firings of missiles over and beyond Japanese airspace in 1998 among the factors which had pushed Tokyo into a more activist security policy in recent years, and Dr Swenson-Wright told us that the 1998 tests “pulled Japan out of its post-war cocoon” and “made the Japanese public in particular aware of their vulnerabilities”.

57. Japan is a participant in the Six-Party Talks which since 2003 have been the international community’s framework for dealing with North Korea. One of the working groups established in the Six-Party Talks framework is dedicated to the normalisation of Japanese-North Korean ties, but the FCO told us that the group had “failed to make substantive progress”. This was also the impression that we received during our meetings in Tokyo in May.

58. Japan makes any normalisation of relations with North Korea conditional on resolution of a specific bilateral issue which dominates the relationship: North Korea’s abduction of a number of Japanese citizens in the 1970s and 1980s. The reason for the abductions appears to have been that North Korea needed people of different nationalities to train its own spies in foreign languages and culture. The abductees were later used for other purposes like making counterfeit money. During a groundbreaking visit to Pyongyang by former Japanese Prime Minister Koizumi in 2002, North Korean leader Kim

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89 Q 8
90 Ev 73; see para 316 below.
91 Q 1. On North Korea’s missile programme, see paras 151-61 below.
92 See paras 112-38 below.
93 Ev 60
Jong-il admitted 13 abductions. Mr Koizumi secured the release of five of the abductees, and—during a subsequent visit—of their families too. Pyongyang said that the eight remaining admitted abductees had died. Tokyo claims that North Korea abducted 19 Japanese citizens in total, but families of Japanese missing persons believe that the number of Japanese abducted by North Korea may be higher.\textsuperscript{94}

59. During our visit to Japan two members of the Committee met the families of some of the abduction victims.\textsuperscript{95} The families have campaigned for more information about their fates. The Members were given two individual accounts of abductions by the parents of those concerned:

- In 1982 Keiko Arimoto, aged 23, went to London to study at an international school. She stayed there for a year, and in 1983 she was abducted through Copenhagen and Moscow to Pyongyang; she sent a letter to her parents in 1988. North Korea claims that she died in a gas poisoning accident but her parents regard this as an untrustworthy claim.

- In 1977 Megumi Yokota, aged 13, was walking back to her house in Niigata Prefecture when she was abducted by North Korean spies. In 1997 her parents received information that she was in Pyongyang. At the time, North Korea denied any involvement in her abduction. In 2002, at the Japan-North Korea summit, it admitted that she had been abducted but claimed that she had subsequently committed suicide. In 2004, at the second Japan-North Korea summit, it undertook to reinvestigate the case. Subsequently her parents were sent what were purported to be her ashes. However, we were told that DNA tests showed that the remains were not of Megumi and that the supposed death certificate contains elementary errors. Megumi married another abductee and had a daughter who is now aged 20 and at university in North Korea. There is no guarantee that Megumi is alive, but there is no proof that she died, so her parents believe that she is still alive.

60. The fate of the admitted and suspected abductees remains a high-profile and highly emotive issue among the Japanese public. Japan does not give humanitarian aid to North Korea largely because of this issue, which is widely regarded within Japan as being no less important than the nuclear issue in the country’s dealings with North Korea. It is raised with visitors from the UK because the UK has an Embassy in Pyongyang and is therefore seen as able to exercise leverage; the DPRK Abductee Family Association told us that the Embassy had been very helpful to them on this issue.

61. In the context of the progress which was being achieved in late spring and early summer 2008 on the North Korean denuclearisation issue,\textsuperscript{96} we picked up some anxiety in Tokyo that the US might move towards a normalisation of relations with North Korea without “waiting” for sufficient progress on the abduction issue that Japan would feel able to do likewise. Dr Swenson-Wright told us that Japan

\textsuperscript{94} “Japan’s radio pleas to North Korea”, \textit{BBC News online}, 5 March 2008

\textsuperscript{95} The meeting was arranged by the DPRK Abductee Family Association.

\textsuperscript{96} For which, see paras 113-17 below.
worries [...] that as part of the necessary arrangements to provide incentives to North Korea, the US is about to de-list the country as a state sponsor of international terror, in effect undercutting Japan’s negotiating position with North Korea and potentially creating very significant problems domestically.97

Dr Hughes similarly suggested that the issue might cause strains between Japan and the UK, if progress on North Korea’s denuclearisation meant that the UK faced calls to provide new support to Pyongyang, at a time when Japan had not yet normalised relations with North Korea.98 However, the FCO told us that at the two leaders’ summit in November 2007 President Bush had “reassured [former Prime Minister] Fukuda that the US would not jeopardise the US-Japan relationship as it sought to normalise relations with the DPRK, and that the Japanese abductees would not be forgotten.”99

62. Giving evidence to us in April 2008, Dr Swenson-Wright expressed the view that if Japan could find a formula for dealing with the abduction issue, there was a real possibility that relations with North Korea could be normalised. He noted that the then Prime Minister Fukuda was “adopting a much more pragmatic approach” than his predecessor Abe.100 Dr Swenson-Wright also felt that “even public opinion in Japan is much more flexible, or at least ambivalent, on the importance of emphasising the abductee question”.101

63. Giving evidence in early July 2008, the FCO Minister of State Lord Malloch-Brown told us that:

We have been trying to support the Japanese efforts on this in every way that we can. There have been some quite positive bilateral talks—hosted by the Chinese, but between Japan and DPRK—in which the DPRK authorities agreed to reopen the investigations. As you will have gathered from your briefing in Tokyo, the numbers are quite small. There are only 19 officially recognised abductees. However, you will also know from your visit to Tokyo that it is a dramatic issue in Japan, over which Governments fall and Prime Ministers get chosen. It has a huge emotional attachment. So, yes, we do support the Japanese. The good news is that, because it is such a priority for the Japanese, the DPRK understands and within the general coat tails of the Six-Party Talks’ progress, the Japanese are getting some traction on this now.102

64. The two members of the Committee who had met the families of abductees in Tokyo wrote to the Prime Minister to draw his attention to that meeting and to the plight of these families. On 11 August the Prime Minister replied, setting out the Government’s position:

I am aware that the issue of abductees remains extremely emotive in Japan and is very distressing for the abductees and their families to whom I extend my heartfelt

97 Q 8  
98 Ev 98  
99 Ev 58  
100 Q 12  
101 Q 12  
102 Q 115
sympathy and respect. We continue to support Japanese efforts to resolve the issue. [...] We support the [Six Party Talks] process as the principal mechanism for denuclearising the Korean Peninsula; however we also attach importance to Japanese concerns over abductees. We support recent US statements by President Bush and Secretary of State Rice that the abductees issue will not be forgotten.

 [...] The abduction of Japanese citizens by North Korea represents a particularly terrible abuse of human rights. I assure you that we will continue to press the North Korean regime on this and other aspects of its human rights record. 103

65. On 12-13 August 2008, further Japan-North Korea Working Group talks were held, at Shenyang in northeast China. Japan’s Foreign Ministry subsequently announced that it had reached an agreement with North Korea that a commission would be set up to reinvestigate the abductions of Japanese nationals, with a view to discovering any further survivors and returning them to Japan. 104 The intention was for the new investigation to proceed quickly, with the aim of concluding it by autumn 2008. In return, Japan agreed to lift restrictions on individual travel and charter flights between the countries. 105 However, after Prime Minister Fukuda’s resignation on 1 September 2008, North Korea informed Japan that it would suspend implementation of the agreement until it had ascertained the views of the new Government. The Japanese Foreign Ministry described this decision as “extremely unfortunate and [...] regrettable”. 106

66. The decision by the United States in October 2008 to remove North Korea from its blacklist of state sponsors of terrorism 107 provoked severe criticism in Japan for having preempted efforts to resolve the abductions issue. In response to these concerns, the US Ambassador in Japan, Thomas Schieffer, stated that President Bush believed that “the abduction issue needs to be addressed and the United States will continue to support Japan and these families in their efforts to get this situation resolved”. 108

67. Dr Swenson-Wright highlighted Japan’s potential role vis-à-vis North Korea as and when the two countries normalised bilateral relations, particularly in terms of economic development. He said that during former Prime Minister Koizumi’s 2002 visit to Pyongyang, the talk had been of an aid package of perhaps $5-10 billion, compared with estimates of the total size of the North Korean economy of up to around $40 billion, with most figures much lower than this. 109

68. We conclude that there is a realistic prospect of Japan normalising relations with North Korea, if progress can be made to resolve both the North Korean nuclear issue and the issue of North Korea’s abductions of Japanese nationals, but that these issues

103 Ev 106
105 “Japan, N. Korea to reinvestigate abductions”, Associated Press, 12 August 2008
107 For which, see para 119 below.
108 “US envoy asks Japan families for understanding on N Korea”, AFP, 16 October 2008
109 Q 12
should be resolved separately. We further conclude that although the number of Japanese nationals who were abducted by North Korea is small, even allowing for the highest possible estimate, nonetheless it should be recognised by the international community that this is an understandably emotive issue for the Japanese public and Government. Like the Prime Minister, we extend our sympathy and respect to the surviving abductees and to the abductees’ families. We conclude that the British Embassy in Pyongyang has played a useful role in bringing pressure to bear on North Korea in relation to the abductees. We recommend that the Government should continue to give such assistance as it can to Japan over this matter, and in particular that it should encourage North Korea to proceed speedily to set up the proposed reinvestigation commission, with a view to reaching a final resolution of the issue and removing this significant obstacle to the normalisation of North Korea’s relations with Japan. While recognising the importance of these country-specific sensitivities, we further conclude that, in relations with North Korea, the greatest interest of the international community as a whole, including the UK, lies in denuclearisation.

South Korea’s regional relations

United States

69. The relationship with the US is South Korea’s most important security relationship. The US was the first and largest provider of troops to the UN Command which defended South Korea in the Korean War, and the US continues to lead the UN Command, under UN Security Council resolution 84 of 1950. The US continues to guarantee South Korea’s security under the two states’ Mutual Defence Treaty of 1953, concluded at the end of the Korean War. The US deployed tactical nuclear weapons in South Korea between 1957 and 1991, and it retains 28,500 troops there. For its part, South Korea sent troops to fight with the US in the Vietnam War, and it contributes to the current US-led missions in both Afghanistan and Iraq.

70. The centrality of the security relationship notwithstanding, South Korea’s relations with the US have sometimes been bumpy. At times, there has been resentment in Seoul at perceived US dominance and lack of consultation, leading to assertions of greater South Korean status and independence. This has occurred, for example, when the US has been seen to be making North Korea policy over South Korea’s head, whether Washington’s line was tougher or more accommodating than that preferred by Seoul. Anti-American Korean nationalist sentiment may have been one of the factors behind the mass protests over renewed US beef imports in 2008. At other times, there has been uneasiness in Seoul lest the United States’ security commitment to South Korea was weakening. South Korea’s relations with the US were often seen to be particularly difficult under the two previous liberal Presidents in Seoul, Presidents Kim and Roh, especially after US President Bush took office in 2001. While the Bush Administration initially adopted a tough stance

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110 See paras 291-306 below.
111 See paras 328-9 below.
112 See para 26 above.
towards North Korea, South Korea’s leaders were pursuing their “sunshine policy” of engagement with the North.  

71. The new South Korean President, President Lee, has made an improvement in relations with the US one of his top foreign policy aims, in parallel with his similar goal as regards Japan. The FCO told us that the “key political difference” under President Lee in relation to North Korea will be his “determination to co-ordinate his DPRK policy more closely with that of the United States”. US Secretary of State Condoleezza Rice attended President Lee’s inauguration, and President Lee made the US his first foreign destination in office, in April 2008, becoming the first South Korean head of state to be received at Camp David. At the summit, Presidents Bush and Lee reaffirmed the importance which they attach to the bilateral alliance. The two sides agreed on steps that allowed South Korea to be admitted to the US visa waiver programme from November 2008, and to gain a status equivalent to NATO members for the purposes of US military sales; the two leaders also agreed to facilitate South Korean student visits to the US.

72. The US military presence in South Korea, like that in Japan, is undergoing major reorganisation and reconfiguration, which can be a source of bilateral difficulties. The long-term trend is for South Korea increasingly to attain a greater and more independent military capacity, with the US moving to a supporting role. This accords both with South Korea’s wish for a more equal bilateral relationship and with the United States’ need to shift military resources elsewhere. Since an agreement in 2004, the US has reduced the number of its troops in South Korea from 37,500 to 28,500, although Presidents Bush and Lee agreed in April that there was not, after all, scope to implement the further cut—to 25,000—which had originally been foreseen. Under the same 2004 agreement, the US has so far closed 39 of its bases in South Korea. By 2012, US forces will be concentrated in only two major “hubs”, both in the south of the country, in contrast to US forces’ previous dispersion throughout South Korea, including Seoul. The reconfiguration will reduce the US military presence in heavily populated areas, where relations with the local population have sometimes come under strain, and leave the frontline forces nearer the North Korean border overwhelmingly South Korean. Reaching agreement on sharing the costs of the reorganisation has sometimes been a source of difficulty between Seoul and Washington.

73. As regards military command structures, South Korea took peacetime operational command of its own armed forces from the US in 1994. Wartime operational command currently remains with the Commander of the US-South Korea Combined Forces Command (CFC), who is always from the US. However, in 2012 the CFC is to be disbanded, and wartime operational command of South Korea’s armed forces will pass to Seoul, with the US forces and their Commander moving to a supporting role. In summer 2008, South Korea took command for the first time of one of the regular US-South Korean

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113 For which, see paras 238-40 below.
114 See paras 50-1 above.
115 Ev 66
joint military exercises. We discuss in Chapter Three below the implications for the UN Command in Korea of the changes to the US-South Korean command relationship.\textsuperscript{117}

74. The most high-profile issue in South Korean-US relations is currently the two states’ Free Trade Agreement (KORUS FTA).\textsuperscript{118} Despite the other difficulties in the bilateral relationship at the time, the agreement was negotiated under former South Korean President Roh and signed in 2007. In terms of the value of trade affected, the agreement is the United States’ largest FTA since the North American Free Trade Agreement (NAFTA), which came into effect in 1994; it is South Korea’s largest-ever free trade agreement. The FCO told us that if the KORUS FTA were to come into effect, it would be expected to boost trade between the two countries by up to 20%, and to add up to 1.99% to GDP in South Korea and 0.2% in the US.\textsuperscript{119}

75. As of November 2008, the South Korea-US FTA had not been ratified by the legislature in either country. As outlined in the previous Chapter, in Seoul political opposition to the agreement became linked to the row over renewed US beef imports, and the outgoing National Assembly did not ratify the agreement. In his opening address in July to the new National Assembly, where his party now enjoys a majority, President Lee urged the legislature to ratify the agreement as soon as possible.\textsuperscript{120} His Government re-introduced the required legislation in the legislature in October.\textsuperscript{121} For his part, when he visited Seoul in August President Bush promised to “press hard” for US Congressional ratification of the FTA.\textsuperscript{122} However, the agreement faces significant opposition in Congress, which did not ratify the deal before rising in advance of the 4 November US Presidential election. Prospects for possible ratification during a “lame-duck” session between the election and the formation of the new US Administration are uncertain.\textsuperscript{123}

76. \textbf{We conclude that the recent moves on both sides further to strengthen the South Korea-US alliance are to be welcomed. We conclude that the likelihood of greater convergence between South Korean and US approaches to North Korea should be especially useful.}

\textbf{China}

77. South Korea’s relations with China have undergone a major transformation in recent years. China fought with North Korea against the South in the Korean War, and during the Cold War it did not recognise South Korea. Having established diplomatic relations with South Korea in 1992, China is now its largest trade partner, by some considerable distance. Bilateral trade was worth $118 billion in 2006.\textsuperscript{124} China is an important destination for

\begin{footnotesize}
\begin{itemize}
\item[\textsuperscript{117}] See paras 297-302 below.
\item[\textsuperscript{118}] As referred to in the Introduction; see para 26.
\item[\textsuperscript{119}] Ev 65
\item[\textsuperscript{120}] “Address by President Lee Myung-bak on the opening of the 18th National Assembly”, 11 July 2008, via www.english.president.go.kr
\item[\textsuperscript{121}] “US actively pushing for FTA passage”, \textit{Korea Herald}, 11 October 2008
\item[\textsuperscript{122}] “President Bush Participates in Joint Press Availability with President Lee Myung-Bak of the Republic of Korea”, 6 August 2008, transcript via www.whitehouse.gov
\item[\textsuperscript{123}] “US actively pushing for FTA passage”, \textit{Korea Herald}, 11 October 2008
\item[\textsuperscript{124}] South Korea Ministry of Foreign Affairs and Trade, \textit{2007 Diplomatic White Paper}, Seoul, 2007, p 220
\end{itemize}
\end{footnotesize}
South Korean investment, and significant numbers of students from one country study in
the other.

78. The British Association for Korean Studies (BAKS) reminded us that, historically,
when faced with Japanese aggression “the Koreans have always been allied with the
Chinese”. BAKS suggested that the current situation might be regarded as one in which
“this old equilibrium is re-emerging” to some extent.\textsuperscript{125} Professor Smith similarly said that
South Korea and China “share a[n] […] intangible but nevertheless important
commonality in that both countries harbour still important popular antagonism towards
Japan for a perceived recalcitrant attitude to the consequences of the colonial past.”\textsuperscript{126}

79. We heard during our visit to the region that the Chinese leadership might feel
uncomfortable with the renewed priority which South Korea’s new President, President
Lee, is awarding to improved relations with the US and Japan. Nevertheless, President Lee
and Chinese President Hu have already held two bilateral summits, in Beijing in May and
in Seoul in August. At the former meeting, the leaders agreed to upgrade the South
Korean-China relationship to a “strategic and cooperative partnership”.\textsuperscript{127}

80. China and South Korea have not settled their mutual maritime border. Talks on the
issue since 1996 have failed to reach a resolution. The dispute concerns in particular what
Korea calls the Ieodo isles and China the Suyan Rock, where the two countries’ claimed
economic zones overlap. In their August 2008 summit statement, Presidents Lee and Hu
called for an acceleration of talks on the issue.\textsuperscript{128}

81. China’s human rights record may be becoming a more potentially contentious area in
the relationship with South Korea. When the torch relay for the Beijing Olympic Games
passed through Seoul in April 2008, South Korean anti-China protestors clashed with
Chinese students studying locally. South Korea protested to China about the behaviour of
its nationals and threatened to tighten visa arrangements for Chinese,\textsuperscript{129} although the
incident did not disrupt the two countries’ summit in May. The South Korean
demonstrators were protesting not only about Beijing’s behaviour in Tibet but also about
its policy of repatriating North Korean emigrants in China, if apprehended. There appears
to be increasing South Korean sentiment on this issue. At his summit with President Hu in
Seoul in August, at which there were again demonstrations on the issue, President Lee
raised the issue of China’s treatment of North Korean emigrants directly with the Chinese
leader.\textsuperscript{130}

82. China and South Korea are the two countries with the most direct interest in avoiding
any crisis within North Korea which would produce unmanageable numbers of emigrants
or other immediate security risks. Professor Smith told us that:

\textsuperscript{125} Ev 54
\textsuperscript{126} Ev 84
\textsuperscript{127} “Korea, China upgrade relations to strategic cooperative partnership”, press statement, 27 May 2008, via
www.english.president.go.kr
\textsuperscript{128} “Joint effort to resolve dispute over islands”, South China Morning Post, 27 August 2008
\textsuperscript{129} “South Korea tightens visa for Chinese”, Financial Times, 1 May 2008
\textsuperscript{130} “Lee urges Hu not to repatriate N Koreans”, Korea Herald, 26 August 2008. We discuss the issue of North Korean
emigrants in China in paras 191-214 below.
it would not be an exaggeration to state that Communist China and capitalist South Korea have probably more in common today than China and North Korea because of their joint commitment to sustaining stability in the region to promote economic growth and their concern that [the] North Korean Government is a major cause of instability.\textsuperscript{131}

In the longer run, however, the two countries’ interests in North Korea may diverge. Aidan Foster-Carter told us that “China and South Korea are rivals for influence in Pyongyang”\textsuperscript{132} The British Association for Korean Studies reminded us that historically “the Chinese have viewed Korea as a buffer state” and “have committed massive resources to defend Korea—in alliance with a Korean state—to drive military power away from their Korean frontier […] when it has had the resources, China has never allowed a hostile or potentially hostile power to dominate Korea”.\textsuperscript{133} Beijing would therefore presumably resist any change in North Korea that would allow the US to extend northwards its existing security presence in South Korea.

83. We conclude that the growing relationship between South Korea and China is to be welcomed as a potential factor for stability in East Asia, in particular as regards the management of the risks posed by North Korea, and on the assumption that there is no question of the two countries aligning against Japan. We recommend that the Government should make clear to the parties that it would welcome an early agreement on the South Korean-Chinese maritime border.

\textbf{Trade agreements}

84. In recent years Japan and South Korea have acceded to a burgeoning number of bilateral and regional free trade agreements (FTAs) and other preferential economic arrangements. Japan has reached economic partnership agreements—which include trade liberalisation measures—with Mexico, Chile, the Philippines, Indonesia, Brunei, Malaysia, Thailand and Singapore, as well as the Association of South-East Asian Nations (ASEAN) as a whole. Tokyo is currently negotiating agreements with Australia, India, Switzerland and Vietnam, as well as the Gulf Co-operation Council countries.\textsuperscript{134} For its part, South Korea has FTAs with ASEAN, Chile, Singapore and the European Free Trade Association (EFTA), as well as the KORUS FTA with the US (which we discussed above). Seoul is in FTA talks with the EU\textsuperscript{135} and with a further 40 countries, including well-advanced negotiations with India; and it is exploring the possibility of launching negotiations with a range of further states.\textsuperscript{136} For example, at their summit in May 2008, President Lee and Chinese President Hu agreed to continue to study the possibility of a South Korea-China FTA; and in August 2008, President Lee and Australian Prime Minister Kevin Rudd agreed

\begin{itemize}
\item \textsuperscript{131}Ev 84
\item \textsuperscript{132}Q 33
\item \textsuperscript{133}Ev 54
\item \textsuperscript{134}Ministry of Foreign Affairs, “Japan’s Current Status and Future Prospect of Economic Partnership Agreement”, October 2007, via www.mofa.go.jp, plus later information on the same site
\item \textsuperscript{135}On which, see paras 264-8 and 424-5 below.
\item \textsuperscript{136}Ministry of Foreign Affairs and Trade, 2007 Diplomatic White Paper, Seoul, 2007, p 190; Jim Rollo, “An EU-Korea Free Trade Area: Playing Catch-up or Taking the Lead?”, Chatham House Briefing Paper IEP/JEF BP 08/03, April 2008
\end{itemize}
to launch FTA talks. A number of ideas have also been floated about possible pan-Asian free trade arrangements.

85. In our 2006 Report on East Asia, we welcomed stronger links between states, but expressed some concern in case preferential trade arrangements in the region developed into “a group which might discriminate against EU trade”. At that time, the FCO told us that “There is no evidence that the emergence of particular groupings or Free Trade Agreements in the region are having any negative impacts upon EU or UK business interests.” Two years on, Lord Malloch-Brown reaffirmed this position. He told us that the Government remain[ed] of the view that a global successful conclusion of the Doha trade round to prevent the need for all these regional agreements is the way to go, but we are not inherently against regional agreements as long as their general impact is to increase international trade.

At the end of July 2008, the latest attempt to bring the Doha round to a conclusion with a global trade agreement ended in failure.

86. In the context of efforts to encourage a greater opening-up of the South Korean economy, Dr Hoare suggested that free trade agreements involving the country were “a good thing”, because they “bind the South Koreans into more open trading practices”.

87. Japan and South Korea opened negotiations on a bilateral FTA in 2003, but the talks stalled the following year. At their summit in April 2008, former Prime Minister Fukuda and President Lee committed themselves to re-launching the negotiations. However, Dr Swenson-Wright told us that “there will inevitably be tensions in the economic relationship between the two countries” and that if the FTA talks were reopened “there will be difficulties, particularly in the agricultural sector.” Moreover, in summer 2008, the two states’ dispute over the Takeshima/Dokdo islets, outlined above, led Seoul to postpone further talks.

88. For the UK, currently the most important prospective FTA involving Japan or South Korea is that between the EU and South Korea. The proposed deal, on which talks opened in 2007, is one of a series of FTAs which the EU plans to negotiate with emerging states and regional groupings outside Europe, partly in response to the possible risk of losing out as others negotiate bilateral or regional deals. The EU is now South Korea’s largest foreign investor and second-largest trade partner (after China), with trade worth $78.6

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137 “Korea to launch FTA talks with Australia”, Korea Herald, 12 August 2008
138 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, para 252
139 FCO, Foreign Affairs Committee, Seventh Report of Session 2005-06: East Asia: Response of the Secretary of State for Foreign and Commonwealth Affairs, Cm 6944, October 2006, para 71
140 Q 151
141 Q 92
142 Q 13
billion in 2006. South Korean exports to the EU were worth $48.5 billion and EU exports to South Korea $30.1 billion.\textsuperscript{145} The European Commission has estimated that an FTA might boost EU exports to South Korea by 48\%.\textsuperscript{146} Other studies have suggested that a deal might boost EU GDP by perhaps 0.1\% and South Korean GDP by 2.0-3.0\%, depending on its content.\textsuperscript{147}

89. In the context of the negotiations on the South Korea-EU FTA, Dr Hoare warned us that “it is essential that an eye is always kept on [South Korea’s] free trade agreement with the United States”.\textsuperscript{148} An analysis for Chatham House has suggested that, if the South Korea-US FTA were implemented, it would make the proposed South Korea-EU deal both more urgent and more beneficial for the parties involved, because a US deal without an EU one would give US firms an advantage in sectors in South Korea in which the EU is more competitive. However, the analysis also suggested that any EU wish to secure terms at least as good as those secured by the US might “delay or even preclude success” in the negotiations.\textsuperscript{149} If, on the other hand, the South Korea-US agreement were to fail to be ratified, impetus towards further trade liberalisation might be undermined in both countries, and Seoul might in particular be unwilling to make concessions to partners which were not available to its prime ally the US.

90. After several rounds of talks in 2008, South Korea and the EU have both suggested that the negotiations on their proposed FTA could be concluded by the end of the year. However, analysts have pointed to a number of serious potential difficulties in the negotiations, relating to rules of origin and market access in sensitive sectors such as services (for South Korea) and cars (for the EU), a number of which still appeared to require resolution as of November.\textsuperscript{150} We discuss some further policy issues for the UK and the EU regarding the South Korea FTA in Chapters Three and Six below.

91. Particularly in the context of the failure of the global Doha trade round, and given our support for a strengthening of relations among regional states, we conclude that bilateral and regional trade agreements involving Japan and South Korea are to be encouraged, provided that they do not prejudice economic access to local markets for the EU nor undermine any remaining prospects for the conclusion of a global trade agreement. We recommend that the Government should remain vigilant in assessing the implications of such agreements for the UK and the EU, and ensure that the EU maintains a similar stance.

\textsuperscript{145} Ministry of Foreign Affairs and Trade, 2007 Diplomatic White Paper, Seoul, 2007, pp 223-4
\textsuperscript{146} “EU to start free trade talks with India, South Korea and Asean”, EurActiv.com, 23 April 2007
\textsuperscript{147} Jim Rollo, “An EU-Korea Free Trade Area: Playing Catch-up or Taking the Lead?”, Chatham House Briefing Paper IEP/JEF BP 08/03, April 2008
\textsuperscript{148} Q 92
\textsuperscript{149} Jim Rollo, “An EU-Korea Free Trade Area: Playing Catch-up or Taking the Lead?”, Chatham House Briefing Paper IEP/JEF BP 08/03, April 2008, p 1
Regional security forums

92. East Asia does not have an overarching security architecture or a set of strong, well-established political/security institutions along the lines of those developed in post-War Western Europe and the Transatlantic area. There are, however, a number of regional bodies and forums, including:

- Asia-Pacific Economic Co-operation (APEC). This was formed in 1989 and encompasses 21 states, including Japan, South Korea, the US, China, Russia, Australia and states in South-East Asia and Latin America. APEC focuses on economic issues and has become less prominent in recent years.

- ASEAN Regional Forum (ARF). This has been meeting since 1994 and has 24 members. It brings the 10 member states of the established Association of South-East Asian Nations (ASEAN) (Brunei, Cambodia, Indonesia, Laos, Malaysia, Burma, Philippines, Singapore, Thailand and Vietnam) together with other countries including Japan, both Koreas, the US, China, Russia, India, Pakistan, Australia, Canada and New Zealand, plus the EU.

- ASEAN+3. This grouping brings Japan, China and South Korea together with the 10 ASEAN countries. The ASEAN+3 framework has existed since 1997, and encompasses meetings between all 13 countries, ASEAN plus just one of the additional three states, and the “plus three” countries only.

- ASEAN+3+3, also known as the East Asia Summit (EAS). The EAS is the newest regional grouping, having been meeting since 2005. The EAS brings together 16 countries, adding India, Australia and New Zealand to the ASEAN+3 format.

93. Since 2003, the framework for international engagement with North Korea has comprised Six-Party Talks which offer a further alternative line-up for regional security discussions. The Six-Party Talks involve North Korea and its neighbours—that is, South Korea, China, Russia and Japan—and the US. One of the working groups in the Six-Party Talks framework is addressing “North-East Asia peace and security”.

94. We heard during our visit to the region about plans for a possible Japan-China-South Korea summit, which was reported to be likely to go ahead in December; and Dr Swenson-Wright also referred to “talk of possible trilateral co-operation between China, the United States and Japan”. Dr Swenson-Wright also mentioned the possible “reactivation” of the Trilateral Co-ordination and Oversight Group (TCOG), a US-Japan-South Korea mechanism for discussion primarily of North Korea. TCOG fell into abeyance after the launch of the Six-Party Talks in 2003, but, as noted above, a renewed meeting in the TCOG framework went ahead in October 2008.

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151 We discuss the Six-Party Talks in paras 112-38 below.
152 “Northeast Asia summit likely to be held Dec 14”, Korea Herald, 3 November 2008
153 Q 11
154 Q 12
155 “Seoul, Tokyo, Washington hold security talks”, Korea Herald, 15 October 2008; see para 52 above.
95. As will be clear, a perennial issue in regional co-operation initiatives in East Asia has been the line-up of countries to be involved. One possibility is an exclusively North-East Asian framework, but other options would involve the South-East Asian states. Another question concerns the extent of involvement by major states proximate to, but not exclusively part of, East Asia—namely the US, Russia, India, Australia and New Zealand. Countries’ preferences regarding the line-up of states often reflect the regional power considerations that are at issue: thus China reportedly prefers smaller groupings, whereas Japan was among the states which pushed for India’s inclusion in the East Asia Summit, as a means of balancing China.156

96. In our 2006 Report on East Asia, we noted the region’s “lack of effective regional security mechanisms”. We recommended that the Government should “encourage debate about the institutionalisation of security issues in East Asia” by drawing on “the UK’s involvement with and knowledge of NATO and of regional organisations in Europe, such as the Council of Europe, the Organisation for Security and Co-operation in Europe and the European Union”. We suggested that these organisations provided “useful models for any indigenous security structures which might broaden the security system from one based on alliances into one of mutual interdependence.”157 In its response, the Government said that the EU was in particular using the ASEAN Regional Forum (ARF) to “encourage debate on institutionalisation of security issues in East Asia” and that the UK Government was “working with Asian and EU partners to make the ARF more effective as a preventative diplomacy tool.”158

97. Witnesses to our current inquiry were largely of the view that regional security bodies in East Asia remained weak. Dr Hoare said that “the reality has not changed a great deal since 2006”,159 and he characterised regional security bodies as “not very powerful or dynamic”.160 Lord Malloch-Brown assessed East Asian security forums as remaining “pretty insipid”.161

98. Dr Hoare went into more detail for us on the difficulties facing any efforts to develop regional security institutions in East Asia, especially along the lines of those seen in Europe:

There are a number of problems with trying to impose a European or western-style security apparatus on East Asia. There is the difficulty that there are two leading East Asian nations: China and Japan. There are difficulties because of the historical legacy of the Second World War, which affects attitudes towards Japan, and because East and South-East Asia are not [a] coherent political and cultural region in the way that Europe is […] There is also the historical fact that until very recently the major outside power interested in East Asia—the United States—was not really very interested in any sort of regional security system. It preferred what was called the

156 Bill Emmott, Rivals. How the Power Struggle between China, India and Japan will Shape our Next Decade (London, Allen Lane, 2008), p 10; “ASEAN+3 group to stay relevant as NE Asia bloc unlikely soon”, Straits Times, 23 July 2008

157 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, para 120

158 FCO, Foreign Affairs Committee, Seventh Report of Session 2005-06: East Asia: Response of the Secretary of State for Foreign and Commonwealth Affairs, Cm 6944, October 2006, para 46

159 Q 101

160 Q 101

161 Q 149
hub-and-spoke system, whereby the United States was the hub and had bilateral treaties with countries such as the Philippines, Japan and South Korea. Therefore, one of the problems is that you lack one of the basic building blocks to create the sort of regional security structure that we have in Europe.”

Dr Hoare also said that the “various off-spins” from ASEAN were weak for “partly cultural” reasons: “anything that might provoke confrontation was to be avoided”. Summarising, Sir Stephen Gomersall concluded that “Asia and Europe are fundamentally different in geography, culture, stages of development and relative wealth, and therefore the European experience cannot be transported there”.

99. Alongside the fact that the US has preferred to maintain only bilateral security arrangements with its regional allies, Sir Stephen Gomersall highlighted the similar position of Japan. He argued that:

Japan has also slightly missed out by not being more proactive in trying to promote some structures based loosely on ideas of free trade and respect for certain political norms in the area, which would have put relationships among Japan, China, Korea and the ASEAN countries on a more stable and constructive kind of framework and taken some volatility out of the situation […] the bottom line is that there are virtually no takers for those kinds of ideas in Japan. Japan has pursued its own diplomacy through aid, the negotiation of free trade arrangements with individual ASEAN countries and […] through the ASEAN+3 format.

100. There have been signs recently that interest in strengthening East Asian regional security institutions is increasing in some quarters. Dr Hoare told us that “the emergence of some issues, particularly the North Korean nuclear issue and how to cope with it, have made countries in the region look much more at the idea of some form of overarching security apparatus”, although he warned that he did “not see [the problems] being solved in the short term.” Perhaps most significantly, in an article in Foreign Affairs in July 2008, US Secretary of State Condoleezza Rice said that the parties to the Six-Party Talks “intend to institutionalise [their] habits of co-operation through the establishment of a Northeast Asian Peace and Security Mechanism—a first step toward a security forum in the region”. In their joint statement after their August 2008 summit, Presidents Bush and Lee agreed to work “with a view to […] the creation of a new peace structure on the Korean Peninsula and in Northeast Asia”. For his part, Lord Malloch-Brown told us that the question of an East Asian security framework would “become more and more of an issue.”

162 Q 101
163 Q 101
164 Q 101
165 Q 101
166 “New ‘security’ ideas in East Asia”, The Hindu, 22 August 2008
167 Q 101
168 Condoleezza Rice, “Rethinking the National Interest”, Foreign Affairs, July/August 2008, p 5
170 Q 149
101. We conclude that North-East Asia is characterised by a set of interlocking and highly delicate inter-state relationships. While there have been improvements recently in some bilateral relationships, the region continues to be marked by a number of historical and territorial disputes which are potential sources of instability and obstacles to enhanced co-operation. We further conclude that the states of the region have a clear common interest in maintaining stability, in the interests of perpetuating economic growth and enhancing their international standing. We also conclude that, although there is no question of replicating European institutions in East Asia, there are some aspects of the European experience which might usefully be drawn on in the region, in terms especially of the mitigation of historical and territorial disputes, and that the strengthening of standing forums for regularised security dialogue among regional states would be welcome. We recommend that the Government should continue to work with its East Asian, European and US partners to encourage the further development of regional security forums in East Asia. In particular, the Government should convey to the US Administration its support for what appears to be a shift in US policy towards promoting multilateral regional frameworks in East Asia. We recommend that in its response to this Report, the Government should provide an assessment of the development of the various East Asian regional security forums so far, and in particular of the likely impact of the apparent shift in US policy and of prospects for the further institutionalisation of the Six-Party Talks framework.

102. We recommend that in its work in East Asia, the Government should take every opportunity to support initiatives aimed at developing a shared historical understanding between the region’s Second World War combatants. We further recommend that the Government should build elements of co-operation between regional states into programmes and projects in the region that it might otherwise pursue bilaterally, for example regarding climate change or research co-operation. We recommend that in its response to this Report, the Government should provide information on such work as it is already doing to encourage co-operation between regional states in specific policy areas.
North Korea

103. The Democratic People’s Republic of Korea (North Korea) is one of the world’s few remaining communist regimes, and the most oppressive and internationally isolated. It was established in 1948 under Soviet sponsorship and largely on the Soviet model, under the leadership of Kim Il-sung. Kim’s son, Kim Jong-il, became leader of North Korea on his father’s death in 1994. Compared to other communist states, North Korea is distinguished by the combination of hereditary succession and the personality cult which surrounds Kim Il-sung (the “Great Leader” and “Eternal President”) and Kim Jong-il (the “Dear Leader”); the official nationalist ideology of “self-reliance” (“juche”); and the size, favoured economic position and political prominence of the military, under the regime’s “military first” (“songun”) policy.

104. North Korea was initially more economically developed than South Korea. Most industrialisation under Japanese rule had taken place in the north, where the peninsula’s mineral deposits are mostly located. South Korea is generally reckoned to have overtaken North Korea in terms of economic development by the early 1970s. North Korea went into a steep economic decline after the collapse of the non-market Soviet-bloc trading system in the early 1990s, which brought a major fall in aid and access to cheap energy and other inputs. During our visit to the region in May 2008, it was suggested to us that the North Korean economy should now be thought of as several separate economies, namely: the elite or “court” economy surrounding Kim Jong-il; the military economy; the official civilian economy; and the unofficial economy. We were told that the elite economy operates in hard currency, with revenues generated from international sales of weapons, drugs, and counterfeit currency and cigarettes. Professor Smith summed up for us the situation facing most of the rest of the population:

Chronic food shortages underlie continuing malnutrition in all parts of the country. Unemployment and underemployment is prevalent. The economic and social infrastructure remains degraded with basic services of running water, sewage systems, electricity and heating availability unpredictable and inadequate even for those living in the capital city.\textsuperscript{171}

105. As noted at the start of Chapter Two, during the Cold War Western states did not recognise North Korea. Many effectively did so in 1991, when North and South Korea were both admitted to the UN. Many Western states have subsequently established diplomatic relations with Pyongyang, including the UK.\textsuperscript{172} The US and Japan do not have diplomatic relations with North Korea. In addition, the US maintains some bilateral sanctions against North Korea, including, until 2008, restrictions under the Trading with the Enemy Act. Until October 2008, the US also continued to list North Korea as a state sponsor of terrorism, a designation applied since North Korean agents blew up a South Korean commercial airliner in 1987.

\textsuperscript{171} Ev 84-85
\textsuperscript{172} See para 269 below.
106. For the West, and the country’s regional neighbours, North Korea presents a number of security and other policy risks and challenges. Aidan Foster-Carter told us that the situation in North Korea satisfied the UN definition of a ‘complex emergency’: “there are so many issues”.173 Professor Smith referred to “the continuing Korean security crises”,174 and in our 2006 East Asia report we discussed North Korea as a “failing state”.175 The FCO assessment is that “the DPRK nuclear and missile issues and the fragility of its economic and political systems are a major threat to international peace and security in the region.”176 We discuss a number of the relevant policy issues in the following sections.

**Nuclear programme**

107. Internationally, North Korea is regarded as a security risk primarily because of its nuclear activities. These include both a domestic nuclear weapons programme and nuclear proliferation to other countries.177

108. When we completed our Report on East Asia in July 2006, it was not known whether North Korea had developed a nuclear weapon: in February 2005 Pyongyang had announced that it had done so, but there was no hard evidence.178 In October 2006, this uncertainty was ended: North Korea tested a small nuclear device. Dr Hoare told us that “whatever was tested in October 2006 was hardly a resounding success”:179 the bomb is believed to have detonated only imperfectly. Lord Malloc-Brown told us that North Korea “could not sustain any kind of nuclear military effort against Japan beyond a first strike, but we have to remain wary of, or alert to, the possibility of a once-off nuclear weapon or flight of nuclear weapons—or the launch of a very small number with the character of a dirty bomb—that could [...] do significant civilian harm”.180 North Korea’s nuclear bomb is based on plutonium which Pyongyang is known to have produced at the Yongbyon facility before 1994 and between 2002 and 2008. North Korea is reckoned to have enough weapons-grade plutonium to make up to perhaps a dozen nuclear weapons.181

109. North Korea had acceded to the Nuclear Non-Proliferation Treaty (NPT) as a non-nuclear weapons state in 1985, largely through Soviet pressure. Pyongyang only allowed full inspections by the International Atomic Energy Agency (IAEA) in 1992, when its

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173 Q 27. The UN definition of a “complex emergency” is “a humanitarian crisis in a country, region or society where there is total or considerable breakdown of authority resulting from internal or external conflict and which requires an international response that goes beyond the mandate or capacity of any single agency and/or the ongoing United Nations country programme”; www.reliefweb.int.

174 Ev 86

175 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, paras 203-6

176 Ev 56

177 For the history of North Korea’s nuclear programme and international efforts against it, this section draws largely on International Institute for Strategic Studies, North Korea’s Weapons Programmes: A Net Assessment (Basingstoke, 2004)


179 Ev 80

180 Q 112

possession of weapons-grade plutonium was confirmed. Disputes over further inspections led North Korea to threaten to withdraw from the NPT in 1993. This prompted bilateral negotiations between the US and North Korea which yielded the Agreed Framework (also known as the Geneva Framework Agreement) of 1994. Under the Agreed Framework, the US in essence deferred temporarily the issue of the plutonium which Pyongyang had produced prior to 1994 in defiance of the NPT, in the interests of securing an IAEA-inspected freeze on new production. The US also agreed to supply Pyongyang with fuel oil, organise an international consortium to provide a light water reactor for civil energy production, and move towards a normalisation of bilateral relations. Under the Agreed Framework, North Korea froze its plutonium programme, under IAEA inspection, between 1994 and 2002.

110. The Agreed Framework broke down in 2002, after the US accused North Korea of running a second—secret—nuclear weapons programme, based on uranium enrichment and employing gas centrifuge technology obtained through the A.Q. Khan network based in Pakistan. The US claims that North Korea admitted running a uranium programme, although Pyongyang has subsequently denied its existence. The FCO told us that it believes that North Korea “has […] tried to develop a uranium enrichment programme for weapons purposes.”

111. Following North Korea’s October 2006 nuclear weapon test, the UN Security Council unanimously passed Resolution 1718, which demanded that North Korea conduct no further such tests. The Resolution also banned trade with North Korea in goods and technologies that could be used in ballistic missile programmes or programmes for the manufacture of weapons of mass destruction (WMD). UNCSR 1718 also imposed an asset freeze on individuals and entities supporting North Korea’s WMD and ballistic missile programmes, and a travel ban on the relevant individuals. The resolution also demanded that North Korea return to the NPT and IAEA safeguards.

112. Alongside the UN sanctions regime, since the country’s nuclear weapon test the international community has continued to negotiate with North Korea on denuclearisation, through Six-Party Talks which were established in 2003 following Pyongyang’s NPT withdrawal. The Six-Party Talks involve North Korea and its neighbours—that is, South Korea, China, Russia and Japan—and the US. China was largely responsible for securing North Korea’s acceptance of this negotiating format, and chairs the Six-Party Talks. The Six-Party Talks made little progress until 2005, when the parties agreed a joint statement of principles, including that their aim was “the verifiable denuclearisation of the Korean peninsula in a peaceful manner”. The parties also agreed
that they would proceed on the basis of “commitment for commitment, action for action”. In the joint statement, North Korea promised to return to the NPT and IAEA safeguards, and the other parties promised to discuss the provision of a light water reactor for civil energy purposes. North Korea and the US, and North Korea and Japan, also agreed to take steps towards the normalisation of bilateral relations.\(^\text{186}\)

113. Following North Korea’s nuclear test in October 2006, the parties to the Six-Party Talks reached agreement in February 2007 on “Initial Actions for the Implementation of the [2005] Joint Statement”. This constituted a breakthrough, by establishing sequencing and deadlines for specific steps to a greater extent than had previous agreements—although, in his submission to our inquiry, Dr Tat Yan Kong of the School of Oriental and African Studies highlighted the many difficulties inherent to the “denuclearisation” process that nevertheless remained.\(^\text{187}\) In the first implementation phase under the February 2007 agreement, North Korea was to shut Yongbyon and allow the return of IAEA inspectors, in return for the shipment of 50,000 tons of fuel oil, and talks with the US and Japan on the normalisation of bilateral relations. The US was to start the processes of de-listing North Korea as a state sponsor of terrorism and removing the country from the terms of the Trading with the Enemy Act (TWEA). North Korea did not shut Yongbyon on time, but it had done so to the satisfaction of the IAEA by July 2007.\(^\text{188}\) In October 2007, the parties agreed on a second phase of implementation measures. In this phase, by the end of 2007 North Korea was to disable Yongbyon and make a full declaration of all its nuclear programmes, while the other parties were to supply further fuel oil or equivalent, up to a total of 1 million tons supplied in phases 1 and 2 combined. The US said that it would fulfil its commitments regarding terrorist de-listing and the TWEA “in parallel with the DPRK’s actions”.\(^\text{189}\)

114. When he gave evidence to us in March 2008, Aidan Foster-Carter said that North Korea’s plutonium programme was by then “canned”.\(^\text{190}\) Lord Malloch-Brown confirmed to us in early July 2008 that the disabling of Yongbyon was ongoing, although the process was “going slower than had been hoped […] partly due to deliberate stalling by the DPRK, but […] also some health and safety issues.”\(^\text{191}\) On 27 June 2008, North Korea blew up the cooling tower at Yongbyon in front of the international press. US negotiator Christopher Hill told the Senate Armed Services Committee on 31 July 2008 that North Korea had by then completed eight of eleven agreed disabling tasks at Yongbyon, and was “no longer able to produce weapons-grade plutonium at Yongbyon”.\(^\text{192}\) Both IAEA and US personnel have been on the ground at Yongbyon monitoring the disabling process. Mr Hill also told


\(^{187}\) Ev 100-101

\(^{188}\) Ev 100 [Dr Kong]; “N Korea reactor closed down, UN confirms”, Financial Times, 17 July 2007


\(^{190}\) Q 21

\(^{191}\) Q 107

\(^{192}\) “North Korean Six-Party Talks and Implementation Activities”, Statement before the Senate Committee on Armed Services, 31 July 2008, via www.state.gov
the Senate Armed Services Committee that, as of end-July, North Korea had received 420,000 of the 1 million tons of fuel oil or equivalent which it is due in the first two implementation phases, and that the remainder would be provided by the end of October 2008.

115. North Korea did not meet its end-2007 deadline for a full declaration of its nuclear programmes. Matters were held up when the US insisted, against North Korean resistance, that the declaration cover the United States’ longstanding allegations of a covert uranium-based programme, and more recent US charges that North Korea had assisted in Syria’s construction of a covert nuclear facility at al-Kibar which was destroyed by Israel in an air strike in September 2007. In March 2008, Aidan Foster-Carter told us that “unless [US negotiator] Chris Hill […] can come up with some way of getting the Syria issue and the enriched uranium issue off balance sheet, as you might say, or shove them away into a separate track of talks, the Bush Administration will run out of time.” By April, it was being reported that the US might be preparing to accept a North Korean nuclear declaration which did not provide full information on these issues.

116. In May 2008, North Korea handed to the US over 18,000 pages of documentation on its activities at Yongbyon. On 26 June 2008, North Korea made its formal nuclear declaration. The FCO’s Stephen Lillie told us that the Government’s “understanding was that the declaration itself probably does not include [an accounting of proliferation activities] but there have been other discussions with the US to address it.” According to US National Security Adviser Stephen Hadley, in its declaration North Korea denied that it was engaged in uranium enrichment or nuclear proliferation, but the Administration was prepared to set aside temporarily its continuing suspicions on these counts “in order to keep the process going”. The amount of plutonium which North Korea admitted possessing, 37 kilograms, is also lower than US estimates. President Bush announced on the same day that the US was removing North Korea from the provisions of the Trading with the Enemy Act, and starting the process of de-listing the country as a state sponsor of terrorism. Under this process, the US would de-list North Korea after a minimum of 45 days if the parties to the Six-Party Talks had agreed on “acceptable verification principles and an acceptable verification protocol” and “an acceptable monitoring mechanism” as regards North Korea’s nuclear declaration. Combined with the symbolic public destruction of the Yongbyon cooling tower the following day, the developments at the end of June appeared to mark a major breakthrough in the international effort to secure North Korean denuclearisation. The Foreign Secretary wrote on his blog that North Korea’s

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193 See paras 122-3 below.
194 Q 22
195 “Past deals by N Korea may face less study”, New York Times, 18 April 2008
196 Q 113
197 “US to remove North Korea from terror list”, New York Times, 26 June 2008
199 “North Korea: Presidential Action on State Sponsor of Terrorism (SST) and the Trading with the Enemy Act (TWEA)”, US State Department press release, 26 June 2008
nuclear declaration was “significant” and that there was “hope” that the “process of engagement [with North Korea] may be working”.200

117. During our trip to Tokyo and Seoul in May, we picked up some anxiety that the Bush Administration might be preparing to accept less-than-complete fulfilment by North Korea of all international demands, in the interests of making a breakthrough in bilateral relations during its remaining months in office that it could claim as a foreign policy success.201 We asked Lord Malloch-Brown about this in early July, with respect especially to verification of North Korea’s 26 June nuclear declaration. Lord Malloch-Brown told us that he thought that “the Six-Party Talks process has been very well grounded […] President Bush will not do anything imprudent. He will move cautiously on this matter right until the end.”202 However, Dr Hoare warned us that “the unwillingness to settle for less than total demands could well mean no settlement at all”.203

118. When the first possible date arrived for North Korea’s de-listing as a state sponsor of terrorism, 11 August 2008, the US did not proceed with the step, because no agreement had been reached on a verification mechanism for North Korea’s nuclear declaration. US negotiator Chris Hill said that having the “declaration without a [verification] protocol is really like just having one chopstick. You need two chopsticks if you’re going to pick up anything”.204 In response to the US stance, North Korea halted disabling work at Yongbyon and threatened to start to restore the facility. On 19 September 2008, North Korea confirmed that it had started preparations to reactivate Yongbyon. Pyongyang also announced that it no longer wished to be de-listed by the US as a state sponsor of terrorism.205 On 24 September, the IAEA said that it had removed its seals and surveillance cameras from Yongbyon at the request of North Korea, and that IAEA inspectors would have no further access to the site.206

119. After negotiations conducted by Mr Hill in Pyongyang at the beginning of the month, the US announced on 11 October that it was de-listing North Korea as a state sponsor of terrorism. The US said that it had reached an agreement with North Korea that included “every element of verification that [it had] sought”, including that experts will have access to all declared facilities and, “based on mutual consent”, to undeclared sites, and that all measures contained in the verification protocol will apply not only to the plutonium-based programme but also to “any uranium enrichment and proliferation activities”.207 North Korea welcomed the US move, and, in response, halted its activities to reactivate Yongbyon, resumed disabling activities there and allowed IAEA inspectors back to the site.208 Although the agreement appeared to have restored the Six-Party process, observers

200 “North Korea: Sanctions working?”, Foreign Secretary’s blog, 27 June 2008
201 For Japan, see paras 35, 61 above.
202 Q 107
203 Ev 80
205 “North Korea hardens stance on nuclear issue”, International Herald Tribune, 19 September 2008
206 “N Korea nuclear seals removed”, BBC News online, 24 September 2008
207 Assistant Secretary of State Sean McCormack, “Briefing on North Korea”, 11 October 2008, transcript via www.state.gov
208 “N Korea hails terror list removal”, BBC News onine, 12 October 2008; “NK restores nuclear site access”, BBC News online, 13 October 2008
warned that it might run into the same kinds of dispute over implementation details as have previous denuclearisation deals with North Korea.209

120. International interpretation of North Korea’s moves in the denuclearisation process in September-October 2008 was complicated by separate speculation over the possible illness of Kim Jong-il and its impact on decision-making in Pyongyang.210 In addition, Dr Kong had already noted in his submission to our inquiry that the US presidential election timetable might be a further difficulty for the denuclearisation process, with North Korea perhaps “waiting for the outcome of the 2008 presidential contest” and “unlikely to commit to commit fully to denuclearisation unless it can be sure that the guarantees made by one Administration will be maintained by its successor”211—although Dr Kong also noted that the involvement of the other four parties to the process gave a “more binding effect” to agreements reached in the Six-Party Talks framework than had been enjoyed by purely bilateral US-North Korea deals.212

121. Beyond the difficulties surrounding North Korea’s nuclear declaration, there is a third phase to the implementation of the Six Parties’ 2005 joint statement. In this third phase, which the parties have not yet reached, North Korea is supposed to give up all its nuclear weapons, materials and programmes. The FCO told us that “until these are given up the DPRK will remain a nuclear and proliferation threat”.213

**Onward nuclear proliferation**

122. The FCO’s Stephen Lillie told us that the UK’s concerns regarding North Korea’s nuclear activities were “not just its indigenous programmes, but its proliferation”.214 As regards possible North Korean nuclear proliferation, the most recent allegation has been the US charge in 2008 that North Korea assisted Syria in the construction of a covert nuclear facility at al-Kibar which was destroyed in an Israeli air strike in September 2007.215 In April 2008, the US published intelligence material which it said demonstrated the North Korean link, including photographs showing the apparent similarity of the Syrian facility to Yongbyon, and North Korean officials at the Syrian site.216 Mr Lillie told us that the “fact that [North Korea] appears to have provided technology to Syria is in itself an indication of the continuing threat that it poses”.217 Mr Lillie also reminded us that the two 2006 UN Security Council resolutions on North Korea, one passed after the country’s nuclear

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210 See paras 229-34 below.

211 Ev 101

212 Ev 103

213 Ev 70

214 Q 113

215 See para 115 above.


217 Q 113
weapon test in October and an earlier one passed after missile tests, were “very much directed at the proliferation threat”.  

123. On 20 September 2008, it was reported that preliminary results from the investigation of the al-Kibar site by the IAEA “show[ed] nothing to back up US assertions that the target was a secret nuclear reactor”. However, it was reported in late October that the IAEA’s final evaluation of the relevant samples from the site had led it to conclude that “there is enough evidence there to warrant a follow-up”, although this had not been publicly confirmed. There are doubts both over the likely extent of Syrian cooperation in any further IAEA investigations and over the feasibility of reaching firmer conclusions, given that the Syrian facility was not completed when it was destroyed and IAEA inspectors were in any case able to visit the site only nine months later. It should be stressed that some credible independent observers find the US evidence of the North Korean link convincing.

Assessment of the Six-Party Talks

124. The Foreign Secretary has likened the international effort to secure North Korean denuclearisation to a “slow and tortuous process [that] looks like a delicate piece of bomb disposal”. In addition to the apparent breakthroughs and reversals with North Korea which were outlined above, our discussion in Chapter Two indicated some of the difficulties involved in harmonising the North Korean policies of all the non-North Korean participants in the Six-Party Talks, including the US, China, Japan and South Korea.

125. In the history of the international effort against North Korea’s nuclear weapons programme over the last 15 years, US policy has been the most controversial element. The US has moved from being, according to Professor Smith, “two days away” from a pre-emptive strike on Yongbyon in 1994 to making an agreement with North Korea later that year; and from declaring North Korea to be part of the “axis of evil” along with Iraq and Iran, in President Bush’s 2002 State of the Union address, to beginning in 2007-08 to implement agreements in the direction of an eventual normalisation of bilateral relations.

126. One issue has been the coherence of US policy. Aidan Foster-Carter reminded us that, at the time of our East Asia inquiry in 2006, the question being asked was, “did the Americans have a policy towards North Korea?” Giving evidence to our present inquiry in March 2008, Mr Foster-Carter reported that the “Bush Administration, rather belatedly, has acquired a policy” Professor Smith told us that the US has “adopted a de facto policy of de-linkage […] such that progress in any one issue has not been made contingent on

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218 See para 154 below.
219 Q 113
223 “North Korea: Sanctions working?”, Foreign Secretary’s blog, 27 June 2008
225 Q 21
another. It has also made difficult decisions to prioritise some issues for negotiation over others with denuclearisation being given top priority since 2006.”

127. A second issue for US policy has been whether to pursue North Korean denuclearisation through negotiation and agreements, or sanctions, isolation and hostility alone. In our 2006 East Asia Report, we concluded that “the US policy of increasing pressure on the North Korean regime may be entrenching the divisions between the parties”, and we recommended that the Government “use its relationship with the US to suggest a more flexible and pragmatic approach.” In its response to that Report, the Government appeared to reject our criticism of US policy, saying that “it is the highly provocative actions of the DPRK, in particular its decision to carry out a nuclear test, which represent the real obstacle to progress.” In his evidence to our present inquiry, Lord Malloch-Brown acknowledged that there had been a shift in US policy, saying that the Bush Administration was “initially […] against [the] kind of approach [now being pursued] and they have come round to it somewhat reluctantly.” While Dr Tat Yan Kong of the School of Oriental and African Studies told us that “ideological hostility towards North Korea” on the part of the Bush Administration had been “the most decisive factor” in the breakdown of the 1994 Agreed Framework in 2002, Aidan Foster-Carter told us that he was “amazed and pleased at how far the Bush Administration have moved from where they were in their disastrous first few years on the Korean issue.”

128. The policy of negotiation with North Korea remains highly controversial in US political and policy-making circles and, it is reported, within the Bush Administration. Critics of the approach argue that North Korea never fulfils its commitments and has no intention of giving up its nuclear weapons capability, but is merely using the negotiations process to extract economic and symbolic concessions that will benefit the regime. Aidan Foster-Carter told us that “if the Bush Administration run out of time, […] the views of those […] who argue that the North Koreans were never going to make a deal and that Kim Jong-il will never give up nuclear weapons and is just stringing us along, will become more persuasive.”

129. Discussion of the most effective way of securing North Korean denuclearisation is linked to debate over Pyongyang’s motives in pursuing a nuclear weapons programme. The International Institute for Strategic Studies wrote in 2004 that:

For years, North Korea watchers have debated whether Pyongyang views nuclear weapons as indispensable to the regime’s survival and therefore non-negotiable, or

226 Ev 83
227 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, para 228
228 FCO, Foreign Affairs Committee, Seventh Report of Session 2005-06: East Asia: Response of the Secretary of State for Foreign and Commonwealth Affairs, Cm 6944, October 2006, para 69
229 Q 107
230 Ev 99
231 Q 22
233 Q 22
whether it sees its nuclear assets as a bargaining chip to be traded away for political and economic benefits necessary to sustaining the regime.234

130. Aidan Foster-Carter tended somewhat to the former view. He told us that:

the North Korean regime has consistently traded on […] genuine fears and, for older North Koreans, on memories of attack from the outside, to create a permanent impression of a country at war on the verge of being attacked […] I cannot imagine a North Korea that is not trying to arm itself with everything under the sun, partly for bargaining, but mainly because it cannot conceive of security in any other way […]

That is the kind of state it is. 235

131. Professor Smith, on the other hand, told us that North Korea was exercising “quite a classical use of […] nuclear possession as a negotiating card. It is a fairly normal […] use of nuclear deterrence”. 236 She told us that “the DPRK’s nuclear weapons development programme was designed to offer a deterrent capacity against the perceived threat of United States attack,”237 especially after the Soviet Union and then Russia in the early 1990s “made it clear to the DPRK leadership that there could be no automatic military support for the DPRK in the event of hostilities breaking out on the Korean peninsula.” 238 Dr Hoare similarly told us that “North Korea feels and is threatened by nuclear weapons, and believes that the only way to counter that threat is to make it costly for any attacker.” 239 Professor Smith further said that Pyongyang conceived of the normalisation of relations with the US primarily as a security gain. “If there was some form of normalisation, in their view it would mean that they were not going to be invaded or bombed”, 240 she said; “they want a security guarantee”. 241

132. Professor Smith said that the conception of security which North Korea was pursuing extended beyond territorial security to the survival of the regime itself. According to Professor Smith, regime maintenance is one of North Korea’s two core aims.242 She said that North Korea saw a risk not only of military action against it, but also of “regime change through different ways of trying to undermine the regime”. 243 She told us that:

until they are sure that the regime will be safe—that is the Government with Kim Jong-il in charge and the structure around them—they are not likely to do anything

234 International Institute for Strategic Studies, North Korea’s Weapons Programmes: A Net Assessment (Basingstoke, 2004), p 24
235 Q 23
236 Q 23
237 Ev 82
238 Ev 82
239 Ev 80
240 Q 22
241 Q 22; see also Ev 81.
242 Ev 82
243 Q 22
about the wholesale abandonment of what they consider to be their trump card, which they call their nuclear deterrent.244

133. Dr Tat Yan Kong argued that, among those who contend that North Korea seeks merely to extract concessions from the US without denuclearisation, “what tends to be overlooked is the high value that North Korea places on developing friendly relations with the US.” He suggested that “beyond immediate economic benefits, North Korea seeks a relationship with the US in order to counter-balance China’s growing influence on the Korean peninsula.”245

134. In addition to US and North Korean stances, Professor Smith drew our attention to a “contributory factor” in what she called, in March 2008, “the relative success recently of the Six-Party Talks”.246 This was two changes in the position of China, the Talks’ chairing state, compared with the early 1990s. First, Professor Smith said that China’s new economic weight meant that it “is a valued partner of both South Korea and Japan, to a certain extent”.247 As a result, “North Korea is much more isolated” than it was in the early 1990s.248 Second, Professor Smith said that, while China continues to be North Korea’s main economic prop, Pyongyang had done various things over recent years that “China was very unhappy about”, including, most notably, the October 2006 nuclear test. Professor Smith described the nuclear test as “a red line” for China,249 and Aidan Foster-Carter called the test “a fateful day” as regards Pyongyang’s relations with Beijing.250 Mr Foster-Carter said that “China is already applying more pressure than it used to [on North Korea], and it is in a position to apply more;”251 he said that “China is key now” as regards further progress on North Korean denuclearisation.252 In the UK National Security Strategy, published in March 2008, the Government stated that “many of the security challenges [the UK faces] will not be solved without Chinese engagement”, including denuclearisation of the Korean peninsula.253

135. In our 2007 Report on Global Security: Russia, we noted that, compared with the US and China, Russia was not the most influential participant in the Six-Party Talks. We also reported that Russia had tended to be more reluctant about supporting sanctions against Pyongyang than the UK, but that at the strategic level Russia shared the wish not to see North Korea become a nuclear-armed state.254 In his evidence to that inquiry, the then Minister for Europe, Jim Murphy MP, agreed with a description of Russia as “credible” and “a good partner” on North Korea.255 In conclusion, we “welcome[d] Russia’s participation

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244 Q 22
245 Ev 103
246 Q 23
247 Q 23; see also Q11.
248 Q 23
249 Q 23
250 Q 24
251 Q 24
252 Q 24
254 Foreign Affairs Committee, Second Report of Session 2007-08, Global Security: Russia, HC 51, paras 315-28
255 Ibid., para 319
so far in international anti-proliferation efforts regarding North Korea”. In a statement released on 27 August 2008, after the war in Georgia had seen relations between Russia and the West deteriorate significantly, the Russian Foreign Ministry expressed “disappointment and concern” about Pyongyang’s threat to halt the disabling process at Yongbyon.  

136. As regards the UK, Lord Malloch-Brown acknowledged that it is “not […] a front-line player” in North Korean denuclearisation, being outside the Six-Party Talks. Lord Malloch-Brown told us that “supporting the Six-Party Talks is the most important thing that [the UK] can do”. The FCO told us that:

the UK and the EU strongly support the [Six-Party Talks], and both [the UK] and the EU have made clear [their] readiness to assist. The UK and EU also take every opportunity to press the DPRK to honour NPT obligations and to negotiate constructively and in good faith in the Six-Party Talks. [The UK] will continue to work with the EU and the international community to try to reduce the threat of DPRK WMD proliferation.

We discuss British policy towards North Korea in more detail in a separate section below.

137. We conclude that the North Korean denuclearisation process in the framework of the Six-Party Talks is difficult and imperfect, and that there can be no certainty that it will lead to the elimination of all North Korea’s nuclear weapons activities. However, we also conclude that the process has achieved a significant degree of denuclearisation, namely a halt to plutonium production at Yongbyon, verified by International Atomic Energy Agency personnel, and significant dismantling of the facility. We conclude that the fact that the agreements reached in the Six-Party Talks process are similar in outline to the 1994 Agreed Framework—namely denuclearisation steps by North Korea in exchange for energy supplies and security gains through improved relations with the US—suggest that this is the most effective basic deal for securing progress in denuclearisation. We further conclude that, by better harmonising the policies towards North Korea of the states most immediately concerned, and by increasing the number of states signed up to agreements and therefore the costs of defection, the Six-Party Talks format is more effective than bilateral US-North Korean negotiations, and may also have wider knock-on benefits for regional security. We conclude that the leading role of China in the Six-Party Talks is to be welcomed, and that the Government is correct to identify China as key to North Korean denuclearisation. We therefore conclude that the Government is correct to support the Six-Party Talks process, including the priority which the process gives to denuclearisation over other policy aims regarding North Korea.

256 Foreign Affairs Committee, Second Report of Session 2007-08, Global Security: Russia, HC 51, para 328
257 “Russia ‘regrets’ North Korea’s halt in nuclear disablement”, Associated Press, 27 August 2008
258 Q 110
259 Ev 70
260 Paras 269-90
138. Given the difficulties in the denuclearisation process which arose in September 2008, we recommend that the Government should make clear to Six-Party Talks participants that it is willing to assist in any way that might help prevent any further possible breakdown in the process. We further recommend that the Government should make clear to the incoming US Administration that it would welcome an early commitment to continuing the Six-Party Talks and the policy approach which they embody. We recommend that, in its response to this Report, the Government should provide an assessment of prospects for the international North Korean denuclearisation effort under the new US Administration, in light of the latest developments in the process and in the West’s relations with Russia.

Nuclear non-proliferation implications

139. In demonstrating its possession of a nuclear bomb in 2006, North Korea became the newest addition to the group of states which are not acknowledged nuclear weapons states under the NPT but are known to possess such weapons. The other members of this group are Israel, India and Pakistan. Unlike those states, however, which never acceded to the NPT, North Korea developed much of its nuclear weapons programme while an NPT member, before its disputed withdrawal in 2003. In this respect, the closest potential parallel to the North Korean case is that of Iran, which is a signatory to the NPT but which is suspected of seeking to develop a nuclear weapon.261 There has been considerable discussion in policy circles of possible parallels between, and lessons to be drawn from, the North Korean and Iranian cases.262

140. In discussing the possibility of North Korea using its nuclear capability, Lord Malloch-Brown said that “the issue is the irrationality of the leadership that is equipped with such damaging […] weapons.”263 The UK National Security Strategy states that

    Both North Korea and Iran are of particular concern because of their attitude to international institutions and treaties, and because of the impact of their activities on stability in regions crucial to global security. But [the UK] oppose[s] all proliferation, as undermining our objectives of de-escalation and multilateral disarmament, and increasing the risk of instability in the international system and ultimately the risk of nuclear confrontation.264

The FCO told us that “an unchecked DPRK nuclear programme would undermine global non-proliferation norms weakening our ability to counter proliferation elsewhere”.265

141. Like Iran, North Korea insists on its right to civil nuclear power. In the history of international dealings with North Korea over its nuclear programme, the provision of a light water reactor for civil energy production has been a consistent demand from

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261 We published a Report on Global Security: Iran earlier in 2008; Fifth Report of Session 2007-08, HC 142
262 Lawrence Korb and Sean Duggan, “Pay heed to Pyongyang: The US could have struck a deal with North Korea years ago - it would be foolish to wait with Iran”, The Guardian, 9 July 2008; “US shift on Iran talks seems lifted from its N Korea playbook”, Chicago Tribune, 17 July 2008
263 Q 112
265 Ev 69
Pyongyang and a frequent source of dispute and difficulty regarding its interlocutors’ fulfilment of their commitments. There is now considerable international discussion of potential mechanisms by which states might gain access to civil nuclear power without increasing the risk of nuclear weapons proliferation, and a number of proposals have been floated.

142. We are considering these wider nuclear proliferation issues as part of our recently-launched inquiry into Global Security: Non-Proliferation. 266

143. We conclude that the Government is correct to regard the North Korean case as having wider implications for nuclear proliferation and for international non-proliferation efforts. We conclude that it is important from this perspective that North Korea should be returned credibly to the Nuclear Non-Proliferation Treaty (NPT) regime as a non-nuclear weapons state. We further conclude that the North Korean case highlights important weaknesses in the current NPT regime, and we recommend that policymakers should draw systematically on the North Korean case, alongside others, in considering the future of that regime. We further recommend that North Korea’s ongoing demand for civil nuclear power should be considered in the context of both the international effort to end the country’s nuclear weapons programme, and current international discussions about mechanisms for the future safe provision of such power to further states.

Chemical and biological programme

144. The FCO told us that North Korea is “believed to have chemical and biological weapons capabilities.” 267 However, the available information is uncertain and imprecise. During our 2006 East Asia inquiry, some witnesses expressed doubts as to whether North Korea retained a capacity to manufacture chemical or biological weapons, given the rundown state of its industrial base. 268 Whether or not it continues to manufacture them, one authoritative recent study reports “a strong consensus that the DPRK has a large stockpile of chemical weapons”. 269 The study cited South Korean intelligence estimates that North Korea possessed between 2,500 and 5,000 tons of chemical agents. 270 The FCO noted that North Korea has ratified the Biological and Toxin Weapons Convention but is not a party to the Chemical Weapons Convention. 271

Global Partnership Against Weapons and Materials of Mass Destruction

145. The Global Partnership Against Weapons and Materials of Mass Destruction is a G8 programme established in 2002, initially for ten years, which aims “to prevent terrorists, or

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267 Ev 70

268 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, para 199


270 Ibid., p 52

271 Ev 70
those that harbour them, from acquiring or developing nuclear, chemical, radiological and biological weapons; missiles; and related materials, equipment and technology.”

Twenty-four states are now involved (plus the EU), including—among non-G8 countries—South Korea. In 2007, the UK’s contribution to the Global Partnership was incorporated into a cross-departmental Global Threat Reduction Programme, with a single budget of £36.5 million a year.273

146. The Global Partnership is not currently involved in North Korea. It has focused its work on Russia and other former Soviet states, where Global Partnership projects have addressed the destruction of chemical weapons, the dismantling of nuclear submarines, the security of fissile materials and the development of alternative employment for former weapons scientists. We commended the work of the Global Partnership in the former Soviet Union, and especially the contribution of the UK, in our Report on Global Security: Russia in 2007.274

147. In its response to our Global Security: Russia Report, the FCO told us that the UK was working actively with a number of Global Partnership members to promote a more ‘global’ vision amongst Global Partnership partners. Over the next few years, and as work in Russia is completed, an increasing proportion of the UK’s Global Threat Reduction Programme budget is expected to be committed in countries where WMD-related material presents the greatest threat, and where the capacity to deal with it is least developed.275

A mid-point review of the Global Partnership conducted under Germany’s G8 chairmanship in 2007 concluded that the scheme “is open to further geographical expansion”, and in its latest annual report on the Global Partnership, the Government says that the UK “supports the expansion of [the programme’s] geographical scope”.276

148. Dr Swenson-Wright suggested that the Global Partnership might have a role in addressing the risks arising from North Korea’s WMD activities. It has been reported that US specialists who visited the Yongbyon plant in February 2008 under the Six-Party Talks process “found Pyongyang receptive to the idea of a programme similar to that which helped former Soviet republics destroy their nuclear weapons and find alternative work for scientists”.277

149. Dr Swenson-Wright highlighted the role that Japan in particular might play with regard to possible Global Partnership involvement in North Korea. Dr Swenson-Wright said that Japan, which had been active in encouraging denuclearisation, often behind the scenes and in a low-profile context, could play an equally valuable role in providing

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274 Foreign Affairs Committee, Second Report of Session 2007-08, Global Security: Russia, HC 51, para 336
277 Menas Korea Focus, February 2008
technical assistance in reducing the risks associated with both nuclear and non-nuclear WMDs. Such assistance might be offered in conjunction with the UK.\textsuperscript{278}

150. We conclude that the G8 Global Partnership Against Weapons and Materials of Mass Destruction (WMD) could provide a strong base of political, technical and organisational experience for projects reducing the risks associated with WMD activities in North Korea, when appropriate political conditions are in place. We further conclude that the willingness of the G8, including the UK, to consider expanding the work of the Global Partnership beyond the former Soviet Union is welcome. We recommend that, as part of the discussions that are underway on the future of the Global Partnership after 2012, the Government should consider with its G8 partners—and especially the Six-Party Talks participants Japan, Russia and the US—the possibility of Global Partnership involvement in North Korea. We further recommend that the Government should encourage Global Partnership participants who are also participants in the Six-Party Talks to begin to explore the same possibility with their North Korean interlocutors.

\textbf{Delivery systems}

151. The FCO told us that North Korea “possesses and has tested missiles which [the FCO believes] are capable of delivering payloads to all of Japan and beyond. [North Korea] has also demonstrated expertise in technologies that could, if developed successfully, give its missiles the capability to reach the UK.”\textsuperscript{279} More specifically, North Korea is believed to possess hundreds of short-range missiles capable of hitting South Korea, and to have deployed at least 90 Nodong missiles capable of reaching Japan.\textsuperscript{280} One recent study, by Dr Daniel Pinkston of the International Crisis Group, for the Strategic Studies Institute, US Army War College, estimates that North Korea has deployed over 800 ballistic missiles, including perhaps 200 Nodongs.\textsuperscript{281} In a military parade in April 2007, North Korea displayed a new medium-range missile, the Musudan. This has a reported range of over 2,500 kilometres, making it capable of reaching the US military bases on Guam.\textsuperscript{282}

152. It is not known whether North Korea has the capability to deliver a nuclear warhead by ballistic missile. Pyongyang’s missiles are certainly believed to be capable of delivering chemical as well as conventional payloads.

153. As outlined in Chapter Two above, in 1998 North Korea tested a long-range Taepodong-1 missile over Japan, in a move which had a major impact on Japanese security perceptions.\textsuperscript{283} Taepodong-1 missiles have a range upwards of 2,200 kilometres and would therefore be capable of reaching Guam, as well as Japan. Following the test, and with North

\textsuperscript{278} Q 6
\textsuperscript{279} Ev 70
\textsuperscript{280} “The Asian military balance”, in International Institute for Strategic Studies, \textit{Asia's Strategic Challenges: In Search of a Common Agenda}, conference publication from the IISS-JIIA Tokyo Conference, 2-4 June 2008, p 71
\textsuperscript{282} “The Asian military balance”, in International Institute for Strategic Studies, \textit{Asia's Strategic Challenges: In Search of a Common Agenda}, conference publication from the IISS-JIIA Tokyo Conference, 2-4 June 2008, p 71
\textsuperscript{283} Para 56; see also para 316 below.
Korea’s plutonium production frozen under the 1994 Agreed Framework, US policy appeared to focus for a time on North Korea’s missile programme. In 1999, Pyongyang agreed to a moratorium on missile testing. However, on 4 July 2006, North Korea broke its moratorium by test-firing seven missiles, including a Taepodong-2. Such missiles have a range upwards of 3,500 kilometres and would therefore be capable of reaching the US from North Korea. However, the Taepodong-2 failed, and Dr Hoare told us that “the tests […] carried out in 1998 and 2006 appear to show a regression rather than an advance.”

In our 2006 Report on East Asia, completed just after North Korea’s July missile launches, we concluded that they were “calculatedly provocative and unacceptable”, and we recommended that the Government should call on North Korea to return to its moratorium on missile testing. North Korea has not conducted a long-range missile test since July 2006, although it has continued to carry out tests of short-range missiles.

154. In response to the July 2006 tests, the UN Security Council unanimously passed Resolution 1695, which demanded that North Korea suspend its ballistic missile programme, including by returning to its moratorium on testing. The resolution also required member states to prevent transfers of missiles and missile-related items to North Korea’s missile and WMD programmes, and to refrain from procuring such items from the country.

155. Experts differ widely regarding the degree of foreign assistance which North Korea may have received or may still be receiving for its missile programme, and therefore over the extent to which Pyongyang could continue to develop its missile capability regardless of international efforts to the contrary. Countries from which North Korea may at various times have received help include China, the Soviet Union/Russia, Iran, Pakistan and Syria. In its response to our 2006 East Asia report, the Government noted in particular that it was “working […] to develop [its] relationship with China on counter-proliferation issues, through which [it] would aim to help prevent the import by North Korea of sensitive materials required by their missile programme.” In his February 2008 study, Dr Pinkston said that “international export controls and denial strategies have made it increasingly difficult [for North Korea] to procure dual-use items and technologies.” He argued that these restrictions, when combined with domestic economic constraints, may prove “so formidable that Pyongyang might find diplomatic initiatives to end the programme an attractive alternative”.  

156. Sales of missiles and missile technologies to third countries are believed to be a major source of hard currency earnings for the North Korean regime. Countries to which North Korea may have exported missiles or missile technologies include Iran, Libya,  

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284 Ev 80
285 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, para 193
286 UNSCR 1695, 15 July 2006
287 FCO, Foreign Affairs Committee, Seventh Report of Session 2005-06: East Asia: Response of the Secretary of State for Foreign and Commonwealth Affairs, Cm 6944, October 2006, para 67
289 Ibid., p 57
290 See para 104 above.
Pakistan, Sudan and Syria. In our 2006 East Asia Report, we concluded that “North Korea’s exports of missile technology pose a threat to peace and security”. Dr Pinkston’s February 2008 report states that “North Korea has […] established itself as the Third World’s greatest supplier of missiles, missile components, and related technologies”. However, the report also notes that international efforts against North Korean missile proliferation “have caused a decline in North Korean missile exports”. In its response to our 2006 East Asia Report, the Government told us that “many of [North Korea’s] former [missile] customers have agreed not to purchase further equipment or services from North Korea, including Egypt, Libya and Yemen.”

The Government also noted that UNSCR 1965 did not allow the interdiction of shipments suspected of carrying missiles and missile-related equipment without the consent of the vessel’s flag state, but that recent changes to the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation would strengthen the regime in some cases.

The long-range missile tests which North Korea conducted in 1998 and 2006 took place at Musudan-ni, on the country’s north-east coast. In September 2008, it was reported that North Korea had constructed a second long-range missile launch site, in the west. The claim was made by independent specialists, on the basis of satellite imagery. South Korea’s Defence Minister reportedly told a parliamentary hearing that the site was 80% complete. An anonymous US intelligence official was quoted as saying that the US had known about the second site for several years.

On 16 September 2008, an anonymous US official was reported as saying that North Korea had tested the engine on a Taepodong-2 missile at the new launch site earlier in 2008. Such a test would be in violation of UN Security Council resolutions 1695 and 1718.

On 1 November, the Wall Street Journal reported that in August 2008 India had acceded to a US request to deny permission to enter Indian airspace to a North Korean plane which US intelligence believed was carrying a forbidden cargo, most likely missile components, to Iran.

We conclude that North Korea appears to retain an active ballistic missile programme. We further conclude that there is evidence that international efforts to deny North Korea both assistance and customers for its missile programme appear to

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291 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, para 202
293 Ibid., p 57
294 FCO, Foreign Affairs Committee, Seventh Report of Session 2005-06: East Asia: Response of the Secretary of State for Foreign and Commonwealth Affairs, Cm 6944, October 2006, para 67
295 Ibid., paras 65-66
297 “N Korea ‘builds new missile site’”, BBC News online, 11 September 2008
298 “US says North Korea conducted missile engine test”, Associated Press, 16 September 2008
299 “North Korean plane was grounded at US request”, Wall Street Journal, 1 November 2008
be having some effect. We recommend that the Government should continue to work with its international partners to deny North Korea missile-related materials, equipment, technology and overseas sales. We further recommend that, in its response to this Report, the Government should provide an updated assessment of the impact of current international measures against North Korea’s missile programme, including the transport of North Korean missiles and missile components overseas.

**Human rights**

162. The nature of the North Korean regime means that reliable, up-to-date, first-hand information on the human rights situation in the country is not readily accessible. North Korea has no independent media, human rights organisations or legal profession. In 2004, the former UN Commission on Human Rights appointed a Special Rapporteur on the human rights situation in North Korea, but Pyongyang does not recognise him and has never allowed him into the country. North Korea has denied requests for visits from a further three UN Special Rapporteurs for thematic human rights issues.\(^1\) North Korea similarly denies access to researchers from international human rights NGOs, such as Amnesty International (from whom we took evidence). As regards foreign diplomats posted to Pyongyang, the FCO notes that they are subject to severe internal travel restrictions and some 20 per cent of the counties in the DPRK remain inaccessible ‘for reasons of national security’. The government denies foreign diplomats access to judicial institutions, saying that it amounts to interference in the country’s internal affairs.\(^2\)

The same restrictions apply to humanitarian aid workers.\(^3\)

163. Under these circumstances, information about the human rights situation in North Korea—including that presented by the UN Special Rapporteur for the subject—is largely compiled from the testimony of emigrants, interviewed in countries such as China or South Korea.\(^\text{4}\) A number of South Korean NGOs and media outlets are active in attempting to document the North Korean human rights situation. For example, a team of South Korean journalists has produced a documentary film “On the Border”, about North Koreans leaving for China and other destinations in Asia, footage from which was used in BBC documentaries shown in 2008;\(^5\) and the British Embassy in Seoul is sponsoring a South Korean NGO to produce a report on children’s rights in the North, on the basis of emigrant testimony.\(^6\)


\(^{3}\) Ev 72 [FCO]

\(^{4}\) See paras 191-214 below.

\(^{5}\) BBC News’ online report of its coverage, including footage shot by the South Koreans, was headlined “Deadly risks in escaping N Korea”, via www.bbc.co.uk/news, 29 May 2008

\(^{6}\) Ev 67 [FCO]
164. The FCO told us that North Korea “is widely considered to have one of the worst human rights records in the world”. North Korea has featured as a “country of concern” in the FCO’s Human Rights Annual Report every year since the UK opened an Embassy in Pyongyang in 2001. Lord Malloch-Brown told us that North Korea “continues to abuse human rights on a massive, systematic scale”. The human rights situation in North Korea is assessed as “poor” by the US State Department, “abysmal” by Human Rights Watch and “grave” by the UN Special Rapporteur, who repeated in his latest report in August 2008 that there are “longstanding and systematic […] human rights transgressions […] which are highly visible, substantial and exponential”. In our Report on the latest FCO Human Rights Annual Report, we concluded that the human rights situation in North Korea was “extremely grave”, and the FCO agreed with this assessment.

165. On the basis of the information that is available, human rights concerns in North Korea that are raised consistently by international official and non-governmental bodies include the following:

- Professor Smith told us that “in terms of political freedoms, human rights are still non-existent.” There is no political competition, and no freedom of assembly or association, including no independent trade unions. The judiciary is not independent.

- North Korea has no independent media, and no freedom of expression or information. In Reporters Without Borders’ press freedom index, published annually since 2002, North Korea came last every year until 2007; in 2007 and 2008 it was second-last, ahead of Eritrea. No foreign books or magazines are available for open purchase, and the authorities control access to the internet on an individual need-to-know basis. Official permission is required to own a mobile phone or computer. In its submission to our inquiry, BBC Global News confirmed that radio and television sets are sold permanently pre-tuned to state stations, and are subject to regular inspection.

Apart from the specific sources cited, this list draws on the FCO’s submission to our inquiry, the FCO Human Rights Annual Report 2007, reports of the UN Special Rapporteur and the UN Secretary-General, and publications of Amnesty International and Human Rights Watch.

306 Ev 71
307 Q 114
309 North Korea country chapter, 2008 World Report, via www.hrw.org
313 Apart from the specific sources cited, this list draws on the FCO’s submission to our inquiry, the FCO Human Rights Annual Report 2007, reports of the UN Special Rapporteur and the UN Secretary-General, and publications of Amnesty International and Human Rights Watch.
314 Q 29
315 www.rsf.org
317 Ev 94
“ordinary North Koreans caught listening to foreign broadcasts risk harsh punishments, such as forced labour”. 318

- Movement within North Korea is, at least in theory, strictly controlled. Leaving North Korea without official permission is illegal and those who are caught or returned are often imprisoned and sometimes tortured or executed. 319

- The state is believed to distribute permits, jobs and goods at least partly on political grounds, according to a system by which it classifies the population into more and less politically reliable and deserving groups. For example, this applies to official permission to live in Pyongyang.

- There is no freedom of religion. The US designates North Korea a “Country of Particular Concern” under its International Religious Freedom Act. There is some organised religious activity, but it is largely under the control of the state; reports vary as to the existence of underground churches. 320

- In the sphere of criminal justice, North Korea employs detention without trial, and the detention of family members. Prison conditions are believed to be poor and detainees to suffer abuses, including sometimes torture.

- North Korea operates a system of prison and labour camps. The number of people being held in the camps is commonly put at around 200,000.

- North Korea employs the death penalty. The anti-death penalty NGO Hands Off Cain puts the numbers of executions at minimums of 13 in 2007, three in 2006 and 75 in 2005, and records 37 so far in 2008. 321 Execution is by hanging or shooting, including, it is reported, occasionally in public. Five categories of crime carry the death penalty, namely conspiracy against the state, high treason, terrorism, anti-national treachery and international murder. These categories are reportedly often interpreted broadly.

- As we discussed in Chapter Two above, North Korea has abducted a number of Japanese nationals. 322 In a report from February 2008, the UN Special Rapporteur said that North Korea may have abducted or otherwise be detaining nationals of perhaps another dozen countries. 323 The largest group is from South Korea. It comprises both prisoners-of-war and perhaps originally 80,000 non-combatants.

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318 Ev 92
319 Ev 108 [FCO]; see paras 196-210 below.
321 Year-by-year database at www.handsoffcain.info, as of September 2008
322 See paras 58-68.
from the Korean War period,\textsuperscript{324} plus what South Korea claims are 485 subsequent abductees.\textsuperscript{325}

166. North Korea is party to four of the major international human rights instruments: the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the Convention on the Rights of the Child, and the Convention on the Elimination of All Forms of Discrimination against Women. North Korea has not signed up to two further UN instruments to which the FCO has urged that it accede, namely the International Convention on the Elimination of All Forms of Racial Discrimination, and the Convention against Torture.

167. North Korea’s human rights record, its failure to meet its obligations under the human rights conventions to which it is party, and its failure to co-operate with the UN Special Rapporteur, have been condemned in a series of resolutions since 2003 by the former UN Commission on Human Rights, the new UN Human Rights Council, and the UN General Assembly.

168. The British Government makes human rights a focus of its North Korea policy. According to the FCO, the Government has “made it clear to the DPRK Government that [the UK] cannot extend the benefits of a full and normal bilateral relationship until [the UK has] evidence that it is addressing [the UK’s] concerns on issues such as human rights.”\textsuperscript{326} Lord Malloch-Brown told us that the Government uses “every opportunity that [it] can to raise the issue bilaterally”.\textsuperscript{327} The EU and the Embassies of other EU Member States in Pyongyang also raise human rights issues with North Korean interlocutors. The EU was one of the sponsors of the resolutions on North Korean human rights passed by the former UN Commission on Human Rights and by the UN General Assembly, and the UK and most other EU Member States also sponsored the resolution passed by the new UN Human Rights Council in March 2008.\textsuperscript{328} This resolution extended the mandate of the UN Special Rapporteur, at a time when there was a movement to terminate a number of country-specific mandates established by the former Commission on Human Rights. The FCO told us that the Government “worked closely with partners to ensure that [the Rapporteur’s mandate] was not weakened or abolished.”\textsuperscript{329}

169. Norma Kang Muico of Amnesty International told us that the UN regime of resolutions and the Special Rapporteur should be persisted with, despite its apparent failure to achieve any significant improvement in North Korea’s human rights practice. Ms Muico said that the UN mechanisms at least provided for a system of monitoring and reporting, and represented the “best hope”.\textsuperscript{330}
170. Ms Muico commended the work of the FCO, and especially the British Embassy in Pyongyang, on North Korean human rights. She said that the Government had “pressed on human rights issues” but had also “maintained a good relationship” with the North Korean authorities. Ms Muico suggested that the UK’s role as a “Government that is not the United States works in [its] favour.”\textsuperscript{331} Given the restrictions on the activities of international human rights NGOs in North Korea, Ms Muico also said that the Government could “provide a venue” for such organisations to speak.\textsuperscript{332}

171. The FCO’s Stephen Lillie told us that the FCO had “seen some reports from non-governmental organisations suggesting that when there is international pressure and international attention, there are limited changes” in North Korea’s human rights practice. However, he said that “the big picture—the overall trend—is still rather pessimistic.”\textsuperscript{333} Lord Malloch-Brown was frank enough to admit that the ability of the UK and its international partners to influence North Korea’s human rights practice was “very limited”.\textsuperscript{334}

172. The FCO told us that North Korea has “repeatedly invoked sovereignty, non-interference and cultural differences to avoid its human rights responsibilities.”\textsuperscript{335} Lord Malloch-Brown suggested that North Korea’s human rights practice was “the cost of a country that has essentially opted out of the international system.”\textsuperscript{336} It has been suggested that human rights abuses are intrinsic to the nature of the North Korean regime. Professor Smith told us that Pyongyang itself viewed matters in this way: she said that North Korea “understands ‘human rights’ talk as a synonym for ‘regime change’ talk” and that “a serious effort to support the North Korean population on human rights issues requires thinking about how to engage the DPRK Government in a human rights dialogue that is not conceived of by them as a way of promoting regime change.”\textsuperscript{337} Professor Smith recommended that “such discussion should be accompanied by offers of technical support”.\textsuperscript{338}

173. The Six-Party Talks process has prioritised denuclearisation over other policy goals which the parties involved may have as regards North Korea, including an improvement in human rights. However, Ms Muico told us that policy on denuclearisation and on human rights could and should be separated. The goal of denuclearisation did not require foreign Governments to refrain from pressing Pyongyang on human rights.\textsuperscript{339}

174. The FCO noted that South Korea has “to date […] been hesitant to openly criticise the human rights situation in the DPRK”,\textsuperscript{340} under its “sunshine policy” of engagement with

\textsuperscript{331} Q 57
\textsuperscript{332} Q 57
\textsuperscript{333} Q 116
\textsuperscript{334} Q 114
\textsuperscript{335} Ev 72
\textsuperscript{336} Q 114
\textsuperscript{337} Ev 85
\textsuperscript{338} Ev 86
\textsuperscript{339} Qq 52-3
\textsuperscript{340} Ev 67
the North. However, South Korea’s new President, President Lee, has said that he does intend to raise human rights issues and pursue an improvement in North Korea’s human rights practice, as part of his wider recalibration of policy towards the North. Until the Lee Administration took office, South Korea had not voted for resolutions condemning North Korea’s human rights practice at the former UN Commission on Human Rights, and had backed only one of the relevant General Assembly resolutions. Under its new Administration, South Korea voted in favour of the resolution on North Korean human rights at the Human Rights Council in March 2008. There are signs that the issue of North Korean human rights may be gaining in prominence among the political class and public in South Korea, as evidenced, for example, by the demonstrations during Chinese President Hu’s visit to Seoul in August 2008 against Beijing’s treatment of North Korean emigrants. Ms Muico told us that South Korea’s new position on North Korean human rights offered a “window of opportunity”.

175. We conclude that the North Korean regime is one of the worst human rights abusers in the world, that its human rights practice is an affront to the international community, and that the main reason that the issue is not the subject of a larger international outcry is because it remains too little known. We conclude that the work of the FCO in attempting to address North Korean human rights, both bilaterally and with international partners, is to be commended. Although we conclude that human rights abuses are deeply linked to the nature of the North Korean regime, we recommend that the Government’s efforts to address North Korea’s human rights abuses should avoid language which Pyongyang might construe as threatening, and should be couched in terms of reference to specific obligations under international instruments to which North Korea has signed up. We further recommend that enabling the acquisition of more human rights information from inside North Korea should be a major goal of the Government’s work, and that efforts should focus in particular on securing access for the UN Special Rapporteur. We further recommend that the Government should seek to co-ordinate its work on North Korean human rights with that of the South Korean Government, as Seoul’s new willingness to raise human rights issues with Pyongyang may come to represent an important strengthening of the international effort in this field.

176. In our Reports on the FCO’s Human Rights Annual Reports since the new UN Human Rights Council was established in 2006, we have discussed criticisms that the new body has not so far developed a body of credible and even-handed positions against human rights abuses in all parts of the world. A new mechanism introduced in the framework of the Human Rights Council is the Universal Periodic Review (UPR). This is a peer review process, for all member states, in which three randomly selected member states review the human rights performance of the state in question every four years. Japan and South Korea were among the first states to undergo the process, in 2008; we discuss their human

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241 For which, see paras 238-40 below.
242 See paras 241-5 below.
243 Q 54
rights records in Chapter Five below. \textsuperscript{346} North Korea is to undergo its UPR in December 2009. In its response to our Report on its \textit{Human Rights Annual Report 2007}, the FCO told us that the UPR mechanism would “be a particularly important priority for the Government” as regards its future work at the Human Rights Council. \textsuperscript{347}

177. The Committee welcomes the opportunity that was afforded to a member of the Committee to attend in a House of Commons representative capacity the 5th General Meeting of the International Parliamentarians’ Coalition for North Korean Refugees and Human Rights held in Seoul in October 2008.

178. \textit{Given the failure of UN mechanisms so far to achieve any significant improvement in North Korea’s human rights practice, we conclude that the Universal Periodic Review (UPR) which North Korea is to undergo at the UN Human Rights Council in December 2009 offers a major opportunity to advance the international effort to secure improvements in North Korean human rights, as well as to establish the credibility of the UPR process. We recommend that the Government should engage actively with Pyongyang and with international official and non-governmental partners to ensure that the potential of North Korea’s UPR process is realised to the maximum extent possible.}

\textbf{Food security}

179. North Korea is food insecure. It experienced a famine in the mid-to-late 1990s in which around one million people, roughly 5% of the population, are commonly reckoned to have died (although estimates vary widely). In the largest survey of North Koreans’ nutritional situation, conducted in 2004, well after the worst of the famine, 37% of children were still found to be chronically malnourished. \textsuperscript{348}

180. There are several sources of North Korea’s food insecurity. Opinions vary regarding the relative weight to give to natural factors as opposed to what the UN Special Rapporteur has called “mismanagement on the part of the authorities”. \textsuperscript{349} Professor Smith told us that North Korea “is not a natural [...] agricultural country”, and that in its more successful period its agriculture sector “relied heavily on agro-industrial inputs: electricity for irrigation; fertiliser, chemicals and pesticides”. \textsuperscript{350} Following the collapse of the Soviet Union, these inputs became much less readily available, just as energy and other inputs also became scarcer for industry. In turn, North Korea’s failure to produce significant manufactured goods capable of export constrains its ability to generate income with which to import food. The Soviet collapse also led to a significant reduction in food aid. In addition, North Korea is susceptible to seasonal flooding, which may be exacerbated by man-made deforestation.

\textsuperscript{346} Paras 376-408
\textsuperscript{348} “Child malnutrition rates in North Korea fall, but UN agencies say more help is needed to build on gains”, World Food Programme press release, 5 March 2005, via www.wfp.org
\textsuperscript{350} Q 28
181. In the face of the famine of the mid-1990s, the regime requested international assistance, most notably from the World Food Programme (WFP). Between 1995 and 2005, the WFP supported around one-third of the population with direct food aid. In 2005, North Korea announced that it no longer needed emergency assistance, and requested an end to such aid. In 2006, the WFP agreed with Pyongyang on a much scaled-down, two-year food aid operation, focused on longer-term needs. However, in 2006 and 2007, renewed flooding triggered a new WFP relief operation. The WFP has consistently found it difficult to secure sufficient contributions to its appeals for food aid for North Korea. Many states are reluctant to contribute to assistance for the country, partly owing to political considerations such as North Korea’s nuclear programme, and partly owing to doubts as to whether food aid reaches its intended recipients rather than the country’s elite. In March 2007, nearly half-way through the WFP’s two-year programme, donations were running at less than 20% of the required total, meaning that the WFP was unable to implement its full planned programme.

182. In addition to WFP assistance, North Korea has received food aid bilaterally from China and South Korea. These two states picked up much of the slack left by the significant withdrawal of Soviet/Russian assistance, although South Korea temporarily suspended its supplies after North Korea’s 2006 nuclear test. Professor Smith told us that “the humanitarian situation is kept afloat by aid from South Korea and China”, and that South Korea, in particular, “has been the main supplier of food and fertiliser to help North Koreans grow food over the past six or seven years.”

183. Norma Kang Muico of Amnesty International highlighted the advantages of WFP over bilateral food aid. Although the WFP has accepted some restrictions on its activities at Pyongyang’s insistence, Ms Muico told us that the agency was more likely to request and to secure better access and monitoring than has South Korea.

184. The year 2008 has seen North Korea’s food situation again deteriorate significantly. In April, the WFP warned that “it is increasingly likely that external assistance will be urgently required to avert a serious tragedy”. The UN Food and Agriculture Organisation has forecast that North Korea’s food deficit in 2008 will nearly double compared to 2007, and will be the largest since 2001. After the North Korean authorities allowed the WFP in June to carry out the most extensive survey of the situation since 2004, the organisation’s assessment was that “millions of vulnerable North Koreans are at risk of slipping towards precarious hunger levels”, and that the situation had not been as bad since the late 1990s.

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351 www.wfp.org
352 “WFP concerned about food shortfall in DPRK; seeks to increase aid”, WFP press release, 28 March 2007, via www.wfp.org
353 Q 29
354 Q 33
355 Qq 48, 50
357 Ibid.
Nearly three-quarters of households had reduced their food intake, and consumption of wild foods was up by nearly 20% compared with the 2003-05 period.\footnote{DPRK survey confirms deepening hunger for millions", WFP press release, 30 July 2008, and “Executive Summary: Rapid Food Security Assessment, Democratic People’s Republic of Korea”, World Food Programme, June/July 2008, via www.wfp.org}

185. North Korea’s 2008 food shortage partly reflects the effects of the 2007 flooding, followed by a dry winter. The 2007 cereals harvest was down by around 25% year-on-year.\footnote{WFP warns of potential humanitarian food crisis in DPRK following critically low harvest", WFP press release, 16 April 2008, via www.wfp.org} The effects on prices of North Korea’s production shortfall are being exacerbated by high global prices for food. These are affecting North Korea’s own ability to import food, the WFP’s effort to provide official food aid, and individuals’ purchases of food at unofficial private markets.\footnote{See para 216 below.} By June 2008, the price of rice in Pyongyang had nearly tripled and that of maize had quadrupled compared with a year earlier.\footnote{DPRK survey confirms deepening hunger for millions", WFP press release, 30 July 2008, via www.wfp.org}

186. Political factors are also contributing to North Korea’s food shortage. After coming to office in February 2008, South Korea’s President Lee announced that aid to the North would be made conditional on Pyongyang’s progress on denuclearisation and human rights.\footnote{See paras 241-5 below.} In response, North Korea declined to request further South Korean food aid. As of summer 2008, North Korea had received no food aid from the South during the year, and the North also did not receive fertiliser from the South in time for the spring 2008 planting season. The FCO forecasts that the main October/November harvest is likely to be down by 25-30%.\footnote{UN steps up aid to North Korea to avert famine", Financial Times, 3 September 2008} Meanwhile, food aid from China is reported to have nearly halved between 2005 and 2007,\footnote{US resumes North Korea food aid", BBC News online, 16 May 2008} partly because Beijing seeks to retain food stocks for its own population and thereby clamp down on domestic food price inflation.

187. In May 2008, the US announced that it was resuming food aid to North Korea, after a three-year hiatus since the end of the major WFP programme. The US is now contributing up to 500,000 tons of food, largely through the WFP, with the remainder being channelled through US charities. The US made its announcement after securing what it called “a substantial improvement in monitoring and access in order to allow for confirmation of receipt by the intended recipients”.\footnote{See para 116 above.} This came shortly after Pyongyang had provided large-scale documentation on its nuclear activities at Yongbyon,\footnote{Executive Summary: Rapid Food Security Assessment, Democratic People’s Republic of Korea”, World Food Programme, June/July 2008, via www.wfp.org} but the US said that the two events were unconnected. In June, the WFP announced an agreement with Pyongyang allowing a major expansion in the geographical scope of its aid programme and in the number of WFP workers in North Korea. The first shipment of US food aid arrived immediately after the announcement of the agreement.
188. The conjunction of a worsening food situation with a key stage in the denuclearisation process has prompted renewed discussion in 2008 about the use of food aid as a source of leverage over Pyongyang on other issues. Our witnesses were sceptical about this possibility. Lord Malloch-Brown told us that the North Korean regime “does not thank us for the generous food aid we provide and does not allow us to use it as a lever because of its lack of humanity towards its own people.” Norma Kang Muico of Amnesty agreed, saying that “what would normally work as leverage in most countries cannot be guaranteed to work with the North Koreans.”

189. Professor Smith told us that, in the longer term, both North Korea’s plans and those of the UN are based on the proposition that “if North Korea wants to feed its people, it needs to do something about developing and manufacturing export capacity so that it can buy food.”

190. We conclude that North Korea’s longstanding food shortage is an avoidable human tragedy and a matter of the gravest concern. Provided that conditions are felt to be in place that ensure the receipt of aid by the most needy, we recommend that the international community should do everything possible to respond to the food shortage. We conclude that the recent resumption of US food aid and expansion of World Food Programme access and monitoring in North Korea are to be welcomed. We recommend that the Government should point to the ongoing food crisis when discussing with North Korean interlocutors the possible advantages of further economic modernisation and international opening.

**Emigrants and China**

191. Since the famine of the mid-1990s, increasing numbers of North Koreans have been leaving the country. This is despite the fact that it is a criminal offence to leave North Korea without official permission, which is typically granted only to officials and a few favoured sportspeople and cultural figures, and that family members of those who leave illegally are routinely consigned to prison. The first destination of most North Koreans leaving the country is China. This is partly because it is easier to cross the long land border than to attempt a sea crossing or get across the heavily militarised border with South Korea, and partly because the Chinese population in the region next to the border includes a large group of ethnic Korean descent. The pull of the region as a destination is presumably now being augmented by the growing community there of more recent North Korean emigrants themselves. The border between North Korea and China can be crossed either in secret or by bribing border guards. Some would-be emigrants have been known to die in the attempt.

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367 Q 122  
368 Q 48  
369 Q 28  
371 “Deadly risks in escaping North Korea”, BBC News online, 29 May 2008
192. Some North Koreans going to China aim to settle there, and others to leave for a further destination, while others intend to return to North Korea, either after one trip or after repeated crossings. Human Rights Watch has noted that North Koreans in China include

those fleeing political and religious persecution, women who are in de facto marriages with Chinese men, those who have fallen victim to human trafficking, family members who are temporarily visiting China to meet their relatives (most without official permission) but intending to return home, people who escaped because of the food shortage or other economic reasons, and merchants who regularly cross the border for business either secretly or by bribing border guards.372

The diversity of North Koreans in China means that no single term is appropriate for the whole population; the FCO notes that those involved are referred to variously as “defectors”, “refugees”, “escapees” or “border-crossers”.373 In this Report, we use “emigrants” as the most neutral and inclusive term. The diversity of the group also adds to the difficulties involved in assessing its size: the FCO has said that estimates of the numbers of North Koreans in China range from 10,000 to 100,000.374 A 2007 report by the US Congressional Research Service noted that the official Chinese estimate was 10,000, the US State Department assumes 30,000-50,000, and some estimates range up to 300,000.375 North Korean emigrants to China include a particularly large share of women, who are especially vulnerable to human trafficking and other forms of exploitation.

193. North Korean emigrants in China almost all have illegal status there (as well as having committed a criminal offence under North Korean law, by leaving without permission). Under the 1951 UN Refugee Convention, to which China is a party, refugee status can be granted either by the authorities of the receiving state or by the UN refugee agency, the UNHCR.376 However, only a handful of North Koreans in China have received refugee status: the FCO told us that around 180 were registered as refugees with the UNHCR.377 The vast majority of North Koreans in China are not given the opportunity to apply for refugee status. China does not allow the UNHCR access to the border region which receives North Koreans,378 and it does not itself have a developed and accessible asylum application system.379 There are some reports of variation in the treatment of North Koreans in China by different local officials—perhaps, among Chinese-Korean officials, on the basis of co-ethnic fellow feeling.380 However, China’s habitual practice is to assume that

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373 Ev 71
376 Ev 106 [FCO]
377 Ev 106
the North Koreans whom it discovers are economic migrants and to deport them back to North Korea, without their having gone through a determination-of-status process. In its 2008 Annual Report, Amnesty International estimated that China is forcibly repatriating “hundreds” of North Koreans each month.\textsuperscript{381}

194. China’s asylum and deportation practice effectively obliges its North Korean immigrants to live in secret. This gives rise to human rights concerns, made especially serious because of China’s official identity registration system. As North Korean emigrants do not make themselves known to the authorities for fear of deportation, they cannot work legally or access many services. Some take on false identities. The problem is particularly acute for the large number of children born to Chinese fathers and North Korean mothers: the identity registration process which is required in order for them to access schooling risks revealing the nationality and illegal status of their mothers, thus exposing the mothers to the risk of deportation. The situation is even more difficult for children in China who are born of two North Korean parents.\textsuperscript{382}

195. Such assistance as is available to North Korean emigrants in China comes from networks of local Chinese people of Korean descent, and from small South Korean, Japanese, US and European NGOs. They tend to operate in a low-key manner, in order to avoid attracting the attention of the Chinese authorities.\textsuperscript{383}

196. Further human rights concerns arise from North Korea’s treatment of its nationals repatriated from China. As with all human rights issues relating to North Korea, it is difficult to obtain reliable information on this question. There are reports that North Koreans deported back from China have been subject to prison, labour or prison camp, torture, execution and, for women who have become pregnant by Chinese men, forced abortion.\textsuperscript{384} Human Rights Watch has reported that North Korea toughened its treatment of would-be or returned emigrants after 2004, but in 2007 both Human Rights Watch and the UN Special Rapporteur also noted reports that the treatment of captured emigrants had improved somewhat.\textsuperscript{385} Norma Kang Muico of Amnesty International told us that “the treatment of border-crossers is getting harsher, because numbers are growing and it is a huge embarrassment for the North Korean Government”, but also that some repatriates “tended to receive sentences that were less than what they would have been in previous years”.\textsuperscript{386} Stephen Lillie of the FCO noted “reports that suggest that the North Koreans

\textsuperscript{381} www.amnesty.org


\textsuperscript{386} Q 38
have stopped the practice of forced abortions on returnees from China”. There have been several suggestions that the North Korean authorities are increasingly differentiating on political grounds among repatriates from China, with those who are reported to have sought contact in China with foreign and/or Christian organisations receiving harsher punishment than those who appeared motivated by purely economic factors. Aidan Foster-Carter told us that “the degree of punishment can vary greatly”, and said overall that “there seems to be a growing arbitrariness” in North Korea’s practice regarding its returned nationals.

197. As already noted, China is a signatory to the 1951 UN Refugee Convention and its 1967 Protocol. The Convention obliges states parties not to expel persons formally recognised as refugees. It also grants certain rights before a determination of refugee status has been made, solely on the basis of a person’s physical presence in the state concerned. The most important right which is implied is the right to enter and to remain in the state, pending a determination of status. This is the result of the principle of non-refoulement—that is, that no-one should be returned to a state where their “life or freedom would be threatened on account of [their] race, religion, nationality, membership of a particular social group or political opinion”. This applies to people not yet formally recognised as refugees or not given the opportunity to apply for refugee status. Other such rights include freedom from arbitrary detention and rights to physical security, the necessities of life and family unity.

198. We asked Lord Malloch-Brown whether China’s treatment of North Korean emigrants constituted a breach of its international human rights obligations. We also sought additional written evidence from the FCO on this issue. We were told that:

- China would be in breach of its obligations under the Refugee Convention if it were to repatriate persons recognised as refugees.
- It is legitimate for China to distinguish between refugees and economic migrants. Lord Malloch-Brown reminded us that “just the fact that you are punished for illegally leaving your own country is not in itself grounds for being able to claim refugee status”. The Refugee Convention stipulates that refugees are those who are outside their country of nationality or habitual residence “owing to well-founded fear of being persecuted for reasons of race, nationality [or] membership of a particular group or political opinion”. However, as regards North Koreans in

387 Q 116
389 Q 29
390 Convention Relating to the Status of Refugees, 1951, Article 33, para 1
391 James C. Hathaway, The Rights of Refugees under International Law (Cambridge, 2005), chapters 3.1 and 4.1
392 Ev 106
393 Q 125
394 Convention Relating to the Status of Refugees, 1951, Article 1
China, Lord Malloch-Brown also told us that the Government did “not accept [China’s] position that all the people concerned are economic migrants.”

199. The Government’s position does not appear to address at least four possible violations of international refugee law which China may be committing:

- While it is legitimate to distinguish between refugees and economic migrants, China does not fulfil its obligation—implicitly required under the Refugee Convention—to provide North Korean emigrants with access to a process whereby such a determination of status may fairly be made.

- As noted above, the principle of non-refoulement—that is, the principle that no-one should be returned to a state where their “life or freedom would be threatened on account of [their] race, religion, nationality, membership of a particular social group or political opinion”—applies to people physically present in a state which is party to the Refugee Convention, whether or not they have been formally recognised as refugees or given the opportunity to apply for refugee status. In a document for the October 2008 meeting of the UNHCR Executive Committee, the High Commissioner said that the principle of non-refoulement “prohibits any form of forcible removal, whether direct or indirect, to a threat to life or freedom […] or to torture, cruel, inhuman or degrading treatment or punishment.” In a report to a meeting of its Standing Committee in March 2004, UNHCR said that it “rem[ained] deeply concerned that [North Koreans in China] do not have access to a refugee status determination process and are not protected from refoulement”.

- Many North Koreans in China may have left North Korea for economic reasons, rather than owing to fear of political persecution, and may therefore not have been refugees. However, international law recognises the concept of “refugee sur place”—that is, a person who was not a refugee when he left his country but who becomes a refugee at a later date. Such refugees may include someone who acquires a well-founded fear of persecution for a Convention reason in his original country simply through the act of leaving it. What seems to be the growing arbitrariness of North Korea’s treatment of returned emigrants might make it difficult to determine the applicability of the concept as regards North Koreans in China.

- States parties to the Refugee Convention are obliged to “to co-operate with the Office of the United Nations High Commissioner for Refugees […] and […] in particular [to] facilitate its duty of supervising the application of the provisions of
China’s refusal to allow the UNHCR access to the border region which receives North Korean emigrants would appear to be a clear breach of this obligation.

Apart from the UN Refugee Convention, a number of other international and regional conventions also contain (or have authoritatively been interpreted as containing) prohibitions on *refoulement*, notably as a component part of the prohibition on torture or cruel, inhuman or degrading treatment or punishment. Principal amongst these is Article 3 of the 1984 Torture Convention, to which China is a party. This article prohibits a state party from returning “a person to another state where there are substantial grounds for believing that he would be in danger of being subjected to torture”, and says that for the purposes of making a determination on this question the authorities “shall take into account […] the existence in the state concerned of a consistent pattern of gross, flagrant or mass violations of human rights”.

China’s position with regard to North Korean emigrants is complicated because China and North Korea have a bilateral repatriation agreement dating from 1986. China claims that, under this agreement, it is obliged to return all North Korean emigrants. However, bilateral agreements do not override international obligations.

Lord Malloch-Brown told us that the issue of North Korean emigrants was one that the Government had raised in both the bilateral UK-China and the EU-China human rights dialogues. The FCO has said that the Government “regularly urge[s] China to allow the UN High Commissioner for Refugees access to the border region and to observe its obligations under the 1951 Convention” and Lord Malloch-Brown told us that the Government had told China about its rejection of Beijing’s claim that all North Koreans there are economic migrants. In previous Reports, we have consistently expressed scepticism about the effectiveness of the UK-China human rights dialogue.

As regards action at the UN, the FCO noted that “there is no enforcement mechanism for the [Refugee] Convention, but member states and the UNHCR can call on a member state to comply with the terms of the conventions if they believe a breach has taken place.” The FCO said that “the UK has not yet done so in this case, judging that it was more effective to raise this bilaterally and through the EU.” The FCO told us that it was “considering raising the issue at the next [UNHCR] Executive Committee meeting in October”. In November, the FCO confirmed that it had not done so, “because we felt that it would be more effective to concentrate our efforts on the resolution on DPRK...
human rights which the EU is currently sponsoring at the UN General Assembly (UNGA). However, we will discuss this matter at working level with the UNHCR.” Writing in early November, the FCO further told us that “the text of the UNGA resolution is still being finalised, but it includes a reference to the harsh penalties imposed upon returnees to the DPRK and calls on all States to respect the principle of non-refoulement (i.e. not returning refugees to their country of origin).”

204. In its North Korean Human Rights Reauthorization Act of 2008, passed in January 2008 to update the 2004 North Korean Human Rights Act, the US Congress called on China to “immediately halt its forcible repatriation of North Koreans”; fulfil its obligations under the Refugee Convention and 1967 Protocol; and allow the UNHCR “unimpeded access to North Koreans inside China to determine whether they are refugees and whether they require assistance.”

205. As noted in our discussion above, South Korea has so far tended not to raise North Korean human rights issues. However, at the two leaders’ summit in Seoul in August 2008, South Korea’s new President, President Lee, urged China’s President Hu not to repatriate North Koreans against their will.

206. China faces a number of sensitive political considerations in deciding on its handling of the issue of North Korean emigrants. Given its alliance with Pyongyang, it might be politically awkward for Beijing to recognise North Korean emigrants as refugees—especially because of the international criticism which China itself faces on a number of the human rights questions also at issue in North Korea. As chair of the Six-Party Talks, China has a special responsibility to consider the wider political and security implications of developments in North Korea. Any significant easing of the conditions facing North Koreans in China might encourage a larger emigration flow, possibly leading to what would be for China an undesirable destabilisation of North Korea, as well as of the Chinese border region. Given that there is a settled population of Korean descent in the border region, Beijing may also see further North Korean immigration as potentially giving rise to a new ethnic minority issue. On the other hand, it has been suggested that Beijing may believe that allowing the influx—without recognising those arriving as refugees—acts as a helpful “safety valve” for the North Korean regime in some respects.

207. The weaknesses of China’s practice as regards immigrants are not confined to North Koreans. China has no national legislation implementing the provisions of the 1951 Refugee Convention or its 1967 Protocol. In its 2007 Country Operations Plan for China, UNHCR said that it planned a “major shift in focus and strategy”, away from providing direct assistance to refugees, to encouraging the Chinese authorities to develop

\[409\] Ev 109
\[411\] See para 174.
\[412\] “Lee urges Hu not to repatriate N Koreans”, Korea Herald, 26 August 2008
“national refugee regulations that comply with international protection standards” and to provide a legal status that will facilitate refugees’ local integration.415

208. We referred in our earlier discussion of human rights in North Korea to the new Universal Periodic Review (UPR) mechanism at the UN Human Rights Council.416 China is to undergo its first UPR in February 2009.

209. We conclude that China is in breach of its obligations under the 1951 Refugee Convention as regards its treatment of North Korean emigrants—specifically, its failure to allow them access to a determination-of-status process, and its practice of repatriation without ensuring that deportees will not be subject to persecution, torture or cruel, inhuman or degrading treatment or punishment in North Korea. We further conclude that China’s practice as regards North Korean emigrants places them in a distressing and dangerous situation. Especially given its view that North Koreans in China include people who are not economic migrants, we recommend that the Government should press harder on the issue of Beijing’s treatment of North Korean emigrants, in its bilateral dealings with China, at EU level, and at the UNHCR. We recommend that in this effort the Government should prioritise the aims of: halting forced deportations from China to North Korea; securing access to the Chinese/North Korean border region for the UNHCR; and seeing the development in China of a legal regime allowing the regularisation of the status of North Koreans there, and above all of children with a North Korean parent. We recommend that in its response to this Report, and again in its 2008 Human Rights Annual Report, the FCO should report on the progress being made towards these aims. We further recommend that the Government should ensure that the issue of Beijing’s treatment of North Korean emigrants is raised effectively as part of China’s Universal Periodic Review process at the UN Human Rights Council in 2009.

210. Given what appears to be rising interest in South Korea in pressing the issue of China’s treatment of North Korean emigrants, and given South Korea’s intimate connection with North Korea and its relationship with China, we recommend that the Government should consult on policy regarding North Koreans in China with the Government in Seoul.

211. Among the countries to which North Korean emigrants move on from China, South Korea takes the largest numbers. The number of North Koreans arriving in the South each year is estimated to be rising by several hundred a year, with the FCO putting the annual influx now at around 2,000.417 The total population of North Koreans in the South is reckoned at around 10,000. South Korea’s constitution commits it to granting citizenship automatically to arriving North Koreans. Despite the common language and the provision for them of dedicated integration programmes, there are reports of North Koreans finding it socially and psychologically difficult to integrate into South Korean society.418

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416 See para 176 above.
212. Smaller numbers of North Korean emigrants are found in a range of other countries in South-East Asia, including Laos, Burma and Vietnam. Thailand appears to be taking the largest numbers. Bangkok’s capacity to deal satisfactorily with North Korean emigrants appears to be coming under strain: Amnesty International has reported that North Koreans have been subject to mass arrests there, and Human Rights Watch has referred to their being held in “overcrowded immigration detention centres”. Unlike China, Thailand is not a party to the UN Refugee Convention or its 1967 Protocol, leaving North Korean emigrants there especially vulnerable.

213. Some North Koreans in China leave northwards for Mongolia, often as another step towards another eventual destination. Although Mongolia is not party to the Refugee Convention, it does not repatriate North Koreans, and the UN Special Rapporteur has noted that its policy towards them “has been based upon humanitarian considerations”. Mongolia also has a separate official guest worker programme with Pyongyang, bringing North Koreans to Mongolia to work. In August 2008, Human Rights Watch called on the Mongolian authorities to ensure that the rights of North Korean guest workers were safeguarded.

214. We conclude that the growing outflow of North Koreans from North Korea is creating an emigrant population in several parts of Asia whose human rights are systematically vulnerable. We recommend that the FCO should ensure that its Posts in relevant locations are aware of the issue and ready to assist both the individuals concerned and host Governments as needed.

Regime reform and stability

215. The nature and stability of the North Korean regime have security implications for the region and beyond. This is partly because of the country’s weapons materials and capabilities, and partly because any breakdown in North Korea could generate new security risks, including an early unmanageable outflow of people, primarily to China.

Developments at the grass roots

216. In discussing prospects for North Korea with us, Aidan Foster-Carter identified three issues. One was developments at the “grass roots”, among the North Korean population. Official structures in North Korea formally remain rigid and restrictive. However, there is now widespread agreement among researchers and visitors that the total social control and discipline previously exercised by the regime has weakened significantly over the last

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419 Amnesty International Report 2007, via www.amnesty.org
420 North Korea country chapter, 2008 World Report, via www.hrw.org
423 Q 27

- As a result of the famine, the state food distribution system collapsed, and people were obliged to fall back on their own resources. In the economy more generally, Dr Kong told us that “North Korea’s economic collapse of the 1990s led to the spontaneous rise of non-state economic activities (especially private farming, light manufacturing and primitive markets) as the state could no longer provide employment and goods for the desperate population”. He referred to North Korea’s “fledgling private economy”.\footnote{Ev 102} Professor Smith concurred that “people have much more access to individual decision-making—they are making their own decisions about their day-to-day economic transactions because the state does not provide them”.\footnote{Q 29}

- The development of traffic across the North Korean-Chinese border has resulted, in Aidan Foster-Carter’s words, in “a partial breakdown of the information quarantine”.\footnote{Q 27} This has resulted both from exposure to China itself and from the goods which can be obtained in China and brought back across the border—above all, recordings of South Korean films and television programmes. The FCO reported “anecdotal evidence […] suggest[ing] that increased numbers of illegal radio sets are being smuggled into the DPRK from China, and that more people are listening to foreign radio broadcasts.”\footnote{Ev 72}

- However restricted their number and activities, the influx of foreign aid workers since the mid-1990s has brought some North Koreans a further form of contact with the outside world.

- Officials no longer always enforce laws and regulations. As a result of economic hardship, they may be occupied themselves with trying to survive, and reportedly are now widely susceptible to bribes. The relaxation applies in particular as regards restrictions on movement. Professor Smith told us that “there is more ability to move around in the country, if you can walk, that is, because you will not usually have access to petrol or cars.”\footnote{Q 29}

217. As regards the possible political implications of the breakdown in state capacity, Professor Smith told us that there was now a “crisis of legitimacy”\footnote{Q 23} in North Korea, and
that she thought that the Government was “very fragile”. In her written submission, she referred to “signs of instability in North Korea whose outcomes are not at all clear”. Aidan Foster-Carter said that:

the tensions are growing. The pressures on the regime and its long-suffering people are acute, and they grow worse. The fact that the regime has been able to keep things under control so far does not mean that it can do it for ever.

He noted that “one is beginning to hear reports of people going to Government offices and protesting, and not immediately being carted away”.

Professor Smith was cautious about expecting any manifestations of mass discontent. She told us that revolutions are not really made by hungry people. Revolutions are made by people who have a little bit of a stake in the system and who do not have to worry about literally getting enough food to feed themselves and their families at the end of the week. Now, in North Korea, with a population of about 23 million people, probably about half the country is still worried enough about food, particularly when the harvest has run out, in terms of its distribution. The urban areas do not have access to their own stores, so this is the top priority. Those people, including the people that might in another system be thinking about political change, such as white collar workers, teachers, doctors and local government officers working throughout the country, are spending their time thinking about food and survival—literally, survival. [...] While there are continuing food shortages, there is a lack of legitimacy for the Government, but there are also bigger priorities than overturning the Government—that is, making sure people are alive.

Professor Smith said that these considerations probably also applied to the military, at the “foot soldier” level.

Rather than revolutionary change, Dr Kong suggested that the international community should “look to the social transformation of North Korea over a long time frame driven by improved living standards, spread of the profit motive and generational change (i.e. North Korea as a slow motion replay of China or Vietnam).”

Debates within the elite about reform

The second issue identified by Mr Foster-Carter was that of debates within the elite about reform. Professor Smith told us that “the structure within the North Korean state
is not a monolithic entity, contrary to outside conventional knowledge. There are real divisions [...] there are different interests at stake.”

221. On the one hand, Professor Smith said that there were “people from the Foreign Ministry and the Ministry for Foreign Trade who travel abroad, and they are fully aware that they need to do some sort of deal with the international community”. She said that “lots of learning takes place at the Foreign Ministry and the Ministry of Trade, even at the top, and that can be effective when the very big issues are at stake.” On the other hand, she said that “the structure is such that everything that goes in [...] must then go through another layer, which is the security or the military apparatus [who] [...] are not in direct touch with foreigners”. Professor Smith said that these figures can access hard currency with the partially broken-down state economy as it is, without further reform. Professor Smith said that this “powerful layer [...] is capable of keeping a block on, or at least entering into negotiations that have the effect of, paralysing progress.”

222. Our witnesses were in agreement that, for the North Korean regime, the question of economic reform was intimately connected to the question of denuclearisation. In Aidan Foster-Carter’s words, “one imagines people who are on one side on that issue or the other.” Dr Kong explained that North Korean decisions on these two issues were mutually reinforcing. On the one hand, he said that “a secure external environment (centred on improving relations with the US and the opportunities for aid and investment that flow from normalisation) is a necessary but insufficient condition for the introduction of substantive market reform in North Korea.” In Dr Kong’s view, also necessary would be “the acceptance of the principle of reform amongst North Korean leaders.” In turn, he said, “readiness for substantive reform will reinforce denuclearisation”.

223. North Korea introduced some limited economic reforms in 2002, mainly some liberalisation of prices. The measures are usually seen now as an attempt by the regime to accommodate changes that had already occurred spontaneously, rather than as the launch of a new economic course. Aidan Foster-Carter said that the measures had “not been radical enough to be effective”. Moreover, Dr Kong reported that the regime has subsequently been seeking to reassert some state control. Lord Malloch-Brown likened North Korea’s reform steps so far to

some of the communist reform initiatives of [former Cuban leader Fidel] Castro at a certain point, allowing a small enclave for overseas industrial investment and a little bit of liberalisation of prices in some areas. However, the fundamental state system is still in place.

\[Q 22\]
\[Q 22\]
\[Q 27\]
\[Ev 101\]
\[Ev 101\]
\[Q 27\]
\[Ev 102\]
Lord Malloch-Brown did not see prospects for fundamental economic reform in North Korea without a change of government.447

224. Given China’s influence over Pyongyang, and the conspicuous economic growth which China has posted in recent years as a result of market reforms and integration into the international economy, there has been considerable discussion of the extent to which China might act as an economic reform model for North Korea. We already raised this issue in our Report on East Asia in 2006.448 For our present inquiry, the FCO’s Stephen Lillie told us:

What the North Koreans have clearly not done is made the Chinese calculation that embracing economic reform will ensure the sustainability of their own system. They have taken rather the opposite view and fear very much that moving down a real process of economic reform would be the beginning of the end.449

225. Dr Kong concurred that, “historically Kim Il-sung and Kim Jong-il have been lukewarm about Chinese-style market reforms”, because “concerns about loss of economic control and social challenges to the regime always outweighed concerns about productivity.” Dr Kong also said that “the small size of North Korea and its weak position vis-à-vis South Korea means that the North Korean leadership feels more vulnerable than its counterparts in China or Vietnam”, making its likely “approach to economic reform […] more cautious.”450 This is the argument also made by the noted North Korea-watcher Professor Andrei Lankov, who believes that the regime sees Chinese-style reforms as likely to lead to its own demise and takeover by Seoul.451

226. His views about the regime’s past attitude notwithstanding, Dr Kong told us that North Korean leaders now “seem to have reappraised the Chinese experience.” He pointed to “Kim Jong-il’s praise for the Chinese model (especially the special economic zones), the dispatch of economics students to China, and […] the enticement of Chinese entrepreneurs by the North Korean authorities.” Dr Kong identified “grounds for expecting North Korea to increasingly copy aspects of Chinese reform.” He noted that some of China’s initial reforms were introduced simply to sanction spontaneous non-state economic processes, of the kind now underway in North Korea; and that China now has a major influence over the North Korean economy, “through its leading role as aid provider, trade partner and foreign investor”. China’s share of North Korea’s foreign trade rose from 28% to 43% between 2001 and 2005. Most importantly, Dr Kong said that “the impressive results of China’s modernisation demonstrate to North Korean leaders a route for long term regime survival by promoting economic growth without surrendering the monopoly of power.”452

447 Q 116
448 Foreign Affairs Committee, Seventh Report of Session 2005-06, East Asia, HC 860-I, paras 213-20
449 Q 116
450 Ev 102
452 Ev 102
227. Dr Kong suggested that there were two other possible scenarios for North Korea’s economic course apart from major Chinese-style reform. These were: first, to invite limited and controlled foreign participation in some areas of the economy, while largely maintaining centralised state control; and, second, a “muddling through” model, involving simply ensuring continued flows of aid and foreign currency as at present. Dr Kong said that a decision to “muddle through” would be most likely to lead Pyongyang to “keep the nuclear threat alive as a bargaining counter”. However, he suggested that “even the most conservative North Korean leaders are likely to be aware of the limits of muddling through”. 453 Professor Smith told us that economic development was one of the regime’s two core policy aims. 454

228. We conclude that the absence of market reform in the official North Korean economy contributes to the international risks which the regime represents, by failing to generate incentives for improved relations with the West, and by fuelling the regime’s need to generate income from sales of weapons and illegal goods in the absence of alternative exports. We further conclude that, although the forces working against economic reform in North Korea are powerful, the Government should not assume that there is no possibility at all of more meaningful reform under the present regime. We recommend that the Government should remain alert so as to identify and cultivate any elements in the regime which may be open to further economic reform.

The succession to Kim Jong-il

229. The third issue identified by Mr Foster-Carter, and a major one at present, was that of the succession to Kim Jong-il. The North Korean leader is 66, and has been believed for some time to have health problems. Although there have been extended periods in the past when Kim Jong-il has not been seen in public, a renewed flurry of succession speculation was prompted when he failed to appear on the 60th anniversary of the founding of North Korea, on 9 September 2008, having last been seen in mid-August. Kim Jong-il had appeared at the ceremonies marking the 55th and 50th anniversaries. South Korean intelligence sources were reported to have concluded that the North Korean leader had suffered a stroke. North Korean officials denied that he was unwell. 455

230. On 4 October, official North Korean media reported that Kim Jong-il had again made a public appearance, attending a football match. On 11 October, North Korea published photographs of Mr Kim, but US and South Korean officials raised doubts that they had been taken recently. Kim Jong-il reportedly did not appear on 10 October at the ceremonies marking the anniversary of the foundation of the ruling Korean Workers’ Party. 456 The North Korean authorities published further photographs of Mr Kim in early November.

453 Ev 102
454 Ev 82
455 “North Korea leader ‘recovering’”, BBC News online, 10 September 2008
456 “Kim Jong-il ‘at football match’”, BBC News online, 4 October 2008; “Doubts raised over Kim’s latest photos”, Korea Herald, 13 October 2008
231. Aidan Foster-Carter told us that Kim Jong-il was handling the succession issue very differently to his father. When Kim Il-sung was the age that Kim Jong-il is now, Mr Foster-Carter said, the latter’s “dauphinhood, if there is such a word, was already being arranged”. Kim Jong-il was publicly groomed for the leadership through a succession of official positions over a long period. As leader, however, Kim Jong-il now reportedly bans discussion of the succession issue even in private. None of his children appears to have been picked as the future leader. The speculation amongst commentators in September 2008 about a post-Kim Jong-il North Korea included scenarios for another dynastic succession, the elevation of a senior civilian official not belonging to the Kim family, some form of collective or mixed leadership, a military takeover, and a breakdown of central authority, with local officials taking control of their own areas. Aidan Foster-Carter summed up the lack of certainty about the succession by saying, “If [Kim Jong-il] were to have the heart attack tomorrow […] all bets for North Korea are off”.

232. In an article published even before the latest speculation surrounding Kim Jong-il’s health, the former Director for Asian Affairs at the US National Security Council, Victor Cha, said: “Is there a plan in place if something happens in North Korea tomorrow? The answer is no.” Professor Smith told us that “there has been some discussion in the United States and South Korea of contingency planning”, but in September The Economist reported that “Chinese, American and South Korean officials admit [that] so far they have drawn up only the sketchiest contingency plans among themselves.” Our impression from our visit to the region was also of uncertainty surrounding possible scenarios.

233. Professor Smith recommended that “the UK Government should work with its European partners in the EU to establish a contingency framework of support to regional partners in the event of a major public order and/or humanitarian crisis in the Korean peninsula.” In its “Guidelines on the EU’s Foreign and Security Policy in East Asia”, approved in 2005 and published in 2007, the EU Council identified stability on the Korean peninsula as a key EU interest in the region.

234. Given North Korea’s possession of WMD materials, we conclude that the degree of uncertainty surrounding possible future political developments in the country is worrying. We conclude that, given the lessening in the regime’s social control since North Korea’s last leadership succession, and the apparently enhanced likelihood that

457 Q 27
458 Q 27
460 Q 27
461 “We have no plan”, Chosun Ilbo, 9 June 2008
462 Ev 85
463 “Jaw-jaw. The international consequences of North Korea, and all the talk about it”, The Economist, 27 September 2008
464 Ev 85
Kim Jong-il is suffering from health problems, the international community should have a set of co-ordinated plans in place for sudden change in the situation in North Korea. We further conclude that, although the parties to the Six-Party Talks would be the lead states in any international response, the UK and the EU would be likely to be called upon to assist and would have an interest in doing so. We appreciate that there are reasons why it may be sensible not to discuss plans in public, but we recommend that in its response to this Report, the Government should provide assurance that such planning is being undertaken.

**North-South Korea relations**

235. South and North Korea technically remain at war. No peace agreement has ever been reached bringing the Korean War formally to an end. Fundamental security arrangements on the Korean peninsula continue to be governed by the Armistice signed in July 1953 between UN Command (Korea) on the one hand, and the North Korean and Chinese military commanders on the other. South Korea is a party rather than a signatory to the Armistice.

236. South Korea’s defence posture is directed overwhelmingly against the risk of renewed conflict with the North. There have been numerous small-scale clashes and Armistice violations between the two sides since 1953, largely as a result of incursions by North Korea. We saw for ourselves during our visit that the Demilitarised Zone (DMZ) between North and South remains tense and heavily militarised. The most recent serious incident was a naval skirmish in 2002 in which four South Korean sailors died. We heard during our visit that the most likely location for renewed clashes remained the West Sea, where the maritime border is disputed and there are key fishing grounds. The FCO’s assessment is that another “war between the two Koreas […] [is] unlikely, [but] would have disastrous consequences for the Korean peninsula.”

237. The two Koreas have in principle been officially committed to consensual reunification at least since a declaration to that effect in 1972. The nature of the policy which should be pursued towards the North so as to facilitate that ultimate goal has been a central controversy in South Korean politics in recent years.

**Beyond the “sunshine policy”**

238. After taking office in 1998, former liberal President Kim Dae-jung launched South Korea’s first policy of concrete engagement with the North, known as the “sunshine policy”. Kim Dae-jung’s successor, former President Roh, essentially persisted with the approach. Under the “sunshine policy”, South Korea sought to cultivate the North, and extended economic assistance. The policy saw the holding of the first North-South summits, in Pyongyang in 2000 and 2007, between Chairman Kim Jong-il and former South Korean Presidents Kim and Roh, respectively. The policy has also involved visits between some of the families left divided by the North-South border; the provision of food aid, fertiliser and other economic assistance by the South to the North; the

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466 Ev 52

467 See para 182 above.
encouragement of bilateral trade; the opening of two major South Korean-funded economic projects in the North, the Mount Kumgang tourism project and the Kaesong Industrial Complex (KIC);\(^{468}\) and the opening of two transit corridors across the Demilitarised Zone—in the West to the KIC and Kaesong city, and in the East to Mount Kumgang—allowing some controlled access for South Koreans into the North. At their summit in October 2007, shortly before President Roh left office, he and Chairman Kim agreed on a number of further co-operation projects. Former South Korean President Kim was awarded the Nobel Prize in 2000 partly for “his work […] for peace and reconciliation with North Korea”.\(^{469}\)

239. One of our witnesses, Dr Hoare, has characterised the “sunshine policy” as

essentially an acceptance that the DPRK was not about to suddenly disappear […] instead of ‘unification policy’ the government would begin to talk about ‘policy towards the North’. There would be no attempt to undermine the North.\(^{470}\)

240. While the “sunshine policy” accepted North Korea’s existence, it was seen by some of its supporters as a means of encouraging change in the nature of the North Korean regime that might eventually facilitate any reunification. The FCO told us that:

South Korea hopes that by exposing the DPRK to outside influences, and improving basic infrastructure, the regime will see the benefits of engagement and becoming a responsible member of the global community.\(^{471}\)

241. South Korea’s new conservative President, Lee Myung-bak, came to office in February 2008 promising a different approach to the North. He held out the prospect of greater economic engagement, with the aim of raising per capita income in North Korea to $3,000 a year. However, unlike his liberal predecessors, President Lee proposed to make engagement with the North conditional on the North’s steps towards denuclearisation.\(^{472}\) President Lee also proposed to take account of North Korea’s human rights performance. As noted earlier, under President Lee South Korea voted in favour of the March 2008 resolution at the UN Human Rights Council prolonging the mandate of the Special Rapporteur for human rights in North Korea. The Lee Administration said that humanitarian aid to the North would continue, but only if Pyongyang requested it. Implementation of other co-operation initiatives would depend on the North’s behaviour, and on an assessment of their value to and support in the South. President Lee’s new approach cast doubt over the implementation of the projects agreed between his predecessor and Chairman Kim at their October 2007 summit.

242. Dr Swenson-Wright told us that, whereas former President Roh had seen “engagement, in and of itself, as in turn producing success in terms of proliferation and nuclear discussions”, President Lee’s approach represented “a reversal of the

\(^{468}\) See paras 253-68 below.
\(^{469}\) www.nobelprize.org
\(^{470}\) Jim Hoare, “Does the sun still shine? The Republic of Korea’s policy of engagement with the Democratic People’s Republic of Korea”, Asian Affairs, March 2008, p 76
\(^{471}\) Ev 66
\(^{472}\) Ev 66 [FCO]
Supporters of President Lee’s new policy, in both the political class and the electorate, typically felt that his predecessors’ unconditional approach had not stopped the North Korean regime from developing a nuclear bomb, from remaining largely unchanged domestically, or from remaining fundamentally antagonistic to the South. Instead, some argued that the “sunshine policy” had merely propped up the regime, through food aid and hard currency, while reducing pressures for change. Lord Malloch-Brown indicated that the South’s tougher stance under President Lee was likely to be helpful, because it “increase[d] the need to hold the North to an even higher standard of verification of its actions” in the nuclear field.

243. Our witnesses stressed that President Lee was not proposing to abandon engagement with the North altogether. Dr Swenson-Wright told us that “on the commitment to reaching a positive outcome, [former President Roh and new President Lee] are not that far apart”. Lord Malloch-Brown told us that the Government saw “the basic policy as remaining unchanged, but with a good dose of scepticism […] the impact of the new President, if anything, will be to make things move more slowly and cautiously.”

244. President Lee’s new stance provoked a fierce reaction from Pyongyang. At the end of March 2008, North Korea expelled South Korean officials from the Kaesong Industrial Complex, and suspended official contacts with the South. It did not ask Seoul to provide it with food and fertiliser aid. A football World Cup qualifying match in late March between the two Koreas had to be moved from Pyongyang to Beijing, after the North refused to play the South’s national anthem.

245. In his address to the opening session of the new National Assembly in mid-July, President Lee said that “dialogue between the two Koreas must resume”, including dialogue on the implementation of projects agreed between Chairman Kim and former President Roh at their October 2007 summit. President Lee also offered renewed humanitarian aid and said that “inter-Korean relations should transcend changeovers in administrations”. However, what appeared to be President Lee’s shift to a more conciliatory stance was overshadowed by the shooting immediately before the speech of a South Korean tourist by a North Korean guard at the Mount Kumgang resort. North Korea did not co-operate with South Korea’s calls for an investigation into the incident, and in August it expelled South Korean workers from the resort. South Korea suspended tours to Mount Kumgang. At the opening ceremony for the August 2008 Beijing Olympics, the teams from the two Koreas marched separately for the first time since the 1996 Games.

473 Q 14
475 Q 117
476 Q 14
477 Q 117
479 “Relations unravelling between the Koreas; Tourist’s shooting sets back efforts on conciliation”, Boston Globe, 11 August 2008
246. Professor Smith enumerated what she saw as the benefits from South Korea’s engagement policy over the last decade. She told us that:

- “there is absolutely no doubt that many more North Koreans would be dead if it was not for South Korean assistance”;
- family reunions were “a huge achievement on a very personal and individual level”;
- increased contact had produced “increased understanding at some levels” in the two societies; and
- the maintenance of various channels of communication between North and South had produced greater “security predictability”; “the complete unpredictability of North Korea is long gone”, she judged.  

Dr Hoare similarly told us that the “sunshine policy” had been a “success”. He said that South Korea’s insistence on keeping open contacts with the North after Pyongyang’s missile and nuclear tests in 2006 had facilitated the re-launch of the Six-Party Talks. He also told us that he believed that “there is now […] a pro-South Korean constituency in the North, which will not willingly see the benefits it receives thrown away.”

247. Our witnesses also pointed to weaknesses of South Korean engagement policy so far. Professor Smith said that there had “not been enough paybacks on a political level”. She also suggested that there had not been enough soundly-based economic development, as opposed to politically-driven projects and humanitarian aid. Aidan Foster-Carter similarly suggested that South Korean engagement had not so far produced business conditions in the North sufficient to encourage South Korean firms operating on a normal commercial basis to wish to do business there.

248. On 1 October 2008, North and South Korea had their first official contacts since the Lee Administration took office. Military officials held a reportedly unproductive meeting, at the North’s instigation.

249. Dr Hoare, who as chargé d’affaires opened the British Embassy in Pyongyang in 2001, at the height of international optimism over the “sunshine policy” in the wake of the first North-South summit, said that the rationale for the UK’s decision to open diplomatic relations with Pyongyang was “to help the South Korean Government in their relations with North Korea.” Professor Smith told us that supporting North-South engagement was “something that the UK Government should still see as the centre of their priorities in the security realm in their relations with South Korea, supporting, though not blindly”.

480 Q 33
481 Ev 80
482 Q 33
483 Q 33
484 Q 33
485 “N Korea fires off insult as soon as military talks end”, Financial Times, 3 October 2008
486 Q 104
487 Q 32
250. We conclude that a breakdown in relations between North and South Korea would bring to an end opportunities for valuable human contacts, and increase insecurity on the Korean peninsula. We further conclude that it is legitimate for South Korea to attach conditions to its co-operation with the North. We recommend that the Government should continue to support North-South engagement.

251. Dr Hoare told us that, thanks to the greater accessibility of the North and information about it which had been secured under the “sunshine policy”, the country was now “viewed far more realistically” in the South.\textsuperscript{488} Elsewhere, he has written that this greater knowledge has had a “sobering effect on those who might have sought early reunification of the peninsula”.\textsuperscript{489} The difficulties which Germany has encountered under its reunification model have also contributed to a lessening of enthusiasm for reunification in Seoul. The Bank of Korea has estimated that, whereas the ratio of GDP per capita in West Germany compared to East Germany was around two-to-one, the figures for South compared to North Korea are around 17-to-one.\textsuperscript{490} Given South Korea’s ambitions for its own economy, it appears that the costs of reunification are not ones which Seoul would be keen quickly to bear. During our meetings there, we encountered no concrete plans for reunification, and no sense that this was considered to be a realistic prospect in the near future.

252. Aidan Foster-Carter drew our attention to a geoeconomic and geopolitical dimension to the debate about South Korea’s engagement policy. Mr Foster-Carter regards South Korea and China as “rivals for influence in Pyongyang”.\textsuperscript{491} He said that “there is great concern in South Korea […] that the Chinese have been buying up all the minerals in North Korea”. He suggested that, while South Korea might wish to try to use a policy of holding back on economic co-operation with the North in order to secure greater progress on denuclearisation, “there is powerful geopolitical and geoeconomic pressure to get in there and stop the Chinese, regardless of the nuclear issue”.\textsuperscript{492} We heard during our visit to the Kaesong Industrial Complex, for example, that the South Korean company behind the project, Hyundai Asan, was not making a profit from it but hoped to be in an advantageous position in North Korea as and when that country opened up to international business.

\textit{Kaesong Industrial Complex and the South Korea-EU Free Trade Agreement}

253. The Kaesong Industrial Complex (KIC) is the flagship project of South Korea’s “sunshine policy” of engagement with North Korea. When we visited the complex, in May 2008, we were the first UK parliamentarians to do so.\textsuperscript{493}

254. The KIC is in North Korea, just north of the Demilitarised Zone, and uses North Korean labour. The KIC was initiated and is being developed by the South Korean firm

\textsuperscript{488} Ev 80
\textsuperscript{489} Jim Hoare, “Does the sun still shine? The Republic of Korea’s policy of engagement with the Democratic People’s Republic of Korea”, Asian Affairs, March 2008, p 81
\textsuperscript{491} Q 33
\textsuperscript{492} Q 33
\textsuperscript{493} Unless otherwise stated, we gathered the information in this section during our visit, where we were hosted by the official South Korean Kaesong Industrial Management Committee (KIDMAC).
Hyundai Asan, which paid the North Korean regime $500 million for a 50-year lease on the land. Hyundai Asan sells the land use rights on to firms establishing operations at the complex. (Hyundai Asan is also behind the parallel Mount Kumgang tourism resort, where it also paid Pyongyang $500 million for the land use rights.) The KIC is open to firms of any nationality, but non-South Korean firms wishing to operate in the complex must have a subsidiary in the South and establish a joint venture with a South Korean firm.

255. The KIC is supported administratively and politically by the South Korean Government, which gives favourable tax treatment to the South Korean firms operating there. Transfers of goods between South Korea and the KIC are free of customs duty. South Korea provides the KIC’s electricity supply and has financed the infrastructural developments allowing access to the site across the Demilitarised Zone.

256. Production at the KIC started in 2004. At the time of our visit in May 2008, we were told that around 250 firms had committed to establishing operations at the complex, all of them from South Korea apart from one each from China, Germany and Japan (with discussions on possible involvement also underway with one firm each from France and the US). Around 70 firms had actually started operations, employing around 26,000 North Koreans and 1,000 South Koreans. The firms at the KIC are engaged overwhelmingly in light industry, producing mostly for the South Korean market. Production at the KIC in 2007 was worth $185 million, up from $15 million in 2005. Under Hyundai Asan’s plans, by 2020 the KIC would be employing perhaps 300,000-350,000 North Koreans and producing goods worth $20 billion, hosting more sophisticated production than at present and expanding to become a new “mini-city” including accommodation for some of its workers. However, expansion of the complex is not taking place at the pace foreseen by Hyundai Asan, and the KIC is now one of the projects where future development is in doubt following the changes in North Korea policy made by South Korean President Lee.

257. Our understanding from our visit was that supporters of the KIC view it as offering advantages to all parties. For the North Korean regime, the KIC is a source of hard currency. For South Korean governments pursuing the “sunshine policy”, the project offered economic development of the North and its exposure to South Korean business practices—as well as a means of improving South Korean competitiveness through access to lower-cost production. For South Korean firms, the KIC offers labour at a fraction of its cost in South Korea but less than an hour from Seoul. Our impression from the factories we visited was that South Korean firms operating at the KIC were using labour-intensive production processes which they might not find economic to employ at home.

258. As regards the hopes of its supporters that the KIC might encourage economic reform and opening in North Korea, Professor Smith suggested that project might push both ways. On the one hand, she pointed out that “South Koreans come in, talk to North Koreans and show them new economic practices as well as just engaging in normal conversation”. However, she also made the point that “in many ways, the Kaesong enterprise can reinstitute the old social and political controls that were prevalent in North Korea” before

484 See also Ev 66 [FCO] and “Big dreams for North Korean industrial park”, International Herald Tribune, 20 August 2008

485 See para 260 below.

486 Q 34
they began to break down.\footnote{See paras 216-9 above.} Professor Smith said that “in Kaesong, the paradox is that with South Korean investment, which is properly and efficiently organised, the old systems can be reinstated.”\footnote{Q 34} Overall, Professor Smith said that “politically […] it is a good thing that all this engagement takes place, but economically it acts as a subsidy for some very old-fashioned ways of operating in North Korea.”\footnote{Q 34} Lord Malloch-Brown told us that the KIC “is not indicative of a willingness to open up the economy as a whole. It is an opportunity of limited value. It is not the doorway to political and economic change in North Korea.”\footnote{Q 151}

259. The KIC is controversial internationally mainly because of conditions for its workers. Firms operating at the KIC do not employ or pay their North Korean workers directly. Rather, firms approach the management committee on the South Korean side, known as KIDMAC, with requests for workers. KIDMAC transmits such requests to its North Korean counterpart, which supplies the workers. We understood during our visit that only workers regarded as politically reliable would be given employment at the KIC, given that the jobs bring both contact with South Koreans and high wages, by North Korean standards.\footnote{See paras 260-2 below.} Firms operating at the KIC are able to reject workers supplied by the North Korean authorities who prove unsuitable. We heard that there had been a very few cases of the North Korean authorities removing workers from jobs at the KIC for political reasons.

260. Firms at the KIC transfer around $70 per month per worker to the North Korean authorities. (Salaries for equivalent workers in South Korea would be perhaps $1,500-$2,000.) Of the $70, we were told during our visit that 30% is retained by the North Korean authorities to cover social security costs. Of the rest, 50% is transferred to the workers in cash, in North Korean won converted at the official exchange rate (140-160 won to the dollar at the time of our visit in May, as opposed to the unofficial rate of around 4,700 to the dollar). The other half of the amount due to the workers can be drawn down in return for goods at special shops provided for this purpose in the KIC. Workers are paid indirectly despite the fact that the KIC labour law provides for direct payment. We were told during our visit that direct payment and employment may be implemented in future.

261. The FCO told us that the transfers of hard currency to the North Korean regime which are taking place as a result of the KIC project “may not contravene” UN Security Council Resolution 1718 of 2006, which banned member states from making funds available to entities supporting North Korea’s WMD programmes. However, the FCO noted that the “lack of transparency” surrounding the transfers was “problematic”.\footnote{Ev 52}

262. The FCO told us that “concerns have been raised by a number of human rights organisations about the absence of basic workers’ rights”\footnote{Ev 52} at the KIC. For example, Human Rights Watch judges that “the law governing working conditions in the KIC falls far short of international standards on freedom of association, the right to collective
bargaining, sex discrimination and harassment, and harmful child labour”.504 There are no trade unions or collective agreements at the KIC, and no meaningful workers’ representation.505 The legal position is complicated because South Korea is a member of the International Labour Organisation, but North Korea is not.

263. Norma Kang Muico of Amnesty International told us that “the work conditions in the [KIC] are, relatively speaking, fairly good”, that “many North Koreans would like to work at Kaesong”, and that overall the “net gain may be in the favour of the North Korean workers”.506 On the basis of the figures we were given during our visit, the wage received in won and in kind by workers at the KIC is equivalent to 6,860-7,840 won a month, whereas we understand that average earnings in North Korea are around 3,000-5,000 won a month. Ms Muico also said that “we cannot be complacent” and that “a lot more needs to be done in Kaesong to make the labour situation better”.507 Lord Malloch-Brown called the conditions at the KIC “unacceptable, even if a little better than the rest”; they reflected, he said, “a bit of a Faustian pact”.508

264. Conditions at the KIC are a policy issue for the UK and the rest of the EU because of the current negotiation of the South Korea-EU Free Trade Agreement (FTA).509 In the course of the negotiations, it will have to be determined whether goods produced at the KIC are to be included under the terms of the agreement, alongside goods produced in South Korea, and thus given improved access to the EU. Lord Malloch-Brown confirmed that South Korea was “pushing for goods that are produced at Kaesong to be covered” by the agreement.510

265. In the negotiations in 2006-07 over South Korea’s FTA with the US, Seoul similarly wanted the agreement to include the KIC, but Washington was opposed. Dr Hoare reminded us that—at the time, at least—the US was effectively banning trade with North Korea.511 In the end, the KORUS FTA did not include the KIC, but it did include an annex allowing the two parties to agree in future to extend its terms to cover designated “outward processing zones” in North Korea, subject to certain conditions. It is assumed that the KIC would count as such a zone. Human Rights Watch has argued that the annex would allow “outward processing zones” in North Korea to be included in the FTA while meeting labour standards weaker than those required of South Korea.512 Whereas the FTA holds South Korea to ILO standards, it provides that “outward processing zones” in North Korea are to be considered for inclusion in the agreement only “with due reference to the situation prevailing elsewhere in the local economy and the relevant international

504 North Korea country chapter, 2008 World Report, via www.hrw.org
506 Q 39
507 Q 39
508 Q 121
509 See paras 88-90 above.
510 Q 121
511 Q 92
norms”. Human Rights Watch has recommended that the South Korea-US FTA be amended so as to require “outward processing zones” in North Korea to meet the same labour standards as South Korea in order to be included in the agreement.

266. Lord Malloch-Brown told us that if the KIC were to be included in the South Korea-EU FTA he “imagine[d] that [the Government] would want human rights issues to be incorporated into the agreement”. Lord Malloch-Brown said that there was a “very evident” risk attached to not doing so, namely of “a flood of cheap goods into our markets for which there are no workers’ or human rights protections”. Lord Malloch-Brown said that we could be “absolutely confident” that the KIC was “not going to be allowed in [to the South Korea-EU FTA] without a set of conditions to govern it”, but he invited us to express our view as to the desirable content of those conditions.

267. Norma Kang Muico of Amnesty International told us that there was currently “a window of opportunity for South Korean companies and the South Korean Government to do more in terms of freedom of association, collective bargaining and best practices [at the KIC] using the labour standards of the International Labour Organisation of which South Korea is a member”.

268. We conclude that the current arrangements for the Kaesong Industrial Complex (KIC)—which allow South Korean firms to escape the International Labour Organisation standards to which they are subject at home, while providing non-transparent transfers of hard currency to the North Korean regime—are far from ideal. However, we also conclude that the contact between North and South Koreans, and exposure of North Koreans to South Korean business practices, which take place at the KIC are to be welcomed; and that the KIC offers much better pay and working conditions than are available elsewhere in North Korea. We recommend that the Government should seek to use the leverage which is afforded by South Korea’s wish to see the KIC included in the South Korea-EU Free Trade Agreement (FTA) to encourage improvements in the position of workers at the KIC, within a context of what is realistically achievable, and without jeopardising either the FTA or the continued operation and expansion of the Complex.

UK policy toward North Korea

269. The UK effectively recognised North Korea when it agreed to admit it, along with South Korea, to the UN in 1991. (The UK had recognised South Korea in 1948, and had full diplomatic relations with it since 1957.) The UK opened diplomatic relations with

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515 Q 121
516 Q 151
517 Q 151
518 Q 39
North Korea in 2000, and an Embassy in Pyongyang the following year. The UK is one of only seven EU Member States to maintain an Embassy there.\footnote{The others are Bulgaria, the Czech Republic, Germany, Poland, Romania and Sweden.}

270. As we noted in the Introduction to this Report, Lord Malloch-Brown told us that the Government sees the UK as being in the “second row” of states as regards dealing with North Korea, the first row being constituted by the participants in the Six-Party Talks.\footnote{Q 110} Our witnesses concurred that the UK did not, and could not be expected to, take a lead role on the Korean peninsula.\footnote{Qq 25, 31 [Professor Smith], Q 104 [Dr Hoare]}

271. Professor Smith, who accepted that the UK had a secondary role with regard to North Korea, argued nevertheless that the UK had a comparative advantage regarding the international effort to denuclearise that country, which it could usefully exploit more actively if it chose to do so. The UK’s advantage, she said, lay in “being both close to the US as a valued ally and at the same time having diplomatic relations with the DPRK”. The UK’s diplomatic relations with Pyongyang involve not only maintaining an Embassy there, but also hosting what Professor Smith called “high-level ambassadors” heading the North Korean Embassy in London.\footnote{Q 25}

272. Professor Smith said that the UK should use its position to support confidence-building between the US and North Korea. She said that “there [was] still a lack of trust between the two major protagonists” which made negotiations difficult.\footnote{Q 21} Dr Kong made the same point.\footnote{Ev 86} Professor Smith suggested that the UK could in particular facilitate “track-two” meetings, at which policy-makers and academics could discuss security matters, perhaps organised in terms of the themes being tackled in the working groups of the Six-Party Talks. Professor Smith recognised that this would require a commitment of FCO resources.\footnote{Qq 25, 31} However, she said that the UK was “in a very privileged position, in terms of its relationships with the key players, to provide forums for that sort of trust-building exercise”, and that “supporting confidence-building between the two major protagonists is […] the single most important thing that the UK Government could do in the short term to facilitate denuclearisation in the Korean peninsula.”\footnote{Ev 83}

273. We conclude that, while the UK is not in the frontline of the international effort to secure North Korea’s denuclearisation, it occupies a special position as a close US ally which has diplomatic relations with Pyongyang. Especially given the difficulties into which the denuclearisation process ran in August-September 2008, we recommend that the Government should ask both North Korea and the US whether, coming to the process as a fresh element, it could facilitate any meetings which would help to strengthen the process.

\footnote{Ev 83}
274. Professor Smith said that a further important element of the UK’s position with respect to North Korea was its membership of the EU. She said that the EU had been “very active” in North Korea, in humanitarian and development aid, and in political discussions where possible, on issues such as human rights. However, Professor Smith said that the European Commission was currently taking the lead, and that there was “room for a political leadership role to be played”. She suggested that the UK would have a comparative advantage in potentially taking this role, because of its relationships with the US and North Korea. Among the other large EU Member States, for example, France does not have diplomatic relations with North Korea. The UK is also the only EU Member State to be a permanent member of UNCMAC, the delegation of UN Command (Korea) to the Military Armistice Commission in Korea.

275. The EU Council has set out its priorities for the Korean peninsula, among other parts of the region, in a set of East Asia Policy Guidelines agreed in 2005 and published in 2007. The FCO told us that the Guidelines were “a step forward in [its] efforts to achieve a coherent and strategic EU approach to East Asia.”

276. Lord Malloch-Brown told us that the Government’s top priority with regard to North Korea was to bring that country more fully into the global community […] so that the range of more normal pressures starts to have effect and the regime engages, gets a little richer, gets a glimpse of a better future for itself and its people in the world, and becomes amenable to pressure and dialogue as it engages.

The stated aim of Government policy is to “work for positive change in the DPRK by exposing the country to external thinking and alternative models of economic and social organisation.”

277. Dr Hoare, along with several other of our witnesses, supported the principle of engagement with North Korea:

By dealing directly with the North Koreans, we learn more than we would if we were not there. By showing them, in however small a way, that the outside world has lessons for them to learn, by exposing their officials and students to that outside world and by giving an alternative to the closed society in which they live, we are helping to modify North Korean behaviour and policies. It is not going to be an easy or quick process, but it is underway […] We may not make great advances, but we will certainly not help if we back away.
278. Since the opening of the British Embassy in Pyongyang in 2001, there has been a partial drawing back on the part of the Government from the policy of engagement. After North Korea announced that it was withdrawing from the Nuclear Non-Proliferation Treaty in 2003, the UK “halted any bilateral activity, which might be seen to directly support the DPRK regime, e.g. economic/technical assistance and trade promotion.” The FCO told us that the Government had made clear to North Korea that “relaxation of these restrictions will not be considered without progress on the nuclear issue and also on human rights concerns.”

279. Dr Hoare summarised British policy by saying that the UK had established diplomatic relations with Pyongyang in order to support the South in its “sunshine policy” of engagement with the North, as noted above, but that since the nuclear crisis of 2002, “the North Korean nuclear issue has overshadowed that initial initiative, and that has led [the UK] away from a position of developing our engagement with North Korea.”

280. Professor Smith told us that one casualty of the policy shift had been Government funding for universities to engage in academic training and exchange with North Korea. She recommend that the Government should reconsider this position, as all concerned parties in the efforts to encourage North Korea to normalise its relations with the rest of the world have considered education and training to be a fundamental prerequisite to equip the next generation of North Korean leaders with the foundation for interaction with the rest of the world.

281. We discussed with Lord Malloch-Brown and Stephen Lillie why there were no North Koreans studying in the UK on the FCO’s Chevening scheme. Mr Lillie said that “the difficulty so far has been for the North Korean side to identify the right sort of person with the right level of English”. Mr Lillie said that the FCO had indicated a willingness to be flexible on the English language requirement if Pyongyang could nominate otherwise suitable people. However, Lord Malloch-Brown said that he did “not think that there [was] the political will on [North Korea’s] side for [the] kind of opening up” involved in sending students to the UK, whether on the Chevening scheme or other university programmes. He said that the problem was that North Korea was “a paranoid regime that really does not want people to go abroad.”

534 Ev 69-70
535 Ev 71
536 Paras 238-40
537 Q 104
538 Ev 84
539 Q 84
540 HC Deb, 2 June 2008, col 698W
541 Q 122
282. Professor Smith told us that “the North Korean Government has [...] agreed to permit students to attend UK universities if funding can be found for them”. She said that it was

North Korea’s top policy priority to get its people out and educated in degree courses, not just short-term courses, outside the country [...] That runs counter to the myth that the North Koreans will never let anyone out. They will now, if we can find the funding to do it.

283. Aidan Foster-Carter said that “encourag[ing] [North Korea] to send people over” to the UK should be the Government’s top priority regarding the country. He said that the Government should try “to get as many North Koreans over [...] as possible [...] the coming people, the students and so forth [...] the more younger North Koreans we can get [to the UK] and expose to the West, the better.”

284. The British Council has been working in North Korea since 2003. It has three teachers running programmes of English and teacher training in three Pyongyang universities, of whom two were in post when we took evidence from Lord Malloch-Brown in July. The programmes include visits to the UK for the students involved. The British Council told us that this scheme had the potential to expand both geographically and in terms of the topics taught. The scheme was last extended in May 2008. The British Council also arranges English-language training in the UK for middle-ranking North Korean officials.

285. The BBC World Service does not have a Korean-language service and does not broadcast into North Korea. Given conditions there, the BBC World Service assesses that, technically, short-wave radio would be the “only feasible option” for delivering Korean-language broadcasts into North Korea. The BBC World Service judges that

such a service might reach a few hundred senior officials (who are likely to understand English and have access both to satellite TV and the internet anyway) and a small number of North Korean civilians who are prepared to risk extremely severe punishment.

In the FCO’s words, the World Service has therefore concluded that “it would be difficult to make a robust business case for this service in the current financial climate and given the difficulty in measuring impact.” The FCO noted that the US stations Voice of America and Radio Free Asia, which do broadcast in Korean into North Korea, do not have to justify audience numbers in the same way as does the BBC World Service. The FCO stated that it was “likely, therefore, that the US [would] continue to lead the way forward in this area.”

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542 Ev 84
543 Q 31
544 Q 26; see also Q 31 [Mr Foster-Carter], Q 57 [Ms Muico]
545 Qq 118, 122
546 “British Council to extend English education program in N Korea”, Yonap news agency, 29 May 2008, via BBC Monitoring
547 Ev 91
548 Ev 95
549 Ev 72
286. As regards trade with North Korea, the FCO noted that some of the UK’s EU partners “argue that trade relations are an important part of bringing the DPRK out of its isolation”, in contrast to the UK’s decision not to conduct trade promotion activity regarding North Korea. The FCO said that its position was to bring the trade policy “under review if there is significant progress on the nuclear issue.”

287. We conclude that the Government is correct to make the aim of exposing North Korea’s people to alternative ways of life its top policy goal with regard to engagement with that country. However, we also conclude that the restrictions on relations which the Government has introduced, to try to leverage progress on denuclearisation and human rights, may be undercutting this goal. We recommend that the Government should think more creatively about ways in which it might increase contacts with North Koreans without simply benefiting the regime’s elite. We recommend that the FCO should discuss with interested higher education institutions possibilities for hosting North Korean students.

288. We conclude that the work that the British Council is doing in North Korea is to be commended. We recommend that the British Council should expand its work there if possible.

289. As already noted, not all EU Member States which have diplomatic relations with North Korea actually maintain an Embassy in Pyongyang (the others typically cover the country from China). The British Embassy in Pyongyang is not an easy Post to maintain or, for its UK-based staff, in which to serve. We cited earlier in this Report the view of Amnesty International that the UK’s presence in Pyongyang is valuable from a human rights perspective. During our visit to Japan, our interlocutors expressed appreciation of the British Embassy’s work in relaying information to the Japanese Government and in raising in Pyongyang the issue of the Japanese abductees.

290. We conclude that the existence of a British Embassy in Pyongyang brings diplomatic benefits to the UK, in terms of both bilateral dealings with North Korea and the UK’s position in regional and international North Korea policy, and we recommend that its staffing and resources should reflect its value.

The UK in UN Command (Korea)

291. UN Command (Korea) was established in 1950 under UN Security Council Resolution 84, to defend South Korea from the North Korean attack and restore peace and security to the Korean peninsula. UNSCR 84 established that the UN force would be under US command. During the Korean War, 16 “sending states” contributed combat forces to the UN Command, including the UK.

292. The UN Command is one of the signatories to the 1953 Armistice, along with the North Korean and Chinese militaries. These parties have joint responsibility for maintenance of the Armistice, in particular as it applies to the Demilitarised Zone (DMZ)

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550 See paras 58-68 above.
between North and South Korea. The Armistice provided that the parties were to exercise their joint responsibilities through a Military Armistice Commission (MAC), which was to comprise five senior officers each from the Korean War’s two sides. The UN Command side of the MAC, known as UNCMAC, comprises two officers from South Korea, one from the US, one from the UK (as the Senior Commonwealth member), and one from the Command’s other sending states in rotation. In 1991, the UN Command—effectively the US—nominated a South Korean officer to be the senior UNCMAC representative. North Korea rejected this, on the grounds that South Korea was not a signatory to the Armistice. North Korea and China formally withdrew from the MAC in 1994, although lower-level meetings between military officers continue to take place.

293. The UK is represented on UNCMAC by the British Defence Attaché in Seoul. UNCMAC members also each have a national liaison officer to UNCMAC. This is not a full-time post. Until March 2008, the UK national liaison officer was the Naval Attaché at the Seoul Embassy. The naval attaché post there has now been withdrawn, as part of the global retrenchment of the UK’s network of defence attachés consequential on the FCO’s decision to withdraw funding for these posts.\(^553\) The UK liaison officer to UNCMAC is now a civilian diplomat, namely the Political Counsellor at the Seoul Embassy. We understand that there are some military inspections conducted by UNCMAC in which civilians—and thus the UK liaison officer—cannot participate, but that several other UN Command member states also have civilians as their liaison officers. Lord Malloch-Brown told us that the Government did “not accept the proposition that [the Naval Attaché’s replacement by a civilian official] […] is a downgrading”. Indeed, the Minister argued that “by having both the Defence Attaché and the Political Counsellor, we have a broader array of talents on the committee, because we have both the military and the political foreign policy side.”\(^554\)

294. In the longer term, the fate of the Military Armistice Commission is tied to that of the Armistice agreement which established it. North Korea has already made proposals that the MAC be replaced by bilateral North-South or trilateral North-South-US bodies; such proposals are commonly held to be closely linked to Pyongyang’s wish for a peace treaty with the US to replace the Armistice and bring the Korean War formally to an end, as part of the normalisation of bilateral relations for which it hopes.\(^555\) North Korea’s effective withdrawal from the MAC, and from another of the Armistice bodies, the Neutral Nations Supervisory Commission (NNSC), is often seen as part of an effort to weaken the Armistice institutions.\(^556\) In their summit declaration of October 2007, Chairman Kim and former South Korean President Roh agreed to work for a “peace regime” to replace the Armistice, but the FCO told us that President Roh’s successor, President Lee, has “as yet


\(^{554}\) Q 128

\(^{555}\) See paras 105-38 above.

\(^{556}\) The NNSC was established to monitor the Armistice in areas outside the Demilitarised Zone. Its original members were the then Czechoslovakia, Poland, Sweden and Switzerland.
[...] shown no particular rush towards the negotiation of a peace treaty with his northern counterpart”. 557

295. According to the FCO, the UK’s membership of UNCMAC means that it “continue[s] to have a role in upholding peace and security on the Korean peninsula”. 558 Lord Malloch-Brown told us that the UK “remain[ed] committed” to UNCMAC, but that he was “not quite sure what longer-term plans” there were for the UK’s role on it. Lord Malloch-Brown left open the question of “whether there would be a UK role” if a peace agreement were ever to replace the Armistice. He said that “primary responsibility” lay with the states participating in the Six-Party Talks. 559

296. **We conclude that the UK’s participation in the UN Command Military Armistice Commission represents an important British commitment to peace and security on the Korean peninsula, and we recommend that it should be maintained.**

**Military issues**

297. Under the Korean peninsula’s current security architecture, in the event of renewed military conflict between North and South the UN Command would arguably retain ultimate responsibility for the defence of South Korea and the restoration of peace and security, because UNSCR 84 remains in force. In a “Joint Declaration Concerning the Korean Armistice” in 1953, the UN Command’s 16 sending states—including the UK—stated that “if there is a renewal of the armed attack [...] we should again be united and prompt to resist”. 560 However, this declaration is not legally binding, and of the 16 original sending states, only the US has made a formal commitment to participate in a renewed military defence of South Korea, and only the US maintains forces there. The FCO’s Stephen Lillie told us that “the basis for the security of South Korea is not the UN Command, but the US-ROK mutual defence treaty”, and that “it has always been [the UK’s] assumption and understanding that in the case of a war, it would be the US and ROK combined forces that would be activated, at least in the first instance.” 561

298. Speaking in January 2007, the then UN Commander, General Bell, said that the UN Command “must maintain the capability to support the ROK-US Alliance with UN Forces, equipment and supplies”. 562 Lord Malloch-Brown similarly told us that the UN Command “is vital because it allows the transit of reinforcements and equipment through Japan if they are needed.” 563

299. In the framework of their bilateral military relationship, the US and South Korea agreed in 1978 that, in the event of a renewal of hostilities, wartime operational command would not be held by the UN Command, but by the new US-South Korean Combined

557 Ev 66
558 Ev 56
559 Q 127
560 “A Cold War relic that refuses to die”, Straits Times, 13 May 2008
561 Q 129
563 Q 127
Forces Command (CFC). This might have raised the prospect of an operational “gap” opening up between the responsibility on paper of the UN Command on the one hand, and the effective responsibility on the ground of the joint US/South Korean forces on the other. This was prevented because a single US General was always “triple-hatted” as Commander of the UN Command, Commander of the CFC, and Commander of US Forces Korea. However, as part of the South Korean forces’ long-term attainment of greater operational independence from their US allies, Seoul and Washington have agreed that the CFC is to be disbanded in 2012.\(^{564}\) At that time, South Korea will take sole wartime operational command of its forces.

300. In his January 2007 remarks, General Bell said that the transfer of wartime operational command from the US to South Korea threatened to create a “military authority-to-responsibility mismatch for the United Nations Command”, because the UN Commander—whom UNSCR 84 requires to be from the US—would no longer have direct operational authority over the South Korean armed forces in the event of war.\(^{565}\) This is potentially significant given that the US is withdrawing many of its forces further south into South Korea, leaving the frontline forces near the North Korean border overwhelmingly South Korean.\(^{566}\) General Bell said that the situation in prospect in 2012 would potentially “make it impossible to credibly maintain the Armistice”.\(^{567}\)

301. Lord Malloch-Brown told us that the transfer of operational wartime command to South Korea in 2012 will “not get in the way of the UNC, […] which will retain responsibility for maintaining the Armistice. That will remain under US control.”\(^ {568}\) Mr Lillie implied that the US and South Korea would come to an arrangement about their future military co-operation and command structures, and he said that the Government “would accept the judgement of the United States forces that that is an acceptable arrangement, which fully meets their security requirements.”\(^ {569}\)

302. In a follow-up letter to Lord Malloch-Brown’s oral evidence, the FCO told us that:

the UNC has kept participating states informed of arrangements for reconfiguration of the Combined Forces Command (CFC) in the run-up to 2012 through monthly meetings with the relevant Ambassadors in Seoul. The new Commander of the CFC has also publicly committed to continue this process as plans develop.\(^ {570}\)

In September 2008, the UNC’s Deputy Chief of Staff, Major General John Weida, visited all the Command’s sending states to brief officials. The Chairman of the Committee met the General during his stay in London. On the basis of the information which is now available,

\(^{564}\) See para 73 above.


\(^{566}\) See paras 72-3 above.


\(^{568}\) Q 127

\(^{569}\) Q 129

\(^{570}\) Ev 106. General Walter Sharp took over from General Bell in June 2008 as Commander of US Forces Korea, Combined Forces Command and UN Command (Korea).
it is clear that, in the event of renewed conflict with the North post-2012, US and UNC forces would take a supporting role under overall South Korean command. However, the contributions of sending states would remain, subject to national caveat, under the same direct command relationship with the United States as at present. The UNC is taking steps to try to secure greater participation from its sending states in exercises in preparation for the post-2012 arrangements, with the aim of increasing contact between the sending states and the South Korean military in particular.

303. UNCMAC maintains a Joint Duty Office in the Joint Security Area (JSA) at Panmunjom. The Joint Security Area is the area in the Demilitarised Zone—straddling the demarcation line between the two sides—where the Armistice bodies meet and other military and humanitarian contacts between the two sides in the Korean War may take place. We visited the JSA during our trip to South Korea in May. The UK has on occasion sent junior officers to do tours of duty in the UNCMAC Joint Duty Office on an ad hoc basis. Mr Lillie told us that the “provision of junior officers […] is very much an additional supporting role to help […] the South Korean forces” 571 (who make up the bulk of UNCMAC’s special security force for the JSA). In correspondence following our visit to the JSA, the FCO confirmed the information that we had received there, namely that “commitments elsewhere have meant that [the UK has] not had officers available for the attachment since January 2008”. 572 The FCO told us that the “Government remains willing to continue this arrangement when capacity allows”. 573

304. The UN Command has a Rear Headquarters in Japan. Under the 1954 status of forces agreement (SOFA) between the UN Command and Tokyo, the UN Command is allowed to use seven bases in Japan. The SOFA also specifies that the UN Command is to provide an international officer at its Rear Headquarters. The UK previously provided the international officer, but in 2007 it decided to withdraw its permanent post. During our visit to the region, we heard that the UN Command’s sending states had agreed in principle to provide the officer in rotation, but we encountered some uncertainty about the provision of the officer after the tour of the duty of the initial Thai officer finished at the end of 2008. In subsequent correspondence, the FCO told us that Turkey and then France had agreed to provide the officer after Thailand, and that the UK had committed to providing the officer in 2015. 574

305. We conclude that although there had been some risk of a disjunction opening up between the evolution of the bilateral South Korean-US military relationship and the formal responsibilities of the wider UN Command for peace and security on the Korean peninsula, under UN Security Council Resolution 84 and the Armistice Agreement, the UN Commander and his team are making efforts to avoid this risk, and that this is to be welcomed. We recommend that the Government should participate actively in UN Command preparations for the transfer of operational wartime command to South Korea in 2012.

571 Q 128
572 Ev 106
573 Ev 106
574 Ev 107 [FCO]
306. We conclude that the Government’s continued willingness to send officers to serve in the UNCMAC Joint Duty Office and at the UNC Rear Headquarters in Japan is a welcome expression of the UK’s commitment to the UN Command. We conclude that the agreement reached among the Command’s participating states to ensure the continued provision of an international officer at Rear Headquarters is to be particularly commended.
4 Japan and South Korea: International roles

307. Japan and South Korea are both expanding their international roles. The FCO told us that the two countries are “major like-minded partners for the UK”, with “a number of common objectives in international issues”. Among these, the FCO highlighted international security, climate change and poverty reduction.

308. In financial terms, Japan plays a major international role. Japan is the largest aid donor in Asia and the fifth-largest in the world. It is the second-largest contributor to the UN budget after the US. However, Japan’s international financial muscle is not matched militarily. Article 9 of Japan’s Constitution renounces war and disallows the possession of armed forces. Japan maintains forces which are self-defence forces (SDF) only, and its current interpretation of the constitution restricts its ability to participate in UN peacekeeping missions and to engage in military co-operation with any countries other than the US. In recent years, against strong domestic opposition, specific legislative approval has been given for SDF ground and air forces to be deployed to Iraq, and for SDF naval forces to provide fuel to coalition vessels operating in the Indian Ocean in support of the US operation in Afghanistan. More ambitious proposals to reduce the constitutional constraints on Japan’s ability to participate in UN peacekeeping and international military missions have so far come to nothing. The Japanese government is also pursuing a proposal, supported by the UK, that Japan should acquire a permanent seat on the UN Security Council.

309. South Korea began to emerge internationally as it moved away from authoritarian rule in the late 1980s, a shift encapsulated in Seoul’s hosting of the Olympic Games in 1988. In the security sphere, South Korea has remained focused on developments on the Korean peninsula and its immediate region, but the overall improvement in North-South security relations over the last decade—plus South Korea’s increased economic and military capacities—have allowed Seoul to turn towards greater international engagement. President Lee is now promoting the notion of “Global Korea”.

International military missions

Japan

310. Following the trauma of defeat in 1945—the only significant military defeat in the country’s history—strong pacifist and anti-militarist sentiment developed in Japan. Article 9 of the 1947 Constitution renounces war as an instrument for settling international disputes and declares that the country will never again maintain “land, sea or air forces or other war potential”.

575 Ev 56
576 Ev 56
577 See paras 361-4 below.
311. In the initial post-war period, Japan was wholly dependent on the US occupation forces, aided by a small number of police, for its security. In 1950 most occupation forces were transferred from Japan to take part in the Korean War, prompting anxiety among some conservative politicians about Japan’s capacity to defend itself. In 1952 the US and Japan signed the Mutual Security Assistance Pact, under which US forces would defend Japan against external aggression, while Japanese forces would deal with internal threats and national disasters. In 1960 the US-Japan Security Treaty was signed; this reconfirmed the pledge by the US to defend Japan (while imposing no reciprocal duty on the Japanese to defend the US).

312. With US approval, the Japanese Government in 1954 created the Self-Defence Force (SDF). Military terminology was (and still is) avoided as far as possible, so the new armed forces were named the Ground Self-Defence Force (GSDF), the Maritime Self-Defence Force (MSDF) and the Air Self-Defence Force (ASDF) rather than the army, navy and air force. Successive Japanese governments have maintained that the Constitution permits Japan to maintain a minimum level of armed strength commensurate with self-defence.

313. Japan’s “Basic Policy for National Defence”, adopted by the Cabinet in 1957, sets out six guiding principles:

1. Maintaining an exclusively defence-oriented policy.
2. To avoid becoming a major military power that might pose a threat to the world.
3. Refraining from the development of nuclear weapons, and to refuse to allow nuclear weapons inside Japanese territory.
4. Ensuring civilian control of the military.
5. Maintaining security arrangements with the United States.
6. Building up defensive capabilities within moderate limits.

314. In recent years, and particularly since the 11 September 2001 terrorist attacks on the US, there has been much debate in Japan about the future role of the Self-Defence Forces. In its memorandum to the Committee, RUSI commented:

Japan is at a crossroads. It has been shifted by events, by its main ally, and by its leaders, from its Cold War position of strong economic policies combined with passive security and foreign policies. Although policy-makers display a desire to be involved in world affairs like a “normal” country, there remain significant sections of Japanese society uncomfortable with the implications of the changes.578

315. For most of the history of the Self-Defence Force, the Japanese Government interpreted its function as being strictly restricted to the defence of the home islands. This definition excluded participation in peace-keeping missions.

316. Since the 1990s there has been a change of thinking, prompted by the following changes in Japan’s security environment:
• Criticism levelled at Japan during the first Gulf War for “cheque-book diplomacy”, i.e. offering financial support rather than risking its own troops in combat or peacekeeping operations

• China’s missile-firing and troop exercises, the discovery of submerged Chinese submarines near Okinawa, and China’s successful Anti-Satellite Test in January 2007

• The launch of North Korean missiles over Japanese airspace in 1998, the North Korean nuclear crisis, and the discovery that Japanese citizens had been abducted from the Japanese mainland by special teams of North Korean agents

• The wish to support the United States in its “war on terror”. 579

317. RUSI comments that “policy-makers now seek to normalise Japan’s military status in two different ways: as a reliable partner with its main ally the US, and as a responsible member of the United Nations”. 580

318. In December 2004 the Japanese Government adopted new National Defence Programme Guidelines, taking into account the new global situation. Dr Swenson-Wright described this as “a major overhaul of Japan’s national security doctrine”, intended “to shift Japan’s approach to security from a rather narrowly regionally-defined role to a much more self-consciously global role, harmonising its capabilities with America’s global force posture review”. 581 In January 2007, in recognition of this enhanced role, the Japan Defence Agency was upgraded to being a fully-fledged Defence Ministry. 582

319. Since 1992, Japan has taken part in non-military peacekeeping (PKO), election-monitoring (EMO) and disaster relief (DRO) operations, to a total of 21 countries. However, RUSI claims that

Japanese peacekeeping forces are still hobbled by Diet-imposed rules, related to interpretation of the pacifist constitution. According to a Japanese government official, restrictions placed on Japanese PKO missions make them frustrating partners for other countries. 583

320. Japanese forces have also, more controversially, been deployed abroad in support of the US “war on terror” and of coalition forces in Iraq. Two pieces of legislation have enabled this. One is the Anti-Terrorism Special Measures Law, passed shortly after the events of 11 September 2001. It allows deployment of Self-Defence Forces to take part in co-operation and support activities, search and rescue activities, and disaster relief for affected people. Under this law, Japanese supply vessels and Aegis destroyers have since 2001 provided fuel to coalition vessels operating in the Indian Ocean in support of the US operation in Afghanistan. This deployment was briefly suspended from November 2007 to

579 Ev 73-5 [RUSI]
580 Ev 73
581 Q 1
582 Q 1
583 Ev 74
January 2008 after the DPJ used its upper-house majority to block the renewal of the enabling legislation. An extension to the Anti-Terrorism Special Measures Law was then pushed onto the statute book by then Prime Minister Fukuda in January 2008 against the wishes of the upper house, employing a rarely-used procedural device roughly equivalent to the Parliament Act in the UK, and the deployment was resumed. In October 2008 the lower house of the Diet approved legislation further to extend the deployment until January 2010.

321. In July 2003 the Diet passed an “Iraq Reconstruction Law”. This was used by former Prime Minister Koizumi, against strong domestic opposition, to deploy 550 ground SDF personnel to Iraq between 2004 and 2006. Japan also maintains an airlift mission there.

<table>
<thead>
<tr>
<th>Japan’s participation in international military missions</th>
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<tbody>
<tr>
<td>Afghanistan</td>
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<tr>
<td>Operating Enduring Freedom</td>
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<tr>
<td>Ongoing since 2001: Japanese vessels (1 tanker and 1 escort destroyer) are refuelling coalition vessels conducting interdiction operations in the Indian Ocean (apart from a break in November 2007—January 2008 owing to an opposition block on the enabling legislation in the upper house)</td>
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<tr>
<td>Japan is also a major funder of the international humanitarian and reconstruction effort in Afghanistan, to the tune of $1.2 billion since 2002</td>
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<td>Iraq</td>
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<tr>
<td>2004-06: 550 ground troops deployed to southern Iraq for humanitarian and reconstruction assistance</td>
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<tr>
<td>Ongoing: Intra-theatre airlift mission (3 C-130 transport aircraft), currently authorised until July 2009</td>
</tr>
<tr>
<td>Japan has disbursed $1.5 billion in aid to Iraq and signed agreements for development loans totalling up to a further $2.1 billion</td>
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<td>UN operations</td>
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<td>Nepal</td>
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<tr>
<td>Ongoing since 2007: Six troops with UN military observer mission (UNMIN)</td>
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<td>Golan Heights</td>
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<tr>
<td>Ongoing since 1996: Two staff officers plus 43-strong transport unit with UN peacekeeping mission (UNDOF)</td>
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<tr>
<td>In East Timor, Japan has recently completed participation in a mission, which follows two earlier missions as follows:</td>
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584 See para 17 above.

585 “Japan’s lower house OKs anti-terror ops extension”, International Herald Tribune, 21 October 2008
2007-2008: Two civilian police officers and support staff with UN Integrated Mission in Timor-Leste (UNMIT)

2002-2004: c. 680 military engineers and 10 staff officers with the UN Transitional Administration in East Timor (UNTAET), followed by the post-independence UN Mission of Support in East Timor (UNMISET)

1999: Three civilian police officers plus support staff with the pre-independence UN Mission in East Timor (UNAMET)

Other completed peacekeeping operations include: Cambodia (600 engineers, 8 ceasefire observers, 75 police officers, plus support ships, 1992-93); Mozambique (5 staff officers and 48-strong transport unit, 1993-95); and Rwanda (humanitarian support, 1994)

322. The Anti-Terrorism Special Measures Law is due to expire by January 2009. The government has proposed the introduction of a new permanent law to remove the requirement for the Diet to give case-by-case approval to SDF deployments overseas.

323. The amendment of Article 9 itself has been much discussed. As presently interpreted by the cabinet, it allows Japan to exercise a right to self-defence, but not to participate with other states in collective defence. There is strong public feeling in favour of Article 9, but an equally strong feeling in the ruling LDP that it needs to be changed. The LDP has drafted a revision of the Japanese Constitution, amending the Article, but to be enacted the bill needs approval by two-thirds majorities in the two Houses and a majority of the popular vote in a referendum. Former Prime Minister Koizumi tried but failed to secure enactment of a similar proposal. The LDP accepts that amending the Constitution is now a longer-term prospect, not likely to be achieved within the next five years. The immediate debate, accordingly, is about how to remove restrictions on peace-keeping deployments within the current Constitution.

324. Japan’s defence capability is structured around the alliance with the US. Japan does not possess aircraft carriers, nuclear-powered submarines or large transport aircraft such as the C-17. This would limit her capacity to play a major military role in large-scale missions such as ISAF in Afghanistan or Operation Enduring Freedom. If a political decision were taken to participate in such missions, the procurement implications would need to be explored. During our visit to Japan, we were told that Japan would certainly have the technical capacity to build, for instance, large submarines or carriers comparable to the UK’s Invincible class.

325. In its written evidence, the FCO stated that the Government “would like to see Japan doing more [on international peacekeeping] despite the constitutional constraints, and has lobbied for a greater contribution in Afghanistan and Africa among other places” 586. The FCO says that the UK’s “primary security co-operation objective” regarding Japan is to “help build Japan’s capacity for joint operations, particularly in the area of peace support
activities combining civil and military effects”. Lord Malloch-Brown told us that it was very much in the UK’s interest to encourage Japan,

within the limitations of article 9 of their post-war constitution, to become active in peacekeeping missions such as Afghanistan […]. We do not want Japan to skulk back into itself, disappointed by its lack of a global role or recognition of that global role, or to be thrown off balance by its increasingly competitive relationship with China.

326. We conclude that Japan has offered valuable support to the international community through its very generous funding of peacekeeping and reconstruction activities, not least in Iraq and Afghanistan. We further conclude that the Japanese Government has displayed political courage in deploying Japanese ground and air forces to Iraq, and Japanese naval forces to assist in refuelling coalition vessels conducting operations in the Indian Ocean, and that these deployments are to be welcomed. We recommend that the Government should continue to engage with Japan as a co-operative partner in promoting international security and the fight against terrorism, and to encourage Japan to expand its participation in UN peacekeeping and international military missions as far as permitted by its Constitution to do so.

South Korea

327. South Korea has the world’s sixth-largest army and spends more on defence per capita than the UK. South Korea does not have Japanese-style constitutional limitations on the use of military force or its deployment overseas. The FCO told us that South Korea’s “desire to play a greater role on the international stage and to maintain its alliance with the US has led to South Korean soldiers being sent overseas to play a valuable and important role in the last six years”.

328. South Korea deployed forces to the US-led operations in both Afghanistan and Iraq:

- In Afghanistan, South Korea deployed around 50 army medics and 150 engineers between 2002 and December 2007, with the loss of one soldier. Seoul ended the deployment a year before its scheduled conclusion, after Afghan militants demanding the troops’ withdrawal kidnapped a group of South Korean missionaries and killed two of them. A small number of South Korean military and civilian personnel are now in Afghanistan as part of a Provincial Reconstruction Team based at Bagram Airbase.

- In Iraq, South Korea was at one point the third-largest contributor of troops to the US-led Multinational Force, with 3,000 soldiers deployed. South Korea now has around 650 troops in Iraq, deployed in Irbil under US command as part of the Force’s Multinational Division North until the end of 2008.
During his visit to Seoul in August 2008, US President Bush asked South Korea for “as much non-combat help as possible” in Afghanistan. In response to the US request, South Korea may send more personnel to the Provincial Reconstruction Team, and despatch police officers to conduct training. President Bush did not request a further South Korean military deployment in Afghanistan, despite speculation in advance of the summit that he would do so. It is assumed that President Lee would currently find such a request too sensitive domestically, given anti-American sentiment in Seoul surrounding the beef import row, and the way in which South Korea’s previous deployment in Afghanistan was brought to an end. The FCO noted that there was a possibility that the South Korean Navy might participate in Combined Task Force 150, a multinational naval force conducting counter-terrorism and anti-piracy operations in the Middle East and Indian Ocean as part of the US operation in Afghanistan. As regards Iraq, the US has been reported as wanting to see South Korea extend its deployment in Iraq beyond the end-2008 deadline currently mandated, but the Defence Ministry in Seoul was quoted in September as ruling this out, and the end of the deployment appeared to be confirmed by late October.

South Korea has contributed troops to several UN peacekeeping operations. Deployments include over 300 troops with the UN mission in Lebanon since July 2007—extended for another year in July 2008—and small numbers of police deployed with the UN missions in Sudan and East Timor. South Korea also has small numbers of military observers with the UN missions in Georgia, Kashmir, Liberia and Nepal. Among completed South Korean deployments, South Korea contributed to UN peacekeeping missions in Somalia, Angola and Western Sahara, and a South Korean served as Commander of the UN mission in Cyprus in 2001-2003. In 2008, the possibility of South Korean participation in the UN mission in Darfur is under active consideration in Seoul.

The FCO identified South Korea as having “modern and capable defence forces”, and therefore as possessing “considerable potential as a substantial contributor to international peacekeeping operations”. It added that “the UK’s primary defence relations objective [in the country] is to persuade South Korea to contribute more to global PSO [peace support operations]”. South Korea is expected to create a force of 1,000 for participation in UN operations by the end of 2008, expanding to 2,000 by 2012. However, the FCO also noted that South Korea’s regional security responsibilities have always taken precedence
over any wider international role, and that the conscript nature of the country’s armed forces acts as a further constraint on overseas deployments.\textsuperscript{600}

332. Deployments of South Korean forces overseas require specific annual approval from the National Assembly. The FCO told us that legislation was likely to be proposed that would allow South Korea to deploy forces to UN-mandated missions without such approval. The FCO said that such legislation would “facilitate rapid deployment of Korean forces on UN PSO”\textsuperscript{601} and help to “enhance Korea’s ability to contribute to global PSO”\textsuperscript{602} although it noted that similar proposals had failed on three previous occasions to go through the legislature.\textsuperscript{603} We heard in Seoul that the possible legislation might also apply to missions other than those taking place under UN mandates.

333. \textit{We conclude that South Korea’s growing willingness and ability to deploy its forces in international peacekeeping and peace support operations are to be welcomed. We further conclude that South Korea continues to make valuable contributions to the international efforts in Afghanistan and Iraq in which the UK is also engaged. We recommend that the Government should continue to encourage South Korea to participate more extensively in international peacekeeping and peace support operations and to enhance its capacities to do so.}

Climate change

Japan

334. Action on climate change has been one of the major themes of Japan’s G8 Presidency. Former Prime Minister Fukuda announced at the Davos World Economic Forum in January 2008 that he would follow his predecessor Mr Abe’s proposal that the world should reduce total greenhouse emissions by half by 2050 (“the 50/50 proposal”). Mr Fukuda put forward the following programme to achieve this:

- Japan would agree to set a post-Kyoto “quantified national target”, which could be based on a bottom-up system of industry-based targets. However, the 1990 Kyoto base year “must” be reviewed: it is argued that Japan’s 6% emissions reduction target under Kyoto was unfair because it did not recognise the energy-efficiency gains Japan had already made.

- The “Cool Earth Partnership” will offer $10 billion of economic assistance to developing countries, to encourage them to reduce their emissions.

- Japan proposes to set up a new multilateral fund jointly with the US and UK.

- Japan will invest $30 billion in energy research and development over the next five years.

\textsuperscript{600} Ev 64. We discuss concerns over conscientious objection in South Korea in our consideration of human rights issues in Chapter Five below, paras 405-8.

\textsuperscript{601} Ev 64

\textsuperscript{602} Ev 65

\textsuperscript{603} Ev 64
335. As regards the setting of overall national targets for emissions reductions, the FCO reports that Japanese representatives “coordinated their position very closely with the US” at the UN Bali meeting in December 2007 and “were consistently among the back markers” in resisting further mention of short-term emissions reduction targets for developed countries.”604 Dr Swenson-Wright told the Committee that:

Japan is trying to present itself as a mediating force between the European Union—with its preference for some sort of top-down, unified set of standards to deal with climate change, as well as a system of emissions trading—and the United States, which we know is very sceptical about the merits of binding national targets.605

336. Dr Swenson-Wright noted that tension between Japan’s Environment Ministry, which favours more radical action on climate change, and the Ministry of Economy, Trade and Industry which favours a stance based on voluntary agreements, has led to “a reluctance to set formal targets or to establish a clear time frame”.606 Dr Swenson-Wright judged that climate change should be the FCO’s top priority with Japan and identified the issue as “probably the area in which there is the most opportunity to enhance and develop the bilateral relationship”.607

337. On 23 April 2008 a joint Japan-EU statement was issued following the annual summit between EU and Japanese leaders in Tokyo. On climate change the leaders accepted that “setting mid-term quantified national emissions reduction targets is an essential element of […] a fair and flexible framework in which major economies participate substantially”. The EU and Japan undertook to ensure that the forthcoming G8 summit would contribute to reducing emissions. They stressed that “a highly ambitious and binding international approach is required to deal with the scale and urgency of the climate change challenge”. European Commission President Barroso welcomed the joint statement, saying that on climate change it represented a “convergence” between the positions of the EU and Japan.609

338. The G8 leaders met in Hokkaido in July 2008 and agreed the following statement of “vision”:

We seek to share with all parties to the UNFCCC [the United Nations Framework Convention on Climate Change] the vision of, and together with them to consider and adopt in the UNFCCC negotiations, the goal of achieving at least 50% reduction of global emissions by 2050, recognising that this global challenge can only be met by a global response, in particular, by the contributions from all major economies, consistent with the principle of common but differentiated responsibilities and respective capabilities.

604 Ev 62
605 Q 6
606 Q 6
607 Q 19
608 Council of the European Union press release 8771/08 (Presse 111), Brussels, 23 April 2008
609 “Japan, EU leaders call for ‘highly ambitious’ climate goals”, AFP, 23 April 2008
339. Then Prime Minister Fukuda interpreted the G8 statement as giving support to, or at least not being incompatible with, three of Japan’s goals:

- The target of a 50% reduction in greenhouse gas emissions by 2050.
- The desirability of setting different industrial sectors different targets with the aim of preserving competitiveness.
- That the baseline year should be the present rather than 1990, which Japan argues effectively penalises her because she, unlike most other countries, had already made good progress in achieving energy efficiency by that date.\(^{610}\)

340. On the final day of the meeting the G8 leaders were joined by the leaders of eight “emerging economies”, and all 16, comprising a ‘Major Economies Meeting’ (MEM), agreed a further statement.\(^{611}\) Environmental campaigners denounced both the G8 and MEM conclusions as being vague and unspecific, pointing out that none of the “big polluters”—the United States, India and China—had given binding undertakings that they would take particular steps to achieve the “50/50” goal.\(^{612}\)

341. **We recommend that the Government should, with its EU partners, continue to work with Japan to develop a common approach on developing realistic proposals for a reduction in emissions and other measures to tackle climate change.**

**South Korea**

342. **Per capita**, South Korea is one of the OECD’s largest greenhouse gas emitters,\(^{613}\) and the world’s ninth-largest overall.\(^{614}\) Lord Malloch-Brown noted that South Korea “has one of the bigger emissions footprints around”.\(^{615}\) This is largely owing to the way in which South Korea’s economic development since the 1960s has been based on heavy industries.

343. South Korea occupies what the FCO described as an “anomalous” position in the current international regime against climate change.\(^{616}\) Under the 1992 United Nations Framework Convention on Climate Change, and the Convention’s subsequent—legally binding—Kyoto Protocol, South Korea is not among the industrialised countries which are committed to reductions in their greenhouse gas emissions (so-called “Annex I” countries). This is despite the economy’s size and status as an OECD member. Given South Korea’s position, the FCO told us that the country had “a potential role to play in bridging...”

\(^{610}\) “G8 fails to set climate world alight”, *BBC News online*, 8 July 2008


\(^{612}\) See, for instance, “G8 climate statement: if this is a step forward - we will never get there!”*, Greenpeace weblog, *Making Waves*, 8 July 2008

\(^{613}\) Ev 68 [FCO]

\(^{614}\) “S Korea to cap emissions for five years”, *Financial Times*, 21 March 2008

\(^{615}\) Q 133

\(^{616}\) Ev 68
the gap between developed and developing countries” which has become evident in the discussions about a successor regime to the Kyoto Protocol, which expires in 2012.

344. The FCO reported conflicting indications regarding South Korea’s likely action against climate change. On the one hand, the FCO said that “the South Korean Government and business are increasingly preparing for […] the possibility of taking on board a commitment post-2012”. It also noted that “some South Korean officials have expressed strong interest in carbon pricing and trading”, and that in December 2007 the South Korean Government had announced plans to boost renewable energy use. On the other hand, the FCO also noted “widespread scepticism” about carbon pricing and trading, and “concerns over negative impacts on competitiveness” which “pose a considerable obstacle” to stronger action. The FCO concluded that “economic growth will remain the highest priority” for the new South Korean Administration, although it also noted “indications that the new Government may react to growing international pressure with a more constructive approach on climate change policy”.

345. Dr Hoare was somewhat sceptical about prospects for strong South Korean action on climate change. He told us that “South Korea often pays lip service to such things”, but that there was “pressure […] still for economic development and growth [which] […] tends to override other considerations”. Dr Hoare suggested that little in President Lee’s ambitious economic plans “seems to take much account of the climatic consequences of such a push for growth”.

346. South Korea’s energy needs are likely to be a major consideration in its evolving approach to climate change issues. South Korea is almost entirely dependent on imports for its energy supplies: the FCO noted that the country is the world’s fourth-largest importer of oil and second-largest importer of liquid natural gas, and according to President Lee its energy self-sufficiency rate is around 5.0%. High international energy prices are bringing home the implications of this dependence: the costs of South Korea’s imported oil were reported to have risen by 60% in the first half of 2008, and the country is among those to have seen protests over the price of fuel.

347. In late May 2008, Environment Secretary Hilary Benn signed Memorandums of Understanding in Seoul with the Ministry of the Environment and the Ministry of Knowledge Economy, on co-operation between the UK and South Korea in areas relevant to climate change including the economics of climate change, clean development

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617 Ev 68
618 Ev 68
619 Ev 68
620 Ev 68
621 Ev 69
622 Q 93
623 Ev 68
624 “Address by President Lee Myung-bak on the 63rd anniversary of national liberation and the 60th anniversary of the founding of the Republic of Korea”, 15 August 2008, via www/english.president.go.kr
625 “‘Independence oil’ crucial for South Korea - changing the oil sector is a goal, but it won’t be easy”, International Herald Tribune, 30 June 2008
mechanisms, low carbon technologies and emission trading schemes. The UK and South Korea are to produce a list of collaborative projects within six months.  

348. At the G8 summit in July hosted by Japan, at which he was invited to address the expanded session on climate change, President Lee said that South Korea would “vigorously support” the goal agreed by the G8 of halving global greenhouse gas emissions by 2050, and that Korea aimed to “play a bridging role between developed and developing countries”. He also said that South Korea was “in the process of building national consensus” and that he hoped in 2009 to announce a national emissions reduction goal for 2020. President Lee said that the aim should be to “harmonise economic growth with mitigation of greenhouse gas emissions”. 627 In his blog, the British Ambassador in Seoul, Martin Uden, said that President Lee’s speech “amount[ed] to a clear step forward by his government in their consideration of how Korea should tackle climate change”. 628

349. In his opening address to the new National Assembly later in July, and especially in his speech on the anniversary of South Korea’s foundation in August, President Lee went further in developing a climate change agenda. He heralded an “environmental revolution” and an “age of new energy”, and he announced the need for a “paradigm shift” in South Korean economic development. President Lee said that “low carbon, green growth” should be “the core of the Republic’s new vision”. President Lee suggested that the development of green technologies would be a source of growth and jobs. He promised a package of follow-up measures, and a framework law on climate change. 629

350. In his August address, President Lee targeted an energy self-sufficiency rate of 18% by the end of his term in 2012. 630 South Korea is addressing the energy independence issue partly by expanding nuclear power generation, and by beginning to develop its own energy extraction and delivery involvement overseas, in Africa, the Arctic and Antarctic, Central Asia, the Middle East and Iraq. In addition, President Lee has announced a further increase in funding for research and development of “green” technologies including new and renewable energy, aiming to increase the latter’s share in South Korea’s total from 2% at present to over 11% in 2030. 631

351. We conclude that recent signs that South Korea is coming to see efforts to mitigate climate change as a potential source of growth, not an obstacle to it, are greatly to be welcomed. We recommend that the Government should continue to encourage South Korea to develop its efforts against climate change, focusing on the potential which the development of “green” technologies offers for the country to exploit its industrial and technological strengths to boost growth and reduce energy dependence, but still aiming

626 “Strengthening UK-Korea collaboration to tackle climate change – British Minister for the Environment to visit Seoul to sign MOUs with ROK government”, press release, British Embassy, Seoul, 23 May 2008, via www.uk.or.kr

627 “Remarks by HE Lee Myung-bak, President of the Republic of Korea, on the occasion of the G8 Extended Summit in Toyako”, 9 July 2008, via www.english.president.go.kr


629 “Full text of President Lee’s National Assembly address”, Korea Times, 13 July 2008; “Address by President Lee Myung-bak on the 63rd anniversary of national liberation and the 60th anniversary of the founding of the Republic of Korea”, 15 August 2008, via www.english.president.go.kr

630 “Address by President Lee Myung-bak on the 63rd anniversary of national liberation and the 60th anniversary of the founding of the Republic of Korea”, 15 August 2008, via www.english.president.go.kr

631 Ibid.
to secure a concrete national emissions reduction commitment which would help towards the achievement of a global Kyoto successor agreement in 2009. We recommend that the Government should ensure that British companies are aware of opportunities for climate change-related projects which open up in South Korea. We further recommend that in its response to this Report, the Government should update us on progress regarding the implementation of the bilateral Memorandums of Understanding on climate change co-operation which were signed in May 2008.

Development assistance

Japan

352. Japan’s aid budget has declined in recent years, and Japan has slipped from being the world’s largest single aid donor in absolute terms to being the fifth-largest. According to OECD statistics, Japan’s net Official Development Assistance (ODA) in 2007 was $7.69 billion (compared to $21.75 billion from the US, $12.27 billion from Germany, $9.94 billion from France, and $9.92 billion from the UK). 632 Most Japanese aid has traditionally gone to Asia and the Pacific, particularly China, and Indonesia and other ASEAN states. The FCO states that:

Japan was a significant contributor to the aid efforts after the tsunami, giving $500 million as well as providing logistical help on the ground. However, Japan has reduced its aid budget in recent years, reflecting economic difficulties and growing political opposition to the scale of grant aid offered to China. 633

353. Japan’s development policy is marked by an increasing number of partners for the government. These include other donors and international organisations, where Japan has links not only with traditional donors such as the UK and France but also emerging donors such as South Korea, Malaysia, Indonesia and Thailand.

354. Despite the overall decline in Japan’s aid budget, the proportion allocated to Africa is increasing. 634 Japan hosted a major conference on development for African countries at the end of May 2008, as part of the build-up to the G8 summit in July. This was the fourth Tokyo International Conference on Africa (TICAD IV). Japanese policy in Africa is to focus on countries with good governance and few natural resources.

355. The Japanese are very conscious of the growing influence of China in Africa. When we visited Tokyo, we were told that Japan has no wish to compete with China in accessing natural resources in Africa, and lacks the resources to do so, but that it aimed to ensure that China at least does not undermine what Japan is doing.

356. Giving oral evidence in early July 2008, shortly before the G8 summit, Lord Malloch-Brown told us that:

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633 FCO Japan country brief, April 2008 (not reported to the House)

634 The share of Japan’s gross national income spent on development aid to Sub-Saharan Africa is projected to increase from 0.04% in 2004 to 0.05% in 2010; DATA (Debt AIDS Trade Africa), The DATA Report 2007, p 24
The Japanese have also done pretty well on development. They had the Tokyo international conference on African aid, which discussed Japan-Africa development. It was quite a success, and that has given new momentum to development issues as we come into the G8 meeting. 635

357. *We conclude that Japan continues to play a positive role with regard to development issues. We recommend that the Government should continue to work with Japan in the G8 and other forums to press for the implementation of the Millennium Development Goals.*

**South Korea**

358. The FCO characterises South Korea as “a key emerging donor with a great deal of promise” and said that South Korea had “the potential to have considerable impact on the world stage” in this field. 636 South Korea established its first fund for overseas aid in 1987. In 2007, it provided overseas development assistance (ODA) equivalent to around 0.09% of gross national income (GNI) (compared to 0.36% for the UK). 637 The FCO reported that Seoul plans to increase this to 0.15% of GNI by 2010 and 0.25% by 2015. If these plans were to be realised, by the end of the period South Korea would be among the ten largest donors in volume terms among members of the OECD’s Development Assistance Committee (DAC). 638 South Korea is not yet a DAC member, but at the end of September 2008 it completed with the OECD the review process which precedes accession to the body, and Seoul hopes to join the Committee by 2010. 639 In his August 2008 address, President Lee had reaffirmed his intention of increasing South Korea’s ODA, as part of his goal of making South Korea “an advanced country” enjoying “respect in the international community”. 640

359. The FCO told us that South Korea “looks to the UK as a role model for ODA work and has established a close working relationship with the Department for International Development” (DFID). 641 DFID holds an annual policy dialogue with South Korea’s Ministry of Foreign Affairs and Trade. The FCO said that this “is a key partnership for the UK in terms of increasing aid volumes, effectiveness and co-operation.” 642

360. *We conclude that, from a low base, South Korea’s growing willingness and capacity to contribute to overseas development assistance are to be welcomed. We further conclude that the Government is correct to encourage and co-operate with*...
South Korea in this area and recommend that it should continue to do so, as an opportunity to shape the development practice of a potentially important donor.

United Nations

Japan

361. Japan, with the support of the UK, is seeking to acquire a permanent seat on the UN Security Council. Japan’s permanent membership has been mooted as part of a potential reform aimed at making the body more representative. In 2004 Japan, together with Brazil, Germany and India, collectively known as the ‘G4’ countries, put forward a proposal for six new permanent seats (for the G4 themselves plus two for Africa), and four new temporary seats. Supporters of Japan’s bid argue that it would reflect the country’s economic strength and also be a welcome further step in the ‘normalisation’ of Japan’s role in the international community. They also note that Japan currently contributes more to UN funding than four of the five existing permanent members, supplying nearly a fifth of the total UN budget. (In 2006 the United States contributed 22% of the budget ($383 million), Japan 19.4% ($332 million), Germany 8.7% ($147 million), the United Kingdom 6.1% ($104 million) and France 6.0% ($102 million).)

362. However, permanent Japanese membership of the Security Council is opposed by some countries, not least by China. When the issue last came to a head at the World Summit in 2005, the Chinese lobbied vigorously against the G4 proposal. The proposal was also opposed by the United States, and it was not adopted. Although Lord Malloch-Brown described achieving permanent membership of the Security Council as “an extraordinarily high priority for Japanese foreign policy”, we were told during our visit to Japan that this aspiration is modified by a realistic assessment that in the short to medium term a more likely outcome is an interim compromise on Security Council membership which would entail the creation of a new category of ‘semi-permanent’ members which could be re-elected at fixed intervals. The recent improvement in Sino-Japanese relations may lead to a renewed attempt by Japan to secure China’s support on this issue.

363. It is accepted within Japan that permanent membership of the Security Council, if this were to be secured, would entail carrying a heavier burden of international responsibilities, in relation to peace-keeping missions and diplomatic activity. Dr Swenson-Wright told us that the efforts made by the Japanese Government in ensuring the passage of two key Security Council resolutions (Resolutions 1695 and 1718, in response, respectively, to North Korea’s launch of ballistic missiles in July 2006 and its detonation of a nuclear device

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644 The High-Level Plenary Meeting of the General Assembly held on 14-16 September 2005
645 Q 136
646 Q 4 [Dr Swenson-Wright].
647 See paras 43-6 above.
648 See Q 4 [Dr Swenson-Wright].
in October 2006) reinforce its argument for permanent membership. Dr Swenson-Wright added that he did not see any contradiction between Article 9 of the Japanese Constitution and Japan enhancing its role in the UN. Lord Malloch-Brown set out the Government’s position on this issue:

We are very clear that we strongly support [Japan’s] membership of the council. Because it is the second largest economy in the world, it is the second largest contributor to peacekeeping operations. On the simple Boston tea party principle of no taxation without representation, it seems inherently unfair that Japan is being asked to pay ever larger portions of a growing global peacekeeping bill but has no direct say over it. It has made Japan rather recalcitrant on the expansion of peacekeeping, and grumpy about it. It has turned Japan into budget cutters and all the rest of it. We are losing its support in the same way that we are, on a smaller scale, losing Germany’s, and that has a real cost, because I think that we all assume that the multilateral portion of global peacekeeping is likely to increase.

364. We conclude that, although the process of United Nations reform is currently stalled, the Government is right in principle to support Japan’s case for a permanent seat on the Security Council, on grounds of Japan’s economic strength, size of population, commitment to democracy, and ability to make continuing contributions to the finances and work of the United Nations.

**South Korea**

365. An important element in South Korea’s international emergence has been the appointment of its former Foreign Minister Ban Ki-moon as UN Secretary-General, from January 2007. The FCO said that the appointment “was viewed by many as heralding South Korea’s arrival on the world stage.” We have held meetings with Mr Ban during both our visits to the UN in New York since his appointment, in October 2007 and 2008. Mr Ban has urged greater South Korean engagement with the UN, and in particular has encouraged more South Koreans to take up positions with the organisation (where they are under-represented). During a visit to Seoul in July 2008, Secretary-General Ban also said that he was “somewhat ashamed” that South Korea did not contribute more to UN ODA funds or UN peacekeeping operations, reminding his audience that it had been a UN force that had defended South Korea in the Korean War.

366. The FCO describes South Korea—like Japan—as a “committed” member of the UN. Since 2006, South Korea has been among the 15 largest contributors to the UN regular budget, accounting for a 2.2% share. It is responsible for a similar share of the

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649 See paras 111, 154 above.
650 Q 3
651 Q 136
652 Ev 67
653 “UN chief Ban makes emotional return to homeland”, Chosun Ilbo, 5 July 2008
654 “‘Ashamed’ Ban chides homeland over UN effort”, Financial Times, 5 July 2008
655 Ev 56
656 Ev 67 [FCO]
budget for UN peacekeeping. However, having paid off large arrears in 2007, South Korea is again reported to be accruing a growing debt to the organisation, largely as a result of the burgeoning costs of UN peacekeeping.

367. The FCO told us that South Korea was “fully committed to the UN reform agenda, and the need to shape a more efficient, effective and responsible UN, headed by a Secretary-General empowered to run it.” We heard in Seoul that Secretary-General Ban’s efforts to reform the UN organisation were being shaped partly by his experiences of reforming the Foreign Ministry in Seoul.

368. **We conclude that South Korea’s support for the UN and for UN reform is to be welcomed.** We recommend that the Government should continue to encourage South Korea to enhance its tangible commitment to the UN. We further recommend that the Government should seek to engage South Korea fully with the UK’s ideas for UN reform.

**Japan and whaling**

369. Whaling is one of only two issues highlighted by the FCO in its written evidence as points of contention between the UK and Japan (the other being the death penalty). Under the Convention for the Regulation of Whaling, states parties have the right to conduct “scientific” whaling. Pointing to this right, Japan continues to carry out large-scale lethal whaling in the Antarctic and North Pacific. Japan also works actively to recruit developing countries at the International Whaling Commission (IWC) which will back its wish to end the ban on commercial whaling. The UK opposes all lethal whaling. The DEFRA website states:

> The UK Government will continue to make our opposition to whaling known to Japan at every appropriate opportunity and argue that they undermine the credibility of the IWC as an effective organisation for the conservation of whale stocks worldwide.

370. Japan’s whaling activities in the Antarctic have recently been the source of controversy. The Sea Shepherd Conservation Society and Greenpeace both sent ships to the region in an attempt to harass the Japanese fleet. They claim that they saved up to 500 whales (Japan failed to meet its target of 850 minke whales and 50 fin whales. It had, under pressure from Australia, already pledged not to hunt for 50 humpback whales). Japan’s Institute for Cetacean Research has previously called both organisations “eco-terrorists” who are acting “illegally and dangerously”.

371. Dr Swenson-Wright commented that the commitment to whaling remains quite strong in Japan: “it is presented as driven by scientific research interest, but the reality is...”

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657 “Korea’s UN tab accumulating, again”, *Korea Herald*, 4 July 2008

658 “Korea’s UN tab accumulating, again”, *Korea Herald*, 4 July 2008

659 Ev 67

660 See paras 379-87 below.

661 “Activists race to hunt down whalers”, *The Guardian*, 11 December 2006
that it is still an important part of domestic political culture.” 662 He noted some signs that
the Japanese Government might be amenable to influence on this subject (for instance, the
undertaking in respect of humpback whales referred to above), but he added that “it is
quite difficult to see how the British Government can persuade Japan to undertake what
would be a major cultural shift” by abandoning the consumption of whalemeat. 663

372. Lord Malloch-Brown told us that, despite the UK’s friendship with Japan, it differs
with it “very fiercely” on the issue of whaling. The Government had expressed “our
abhorrence of this activity and we go on fighting”. He added that it was important to
ensure that any restructuring or reform of the International Whaling Commission should
not be “a cover for emasculating its anti-whaling position”. 664

373. During our visit to Japan we were told by government sources that although Japan is
not intent on depleting natural resources, there were coastal communities in Japan whose
livelihood depended on whaling, and the Government had to take their wishes into
account.

374. The most recent annual meeting of the International Whaling Commission, held in
June 2008 in Chile, ended without agreement on key issues such as Japan’s demand that
the global moratorium on commercial whaling be at least partially lifted to allow hunting
in coastal waters, or on the opposing demand of anti-whaling nations that Japan should
halt its scientific whaling programme in the Antarctic. Nonetheless there was a
commitment to continue dialogue between the participating states. 665

375. We conclude that support for whaling is culturally entrenched in Japan, and that
this state of affairs is unlikely to alter in the short term. We further conclude that,
notwithstanding this, the Government is right to lobby its Japanese counterparts
vigorously on this issue, and to pursue all means at its disposal of dissuading the
international community from turning back the clock in relation to the protection of
whales.

662 Q 18
663 Q 18
664 Q 149
665 “Whale meet ends with peace agenda”, BBC News online, 27 June 2008
5 Human rights in Japan and South Korea

376. In its new strategic framework, announced in January 2008, the FCO reaffirmed that the promotion of human rights was one of its aims. Human rights promotion forms part of the larger FCO policy goal—now one of only four—of “preventing and resolving conflict”.666

377. In 2008, both Japan and South Korea were among the first countries to have their human rights performances reviewed under the new Universal Periodic Review process, in the framework of the UN Human Rights Council established in 2006.667

Death penalty in Japan and South Korea

378. Japan and South Korea both retain the death penalty. South Korea has not carried out an execution since 1997. As a result, human rights organisations classify it as a de facto abolitionist state.668 Japan continues to make regular use of the death penalty.

Japan

379. In Japan, executions are carried out by hanging. They are typically held in secret, usually during periods when parliament (the Diet) is in recess or on national holidays.669 Amnesty International states that “prisoners are only informed hours before their executions, and their families receive no notice of their imminent execution. This practice means that prisoners live with the constant fear of execution.”670 During our visit to Japan we were told that the real, but unacknowledged, reason for executions being carried out with very little notice is to minimise the possibility of suicides.

380. The UN Committee against Torture, in May 2007, stated that “unnecessary secrecy and arbitrariness surrounding the time of the execution” and “the psychological strain imposed upon inmates and families by the constant uncertainty of the date of the execution” could also be considered torture, requesting that Japan should immediately introduce a moratorium on executions.671

381. In September 2005, Justice Minister Seiken Sugiura announced a moratorium on executions. However, his successor, Jinen Nagase, reversed this policy. In December 2006, four men were executed (including a man aged 77 and another aged 75). In 2007, nine executions were carried out, including one of a man reportedly suffering from mental illness. In 2008, to the time of agreeing this Report, there have been 15 executions, of which

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667 We considered the new Human Rights Council most recently in our Human Rights Annual Report 2007, Ninth Report of Session 2007-08, HC 533, paras 13-19


669 Q 66

670 Amnesty International Submission to the UN Universal Periodic Review: Japan, 22 January 2008

671 Conclusions and Recommendations of the Committee against Torture: Japan, May 2007, para 19
five took place after a new Justice Minister, Okiharu Yasuoka, took up his post in August.\textsuperscript{672} Whether the replacement of Mr Fukuda by Mr Aso as Prime Minister in September 2008 will lead to any change in Japanese policy towards the death penalty is not as yet known.

382. It is believed that, as of September 2008, around 100 prisoners are on death row in Japan.\textsuperscript{673} Due to the slowness of the legal process, some have been there for decades; one man, Okunishi Masaru, was sentenced to death in 1961 and is now aged 82.\textsuperscript{674}

383. The FCO told us that the UK, through the EU, “regularly takes this up with the Japanese Government, although there is still overwhelming support for capital punishment in Japan”.\textsuperscript{675} A 2005 Japanese Government poll found that over 80% of the public is in favour of executions with only 6% calling for capital punishment to be abolished. However, the FCO reports that abolitionist members of parliament are planning to submit an abolition bill to the Diet.\textsuperscript{676}

384. During our visit to Japan, we were informed by Japanese government sources that the reason for the increase in use of the death penalty is that formerly the penalty could only be applied in cases where there were multiple victims, whereas now it can be applied where there is a single victim if the nature of the crime is particularly heinous.

385. During our visit we also met representatives of the Japanese Federation of Bar Associations, which has a human rights campaigning role. They argued that the Japanese public are ignorant about the circumstances surrounding the death penalty—how those sentenced to death are not entitled to defence lawyers on legal aid after their initial conviction; and how executions are carried out with minimal notice to the person sentenced and no notice to his or her family. They considered that if these matters were more widely known, public attitudes might begin to change.

386. Giving evidence to us in early July, Lord Malloch-Brown was asked why the UK continues to take up the issue of the death penalty with Japan, despite the fact that far worse abuses of human rights take place elsewhere in the region. Lord Malloch-Brown replied that:

It has been a long-standing priority of British foreign policy to lecture everybody on the death penalty. Japan is in no way singled out. Even the Americans get their ears bent by us on that one. For countries where it is much more horrendous, such as China, the death penalty is always part of our dialogue, along with all the other issues. I think that the feeling is that in Japan, precisely because it is a democracy, we are pushing on more of an open door, and it is worth keeping going.\textsuperscript{677}

\textsuperscript{672} “Japan executes three on death row”, BBC News online, 11 September 2008
\textsuperscript{673} Ibid.
\textsuperscript{674} Amnesty International Submission to the UN Universal Periodic Review: Japan, 22 January 2008
\textsuperscript{675} FCO website, country profile: Japan (reviewed July 2008), at www.fco.gov.uk
\textsuperscript{676} Ev 63
\textsuperscript{677} Q 145
387. We conclude that, although there is undoubtedly a high level of public support for the death penalty in Japan, the moratorium on its use in 2005-06, under Justice Minister Sugiura, demonstrates that the Japanese Government is not necessarily immovable on this subject. We recommend that the Government should continue to convey its views on the death penalty to Japan, both directly and through EU channels; and that it should encourage the Japanese Government, if it remains committed to the death penalty, to reform the system so as to eliminate the unnecessary secrecy and arbitrary delay to which attention has been drawn by the UN Committee against Torture.

South Korea

388. In the FCO’s words, “the death penalty is a divisive and controversial issue in South Korea”.678 The country abstained in the vote in the UN General Assembly in December 2007 on the successful resolution—co-sponsored by the EU— which called for a moratorium on the death penalty, with a view to abolition.

389. Against the background of South Korea’s non-use of the death penalty in recent years, there have been a number of legislative initiatives to remove the sentence from the statute book altogether. Such initiatives have always been stalled in Parliament. The most recent bill expired with the end of the previous Parliament in May 2008.

390. Death sentences continue to be passed, for example in June 2008 on a man convicted of kidnapping and murdering a woman and two young girls. The FCO told us that there were 64 people on death row in South Korea as of October 2007,679 although the figure had reportedly fallen to 58 as of November 2008.680

391. The new President, Lee Myung-bak, has said publicly that he favours the death penalty. Norma Kang Muico of Amnesty International described this to us as “worrying”.681 In Spring 2008, Prime Minister Han Seung-soo said that legislation would be introduced in the Autumn introducing stiffer penalties, possibly including the death penalty, for those convicted of some child murders.682 A poll of incoming members of the new National Assembly found 46% in favour of retaining the death penalty, and 40% abolitionist.683 A public opinion poll of 3,000 South Koreans conducted for the Prime Minister’s office found 70% in favour of retention.684 Ms Muico said that a number of serious recent crimes had “tested” the judicial system and provoked “a lot of discussion in the media on the death penalty”. However, she felt that “even Lee Myung-bak would hesitate to break [South Korea’s] 10-year good performance” by reverting to use of the death penalty.685

678 Ev 69
679 Ev 69
680 Hands Off Cain country information, via www.handsoffcain.info
681 Q 60
682 “Child sex offenders to face harsher penalties”, Chosun Ilbo, 3 April 2008
683 “Centrist conservatives to dominate Parliament”, Dong-A Ilbo Daily, 15 April 2008
684 “Most Koreans want tighter internet controls”, Chosun Ilbo, 18 July 2008
685 Q 61
392. The Report of the Working Group on the Universal Periodic Review of South Korea’s human rights performance, in May 2008, included a recommendation that the country should “progress towards the abolition of the death penalty” and pass the relevant legislation in the new National Assembly.\(^{686}\)

393. Ms Muico told us that formal abolition of the death penalty in South Korea “could […] have a positive knock-on effect”. She referred to abolitionists elsewhere in East Asia—including Japan—who were looking to South Korea to “be seen as a role model for other countries in the region”.\(^{687}\)

394. The FCO told us that the Government would “continue to take every opportunity to encourage the South Korean government to abolish the death penalty”.\(^{688}\) In the Report of the Working Group on the Universal Periodic Review of South Korea, the UK was one of the states to call on the new National Assembly to pass abolitionist legislation; and in its Human Rights Annual Report 2007, the FCO noted that the British Ambassador in Seoul had made a keynote speech on the issue on the occasion of the World Day Against the Death Penalty in October 2007.\(^{689}\) The Ambassador repeated this in October 2008.\(^{690}\)

395. We conclude that South Korea’s 10-year record as a non-user of the death penalty is to be welcomed. While we recognise that the issue is subject to considerable domestic debate in South Korea, we recommend that the British Government should continue to encourage the new Administration and National Assembly in Seoul to move to formal abolition, as one of the priorities in the Government’s human rights work with South Korea. We further recommend that in its response to this Report the Government should update us on prospects for passage of abolitionist legislation in the new National Assembly.

“Substitute prison” system in Japan

396. Under Japan’s daiyo kangoku system (the phrase literally means “substitute prison”), suspects can be held without charge in police cells for up to 23 days. Amnesty International states that this system “facilitates the extraction of ‘confessions’ under duress”. Its adds that:

suspects are solely under the control of the policy; there are no rules or regulations regarding the duration of interrogation; lawyers’ access to clients during questioning is restricted; and there is no electronic recording of interviews by police.\(^{691}\)

Amnesty further claims that it has evidence of ‘confessions’ being obtained through measures such as “beatings, intimidation, sleep deprivation, questioning from early morning till late at night, and making the suspect stand or sit in a fixed position for long


\(^{687}\) Q 60

\(^{688}\) Ev 69

\(^{689}\) FCO, Human Rights Annual Report 2007, Cm 7340, March 2008, p 117

\(^{690}\) “World Death Penalty Day – an opportunity for Korean leadership”, text of speech, and “World Day Against the Death Penalty”, Ambassador’s blog, both 13 October 2008, via www.uk.or.kr

\(^{691}\) Amnesty International Report 2007, via www.amnesty.org
periods”. Ms Norma Kang Muico of Amnesty International told us that suspects can be interrogated for 16 hours continuously at night time.

397. In 2006 there were amendments to legislation concerning daiyo kangoku, providing for detainees to be informed of some of their rights and for lawyers to be appointed, but only after charges have been brought.

398. The UN Committee against Torture stated in May 2007 that it was:

- deeply concerned at the prevalent and systematic use of the ‘daiyo kangoku’ substitute prison system for the prolonged detention of arrested persons even after they appear before a court, and up to the point of indictment. This, coupled with insufficient procedural guarantees for the detention and interrogation of detainees, increases the possibilities of abuse of their rights, and may lead to a de facto failure to respect the principles of presumption of innocence, right to silence and right of defence.

399. In May 2008 the UN Human Rights Council’s Universal Periodic Review working group on Japan issued a report. The working group noted that several countries, including the UK, had urged that the daiyo kangoku system should be changed to bring it into line with international norms. Lord Malloch-Brown told us that the Government had “significant disquiet” about the system in its present form.

400. During our visit to Japan, we were informed by government sources that the daiyo kangoku process is subject to judicial scrutiny. The initial arrest warrant has to be issued by a judge, and a court has to renew the detention on the third and 13th days after arrest. If needed, the state will pay for a state-appointed counsel to represent the accused. We were told that safeguards for the suspect along the lines of those in the UK’s PACE Acts would not be appropriate in a Japanese context, because in Japan there is much less scope for the police to collect evidence by means other than interrogation. Wiretapping is not allowed in routine cases (only a handful of wiretaps are permitted each year); eavesdropping is not allowed, nor decoy investigations, nor undercover police agents infiltrating an organisation, nor plea-bargaining. We were told that the only means available for the authorities to get at the truth is to persuade the person accused of a crime to disclose the facts. Full video-recording of interrogations would be undesirable, it was argued, as it would make it more difficult to persuade someone to confess. For instance, it would be difficult to get a suspect involved in organised crime to name his superiors if the proceedings were being videoed throughout.

401. The counter-case was put to us by representatives of the Japanese Federation of Bar Associations. They argued that the degree of judicial scrutiny in the daiyo kangoku process did not in practice prevent suspects being held with little contact with the outside world.

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692 Amnesty International Submission to the UN Universal Periodic Review: Japan, 22 January 2008
693 Q 73
694 Conclusions and Recommendations of the Committee against Torture: Japan, May 2007, para 15
696 Q 146
subject to constant interrogation aimed at cracking their resistance and making them confess. In such circumstances, they claimed, miscarriages of justice are inevitable.

402. We conclude that there is compelling evidence that the ‘substitute prison’ or *daiyo kangoku* system in Japan involves significant breaches of the rights of suspects, and is likely to lead to miscarriages of justice. We further conclude that the reforms to the system introduced in 2006 are to be welcomed, but that there remains cause for concern. We recommend that the Government should continue to press Japan to modify the *daiyo kangoku* system to ensure that detention procedures are consistent with its obligations under human rights law, and in particular to ensure that interrogations are subject to some degree of external monitoring in order to prevent abuses.

**Other human rights issues in South Korea**

403. Compared to the situation which obtained prior to the advent of democracy in the late 1980s, South Korea’s human rights record is hugely improved. South Korea has acceded to six of the core international human rights instruments and was elected as a founder member of the new UN Human Rights Council. An official National Human Rights Commission was established in 2001 as an independent body, and in 2007 South Korea adopted its first-ever National Action Plan for the Promotion and Protection of Human Rights, to run for four years.

404. Against this background, in its memorandum to our inquiry the FCO did not refer to any further human rights issues beyond the death penalty. However, Norma Kang Muico of Amnesty International pointed to a number of other continuing concerns. She highlighted in particular the issue of migrant workers’ rights, commenting that “the situation [was] particularly worrying”, owing to recent “crackdowns” on migrant workers’ union leaders. According to Ms Muico, migrant union leaders have recently been subject to procedurally incorrect arrests, mistreatment and summary deportation. She added that the British Embassy in Seoul was aware of this issue, and appeared open to making representations to the South Korean Government. The Universal Periodic Review (UPR) Working Group Report on South Korea included several recommendations on the issue of workers’ rights, some of which Seoul has indicated that it will accept.

405. Other issues in South Korea which have been raised by human rights organisations include:

- The limited numbers of people granted asylum or humanitarian leave to remain in South Korea (other than North Koreans, who are automatically entitled to citizenship).

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697 Q 62
698 Q 63
700 Brad Adams (Asia Director, Human Rights Watch), “Korea needs to open its doors”, *JoongAng Daily*, 21 August 2007
The continuing imprisonment of hundreds of conscientious objectors to military service, despite the fact that the National Human Rights Commission has in principle recognised the right to conscientious objection.\(^{701}\) The UPR Working Group Report called on Seoul to decriminalise conscientious objection,\(^{702}\) and it included a recommendation from the UK that “active steps be taken to introduce alternatives to military service for conscientious objectors”.\(^{703}\) In its response to the Report, South Korea said that programmes of alternative service were being studied.\(^{704}\)

The 1948 National Security Law, which remains on the statute books and penalises “praising or supporting” North Korea. In its 2008 Annual Report, Amnesty International said that in 2007 there were at least eight people detained on the basis of charges under the this law which it described as “vague” (an increase from one person in 2006).\(^{705}\) As well as a call from North Korea to abolish the National Security Law, the UPR Working Group Report included a recommendation from the UK that the legislation “be brought in line with international standards regarding clarity of criminal law”,\(^{706}\) and from the US that the Law be amended “to prevent abusive interpretation”.\(^{707}\) In its response to the report, South Korea “reaffirmed that the National Security Law should not be misused or interpreted arbitrarily”.\(^{708}\)

406. There was violence between police and demonstrators at some of the mass rallies against the Lee Administration in early summer 2008. After a field visit, Amnesty International reported that there were some cases in which the police had used excessive force and made arbitrary arrests, although Amnesty also said that “generally, both the protesters and the police showed remarkable organisation and constraint” and that the “protests, and the response to them, generally show the strength of South Korea’s civil society as well as its legal institutions”.\(^{709}\)

407. The South Korean Government has raised the prospect of new legislation against what President Lee has called “infodemics, a phenomenon in which inaccurate, false information is disseminated”.\(^{710}\) During our visit to Seoul, we heard that food safety “scare stories” spread especially via the internet were widely considered to have been a major factor behind the mass protests against renewed US beef imports (South Korea has some of the highest usage in the world of the internet and other new forms of electronic

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\(^{701}\) See country information at www.amnesty.org


\(^{703}\) Ibid., recommendation 24


\(^{705}\) Amnesty International Report 2008, via www.amnesty.org


\(^{707}\) Ibid., recommendation 33


\(^{710}\) “Full text of President Lee’s National Assembly address”, Korea Times, 13 July 2008
communication). Some internet journalists and bloggers have expressed concerns that the Government’s planned measures might infringe on free speech.\footnote{“South Korea braced for web clampdown”, The Guardian, 5 August 2008}

408. We conclude that South Korea has recorded major improvement in its human rights observance since the advent of democracy two decades ago. We welcome this. We further conclude that despite these significant improvements, several human rights concerns remain, such as the policing of demonstrations, the scope of free speech on the internet and the rights of migrant workers. However, we recognise that these issues also pose challenges to many other open societies, including the UK. We recommend that, in a spirit of partnership, the Government should continue to encourage South Korea to address human rights concerns and to ensure that human rights are safeguarded in new legislation and its implementation, prioritising the rights of migrant workers, the development of alternatives to military service, and reform of the National Security Law. We further recommend that the Government should update us on the steps which it is taking in these areas in its response to this Report.
6 The UK and Japan and South Korea

Economic relations

Japan

409. Japan is the UK’s largest trading partner outside the US and the EU. British exports to Japan grew by 2.8% in 2005 to £3,700 million. Overall, Japan took £8.0 billion of UK goods and services in that year. Exports were dominated by three major sectors: chemical products, machinery and transport equipment.712

410. Sir Stephen Gomersall, Chief Executive for Europe of the Japanese company Hitachi, and formerly HM Ambassador in Tokyo, told us that British exports to Japan, still the third-largest market in the world after the US and the EU, were “relatively, a great success story”.713 Lord Malloch-Brown spoke of the “huge opportunity” for British business in Japan: “while everybody else is racing off to Beijing, they might even get a bit of a competitive break in Japan”.714

411. However, the FCO cautions that “the [Japanese] market can be confusing, expensive and time-consuming”.715 The then Lord Mayor of London, reporting on a visit to Japan in 2006, noted that “the perception remains that Japan is a ‘difficult’ market for foreigners to penetrate”.716 UK Trade & Investment advise that:

A long-term commitment and market strategy are required to become established in Japan. It takes time and patience, but, as many British companies have found, it repays the effort many times over.717

Sir Stephen Gomersall commented that:

most of the barriers that have impeded foreign exports, particularly western exports to Japan in the past, have been taken away one by one, thanks to a combination of EU action and bilateral actions. The market is open, but challenging, and our advice to British exporters is that they must do a lot of research before going into the market.718

He added that the three critical factors for success are “presence in the market, quality and delivery of the product, and relationships and trust with those with whom they are doing business”.719

712 UKTI country information on Japan, via https://www.uktradeinvest.gov.uk
713 Q 85
714 Q 140
715 Ev 61
716 “Report on the visit to Japan by the Rt Hon The Lord Mayor, August-September 2006” (not reported to the House)
717 UKTI country information on Japan, via https://www.uktradeinvest.gov.uk
718 Q 85
719 Ibid.
412. Japan is the second-largest source of foreign direct investment into the UK, after the US. Over a quarter of all Japanese investment in Europe is in the UK, with nearly 1,500 Japanese companies investing. Japanese-owned companies employ over 100,000 people in the UK. Japanese-owned car plants account for over 50% of UK car production. The FCO comments that “there are strong prospects for investment from Japan in the pharmaceutical and life science sectors and in ICT (services and software as well as equipment).”

413. Lord Malloch-Brown told us that “whenever we see anything that might slow down Japanese inward investment into Britain, we jump on it like a tiger”. He cited in particular the Government’s response to fears expressed by Japanese companies about the impact of the UK’s new points-based immigration system which came into effect in April 2008. They were concerned that middle-managers working for Japanese companies operating in the UK might fail to gain visas because of their lack of English language skills. Lord Malloch-Brown said that he had joined forces with the Japanese Ambassador to lobby the Home Office on this issue. A solution was reached which, according to the FCO, “preserved the UK’s attractiveness as an investment location without compromising the integrity and objectives of the Points Based System: […] intra-company transfers will not be required to demonstrate English language ability if they stay in the UK less than 3 years”.

414. There are particular benefits to be gained for the UK in deepening co-operation with Japan in the field of science and technology. Japan accounts for about 20% of the world’s R&D, with the top 10 Japanese companies investing more in R&D than the UK public and private sectors combined. Japan is the UK’s second-biggest partner for research collaboration. The FCO argues that “our priorities are aligned, focussing on climate change, sustainable energy, healthcare and innovation” and that “access to Japanese research facilities and data is also important to maintaining the strength of the UK science base, particularly as Japan has invested heavily in advanced research facilities and is a participant in major international projects (such as ITER – the experimental nuclear fusion reactor)”.

415. A joint statement issued by then Prime Ministers Blair and Abe following their meeting in London in January 2007 pledged that:

Japan and the UK will harness their joint efforts in science, technology and innovation. Japan and the UK will continue to work together to further strengthen their research relationship in the fields of climate change, sustainable energy technologies and life sciences.

720 Ev 61
721 Q 143
722 Q 143
723 Ev 107
724 Ev 61-2
416. However, the FCO cautions that Japan’s top priority in terms of strengthening R&D co-operation is China (with South Korea a close second). In many areas of science and technology China appears to have overtaken individual EU countries in terms of the number of scientific exchanges and research projects with Japan (the US remaining top partner).\textsuperscript{726}

417. We conclude that the UK’s trading relationship with Japan is of great importance to both countries. We recommend that the Government should continue actively to encourage British companies to seize the long-term gains that the huge Japanese market offers, despite the initial difficulties of penetrating that market. We further conclude that the FCO is to be commended for its pro-active approach in encouraging Japanese inward investment in the UK, and in particular for its recent successful intervention to ensure that the implementation of the points-based visa system did not act as a disincentive to Japanese investors.

**South Korea**

418. South Korea counts as one of East Asia’s post-Second World War “economic miracles” or “tiger” economies. Having been less developed than the north of Korea under Japanese rule, and then devastated by the Second World War and the Korean War, South Korea saw rapid economic development from the 1960s. Economic development was initially state-led, followed by greater liberalisation and integration into the international economy from the 1990s. South Korea joined the OECD in 1996. The South Korean economy is now between the eleventh- and fourteenth-largest in the world.\textsuperscript{727} South Korean corporate names that are well-known in the West include Hyundai, LG and Samsung. As an indication of the country’s current level of development, during the period of our inquiry South Korea was in the news for conducting the world’s first commercial dog cloning,\textsuperscript{728} and sending its first astronaut into space.\textsuperscript{729} South Korea’s economic development has been based mainly on industries such as steel, cars and shipbuilding, electronics and semiconductors. Dr Hoare reminded us that “South Korean shipbuilding effectively began with British money and know-how”, as, to a lesser extent, did its car industry.\textsuperscript{730}

419. The FCO describes South Korea as a “significant trade and investment partner” for the UK.\textsuperscript{731} South Korea is the UK’s 25\textsuperscript{th}-largest export market, taking goods and services worth $2.98 billion in 2006.\textsuperscript{732} UK exports to South Korea are dominated by whisky, which accounted for $222 million alone.\textsuperscript{733} For South Korea, the UK is the eighth-largest export

\textsuperscript{726} Ev 59
\textsuperscript{727} The FCO puts South Korea eleventh; Ev 56. The World Bank puts it thirteenth and the OECD fourteenth, in purchasing power parity terms; World Bank Quick Reference Tables, July 2008, via www.worldbank.org, and OECD Factbook 2008, via www.oecd.org
\textsuperscript{728} “Firm claims first pet dog clones”, BBC News online, 5 August 2008
\textsuperscript{729} “$ Korean astronaut arrives at ISS”, BBC News online, 10 April 2008
\textsuperscript{730} Q 95. The FCO made the same point: see Ev 67.
\textsuperscript{731} Ev 67
\textsuperscript{732} Ev 67 [FCO]
\textsuperscript{733} Ev 67 [FCO]
market, taking goods and services worth $5.64 billion in 2006. The most significant products among South Korean exports to the UK are mobile phones, ships and vehicles.

420. The UK is regularly the largest recipient of South Korean investment into the EU. A number of South Korean firms have chosen to locate European bases in the UK. For example, LG Electronics recently relocated its European product design centre to the UK.

421. A number of UK firms are prominent in South Korea, particularly in the financial services, retail, tobacco, pharmaceuticals, engineering and energy sectors. For example, Standard Chartered is the largest single foreign direct investor in South Korea, and Tesco is now South Korea’s second-largest supermarket chain, having spent nearly £1 billion in May 2008 to purchase 36 further stores from a local company. Tesco’s South Korean operation accounts for around 40% of its overseas profits. We were told in Seoul that there was generally a positive attitude in South Korea towards British firms.

422. Despite the internationalisation of the South Korean economy and the inroads made by UK firms in particular, the FCO told us that South Korea is “not an easy place to do business and there is a degree of anti-foreign business sentiment”. We heard in Seoul that difficulties facing UK firms include cultural differences, a lack of English language competence, the nature of the legal and corporate governance systems and frequent changes of government officials. Dr Hoare, as well as interlocutors in Seoul, also agreed that doing business successfully in South Korea—as in Japan—tends to require a long-term commitment. A number of UK firms which have achieved success in South Korea have done so by linking up with local companies.

423. Aidan Foster-Carter told us that the Government’s top priority vis-à-vis South Korea should be to continue to encourage it to open its service sectors. Mr Foster-Carter said that “South Koreans […] are less well served than they could be in the spheres of education, health and legal services” and that the question was one of “straight-down-the-line national interest” for the UK.

424. For UK firms, the proposed South Korea-EU Free Trade Agreement (FTA) will be one of the most important factors governing future access to South Korea. We referred to the planned deal in our general discussion of East Asian trade agreements in Chapter Two above, and, as it relates to North Korea, also in Chapter Three. As we noted in Chapter

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734 Ev 67 [FCO]
735 Ev 67 [FCO]
736 Ev 65 [FCO]
737 UK Trade and Investment, UK Inward Investment 2007-08, July 2008, p 9; Ev 68 [FCO]
738 Ev 68 [FCO]
740 Ev 68 [FCO]
741 Ev 67
742 Q 98
743 Q 32
744 See paras 88-91, 253-68.
Two, Dr Hoare told us that such agreements were a useful means of binding South Korea into more open trading arrangements. With respect to the planned South Korea-EU deal, the FCO told us that the UK had a “particular interest” in the “liberalisation of the Korean financial and legal services markets, the lifting of indirect ownership restrictions on telecoms companies and the elimination of whisky tariffs.” Studies of the possible agreement suggest that the greatest gains would come in services rather than goods, and that without the deal EU services firms could lose out to competitors from countries with which Seoul already has preferential trade arrangements.

425. We conclude that the South Korea-EU Free Trade Agreement which is currently under negotiation is a potentially effective means of securing further opening of the South Korean economy and improved access for UK firms, and that its early and successful finalisation would be of great benefit to the UK and South Korea. We further conclude that the FCO is correct to identify the services sector as a key target for further liberalisation under the planned agreement. We recommend that in its response to this Report, the FCO update us on progress in the negotiations, especially as regards access to South Korea’s services markets.

426. The FCO told us that “defence sales [to South Korea] remain a significant area of UK interest”. According to the FCO:

> The South Korean armed forces [...] are likely to offer an increasingly competitive, and potentially lucrative, defence market for UK industry. Specifically, the UK hopes to encourage greater transparency within South Korean defence procurement procedures.

South Korea is increasing its defence budget significantly, by 9.7% in 2007 and a planned 9.0% in 2008, to $27 billion, as it takes over greater military responsibilities from its US ally and aims to develop greater international peacekeeping capabilities. The UK is likely to face tough competition in the South Korean defence market from Seoul’s traditional US suppliers.

427. The FCO told us that science and technology research links with South Korea “have become an important part of the bilateral relationship”. The UK’s science and innovation relationship with South Korea is based on a Science and Technology Agreement dating from 1985, and is also incorporated into a Science, Technology and Innovation Partnership agreed in 2004. A bilateral Science and Technology Joint Commission meets every two years under Ministerial leadership. Among recent successes in the research field, RNL Bio—the South Korean company responsible for the

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245 Q 92; see para 86.
246 Ev 65
247 Jim Rollo, “An EU-Korea Free Trade Area: Playing Catch-up or Taking the Lead?”, Chatham House Briefing Paper IEP/JEF BP 08/03, April 2008
248 Ev 65
250 See paras 72-3 and 327-33 above.
251 Ev 68
252 Ev 68 [FCO]
commercial dog cloning announced in August 2008—has invested £65,000 in a stem cell research laboratory at Newcastle University, under a research and development collaboration agreement.753

428. South Korea is one of the countries included in UKTI’s High Growth Markets Programme, which aims to help medium-sized UK companies to succeed in target markets.754 The FCO told us that “UKTI’s services are […] highly valued by the British business community” in South Korea.755 During our visit there, we were also made aware that the work of the Embassy team in Seoul was appreciated.

429. The Lord Mayor of London visited Seoul in October 2007 to promote the UK model of financial sector liberalisation and the services offered by the City of London. In his capacity as Special Representative for Trade and Investment, HRH the Duke of York visited in early October 2008. However, whereas the FCO’s then Parliamentary Under-Secretary of State, Bill Rammell MP, attended former President Roh’s inauguration in 2003, no UK Government Minister attended President Lee’s inauguration in February 2008. When he visited Seoul in late May 2008, the Environment Secretary, the Rt Hon Hilary Benn MP, became the first Minister to do so following the change of Administration there. Owing to that change of Administration, the South Korean side postponed a planned visit by FCO Minister Lord Malloch-Brown in March 2008, and the Foreign Secretary also did not make a visit to Seoul that had been mooted to tie in with his trip to Japan in June 2008 for the G8 Foreign Ministers’ meeting.

430. We conclude that the economic, commercial and research ties which have developed between South Korea and the UK are to be welcomed, and that the work in this respect of UKTI, the Seoul Embassy and other relevant bodies is to be commended. We further conclude that, given South Korea’s level of development and rate of growth, and the existence of generally positive sentiment towards UK partners, there is considerable potential for the further development of such links. In this context, we conclude that the lack of UK Ministerial representation at President Lee’s inauguration was regrettable. While we welcome the recent Ministerial and other visits to Seoul from the UK that have taken place and are planned, we conclude that a visit by an FCO Minister, and the Foreign Secretary in particular, with a significant economic component to the trip, would be appropriate, in South Korea’s 60th anniversary year, and as the South Korea-EU Free Trade Agreement is being negotiated. We recommend that the FCO should take every opportunity with its South Korean partners to identify an early opportunity for such a visit. We further conclude that the FCO and the Department for Business, Enterprise and Regulatory Reform should increase the ability of our Embassy to support British business opportunities in South Korea.

753 UK Trade and Investment, UK Inward Investment 2007-08, July 2008, p 24
755 Ev 67
Cultural relations

431. Lord Malloch-Brown told us that his impression was that “Britain is extremely well regarded” in both Japan and South Korea. Dr Hoare concurred that “there is a lot of respect for Britain” in both states. However, Dr Hoare suggested that recent closures of specialist university programmes in the UK on East Asia, plus a decline in the number of UK journalists resident in the region, had “tended to confirm” a view there that the UK was “not very interested” in East Asia. A number of witnesses also suggested that the image of the UK entertained in both Japan and South Korea is often marked by what Dr Hoare called “somewhat old-fashioned perspectives”. Dr Hoare said that “there […] often still is a sentimental picture of a country shrouded in Dickensian fog, populated by gentlemen (ladies rarely featured) who maintained high standards of dress and were always courteous.” Sir Stephen Gomersall referred to “perceptions of Britain as a country of castles, Beatrix Potter and that sort of thing”. We discuss the work of the FCO and the British Council in countering such perceptions in sections on Japan and South Korea below.

432. We returned in our present inquiry to the question of specialist knowledge in the UK of the East Asian region, including its languages. This was an issue at the time of our China-focused inquiry into East Asia in 2006 especially because of what were then recent decisions to close Durham University’s East Asian Studies Department and curtail specialist regional language-based teaching elsewhere. In our 2006 Report, we concluded that “the United Kingdom must attain greater proficiency in East Asian languages and cultures or face a diminution of influence in a very dynamic region”. We recommended that the Government should “redouble its efforts to support the teaching of Chinese and other East Asian languages in schools and universities”. In its response, the FCO focused on the learning of Mandarin rather than other regional languages.

433. There was some divergence among witnesses to our present inquiry regarding the value of knowledge of regional languages to the UK, and especially to UK business. Pointing to the scale of UK economic activity in the region, Lord Malloch-Brown did not accept that a lack of regional language skills was necessarily impairing UK business. Discussing Japan, Sir Stephen Gomersall suggested that “many young people going there pick up the language to a sufficient degree quite quickly” and that English was in any case
widely used. However, while accepting that “you can do business in most of these countries without the language”, Dr Hoare argued that language knowledge “helps you to a depth of understanding which is very important” and is “an important element to show that you are committed to the area and the people with whom you are dealing”, something which he said was important for working successfully in East Asia.

434. As regards broader knowledge in the UK of East Asia, the British Association for Korean Studies identified the “high level of ignorance about East Asia which pervades contemporary British society” as “the greatest problem for British policy” in the region. Although sceptical about the need for knowledge of regional languages, Sir Stephen Gomersall said that a broader lack of regional awareness and skills was a “disadvantage” for business. For his part, Lord Malloch-Brown told us that:

all western countries made a terrible mistake 10 or 20 years ago when they let a lot of real regional institutional capabilities in our university system go […] It means that fewer people have the language skills and the university-level knowledge of these countries than ideally we would want.

435. Sir Stephen Gomersall reminded us that, partly in response to lobbying prompted by the earlier controversy, in 2006 the Government had launched the Language-Based Area Studies initiative. The initiative allowed the creation, among other projects, of the White Rose East Asia Centre, with £4 million in public funding. This institution is jointly supported by the Universities of Leeds and Sheffield. Sir Stephen told us that the new centre had “eased the problem for quite a while and […] has brought in other groups like the Great Britain Sasakawa Foundation and the Daiwa Foundation to fund teaching posts either at those universities or at secondary schools that will feed them.” Sir Stephen said that “there is more demand for places, particularly graduate positions, in those universities than five years ago”, and that this was a “very healthy sign”.

436. Sir Stephen noted that the Government funding for the White Rose East Asia Centre is “time-limited”, the funding under the Language-Based Area Studies initiative is being provided for five years. Dr Hoare argued that a “short-term funding approach” towards university capacities in the UK often led to repeated crises, as funding streams approached

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767 Q 97
768 Q 98
769 Q 98
770 Ev 55
771 Q 97
772 Q 155
773 Q 96. The initiative operates through the Higher Education Funding Council for England, the Economic and Social Research Council, the Arts and Humanities Research Council and the Scottish Funding Council.
774 www.wreac.org
775 Q 96. The Great Britain Sasakawa Foundation has announced a grant to the Centre of £550,000 over five years to fund two lectureships and a research support post, with additional support from the Japan Foundation; White Rose East Asia Centre, First Annual Report, 1 September 2006-31 August 2007, p 4, via www.wreac.org
776 Q 96
777 Q 96
778 “Language-based area studies centres: invitation for proposals”, via www.hefce.ac.uk
their end, often to be followed by further injections of funding for another fixed period. In the case of East Asia, Dr Hoare’s account suggested that among regional partners this creates an impression of opportunism, rather than the commitment which he identified as important. 779 The British Association for Korean Studies (BAKS) also told us that such public spending as is taking place is focussed “almost entirely on the Chinese mainland”, rather than other areas of East Asia. BAKS called for “guaranteed and continued Government support for all branches of East Asian Studies in the nation’s universities”. 780

437. Given the economic and strategic importance which the Government attributes to East Asia, and noting the Minister’s acknowledgement of the value of university-level specialist regional capabilities, we conclude that the Government should take steps to avert any risk of East Asian studies in the UK again facing a crisis. As the initial Government core funding for the White Rose East Asia Centre is due to expire in 2011, we recommend that the Government should start now to consult with relevant partners in the university and private sectors with a view to developing follow-on core funding that will allow, as a minimum, the maintenance of UK university-level research and teaching on East Asia at its current level. We further recommend that the Government should ensure that public support for the development of regional language and other skills does not focus unduly on China but gives due weight to Japan and Korea, as important economies and cultures in their own right and vital components of China’s regional environment.

438. One area of language knowledge where our witnesses commended the UK’s record in East Asia was that of British Ambassadors and other diplomatic staff. Dr Hoare told us that the UK has “a long-established tradition of believing that the people on the ground doing the job for the Government did need to have the local languages”. 781 For example, he noted that the UK’s first Korean-speaking Ambassador had recently been succeeded by a second. Dr Hoare said that this practice was “important” in the region as it would be interpreted as showing “commitment”. 782 Sir Stephen Gomersall agreed, saying that the British Embassy in Tokyo had “the reputation of being certainly the best in the EU, by a long chalk”, in this respect. 783

439. In our Report on the FCO’s 2006-07 Annual Report, we concluded that “high quality language training is a vital part of successful diplomacy” and we expressed some concern in case the FCO’s recent decision to outsource its language teaching affected its performance in this regard. 784 In its response to our Report, the Government said that it would “ensure that the system of quality control [under the new arrangements] is rigorously managed.” 785

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779 Q 98
780 Ev 55
781 Q 99
782 Q 99
783 Q 99
440. We conclude that the FCO’s practice of ensuring that the UK sends Ambassadors to Japan and Korea who speak the language of their host state is to the UK’s diplomatic advantage. We recommend that the FCO should continue this practice.

Japan

441. Educational links between the UK and Japan are strong in many respects. There are currently around 85,000 Japanese students studying English in the UK, and another 8,500 in higher or further education courses. According to the FCO, the JET scheme, which takes graduates to teach in Japan, is the largest employer of UK graduates; the UK accounts for one-quarter of participants.

442. However, as regards English language use, the British Council reports that, in Japan, “the level of English, especially spoken English, is generally poor, and this is particularly true outside Tokyo”.

443. Several of our witnesses referred to the “old-fashioned” picture of the UK widely held in Japan as elsewhere in East Asia. The British Council referred to a need to “bring a more accurate and up-to-date view of the UK to Japanese audiences”. During 2008, the British Embassy in Tokyo and the British Council have been jointly sponsoring “UK-Japan 2008”, a major public diplomacy campaign to mark 150 years of diplomatic relations between the two countries, involving a large number of cultural events and exchanges. The FCO states that the campaign has focussed on highlighting “UK/Japan achievements which are contemporary, creative and collaborative in the creative industries, science and innovation and the arts—all areas with strong potential for future UK and Japanese economic growth.” The centrepiece of “UK-Japan 2008” was a Turner Prize retrospective held in central Tokyo: the Crown Prince of Japan attended the opening, and 90,000 people visited the exhibition during its first three weeks.

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786 Ev 87 [British Council]
787 Ev 87
788 See para 431 above.
789 Ev 88
790 Ev 61 [FCO]
791 Ev 61
444. The British Council in Japan has contributed to an initiative called the Climate Champions Project. This follows a requirement in the Kyoto Treaty that each of its signatories should proselytise about the dangers of climate change. The Government has sponsored a competition in UK schools to find a climate change ‘champion’, and to roll this out worldwide using the British Council. Ten champions, aged 14 to 18, were chosen in Japan in early 2008. When we visited the British Council offices in Tokyo we were told that they were highly articulate young people who received a reasonable amount of TV coverage in Japan, and that three of them were later chosen to visit London to convey their environmentalist message back to the UK.

445. We recommend that in its reply to this Report, the Government should set out its assessment of the scope for expanding the British Council’s role as a provider of English-language teaching in Japan, to cater for the large market of young people seeking English-language skills. We further recommend that the Government should continue to make efforts in its cultural promotion work in Japan to emphasise the UK as a modern, creative, technologically advanced country, and that it should, where appropriate, utilise the UK’s status as Olympic host nation in 2012 as way of highlighting this. We conclude that the British Council in Japan is to be commended for its emphasis on working with young people to deal with the challenges of climate change.

South Korea

446. Dr Hoare gave us a mixed picture of the UK’s profile in South Korea. On the one hand, he said that the UK had “never had a very strong presence” in Korea, with the US always having the greater imprint and some other European countries creating a greater impression more recently. On the other hand, he commented that South Korea regards Britain with a certain degree of respect because of [its] historical role in East Asia, as well as with a certain amount of gratitude because [it was] one of those countries that came to its aid during the Korean War. It also regards [the UK] as a leading European power that is worth cultivating.

447. A high value is placed on education in South Korean society, but, as the British Council told us, “there is a wide perception that the public education system is failing to prepare young people effectively for employment”. As a result, South Koreans “spend more per capita on private education and send proportionally more students abroad for study than any other nation in the OECD”.

448. Educational links between South Korea and the UK are substantial. There are currently around 20,000 South Koreans studying in the UK. The FCO has awarded around 800 of its Chevening scholarships to South Koreans over the past 20 years, enabling

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792 Q 95
793 Q 105
794 Ev 89
795 Ev 89 [British Council]
796 FCO website, country profile: South Korea
them to pursue postgraduate study in the UK; around 30 South Koreans will take up these scholarships in 2008. Dr Hoare told us that “schemes like the Chevening scholarships have had a very strong impact”. South Korea’s Prime Minister, Dr Han Seung-Soo, is a former Chevening scholar.

The British Council is seeking to attract more South Koreans to UK universities, for various types of study and contact. In pursuing South Korean students, UK universities face strong competition from their US counterparts, especially, and also from Australia, among English-speaking countries. Chinese universities are also an increasingly popular destination for South Korean students. During our visit, we were told that South Koreans can sometimes feel that UK universities are only interested in attracting them because of the funding which they bring.

South Koreans often have high levels of English language education on paper, but—as the British Council put it—they “are increasingly conscious of their relative inability to communicate effectively”, and devote huge private resources to extra tuition. President Lee is launching a major drive to raise South Koreans’ English competence, as part of his effort to boost South Korea’s economic competitiveness and enhance its global profile. The new South Korean Government has allocated $4.2 billion for enhanced English language teaching provision in state schools in coming years.

The British Council’s English-teaching programme in Seoul is already one of its largest worldwide. The British Council told us that, given the ambitions of President Lee and his Government, “there is a clear window of opportunity for the British Council to establish [itself] as a principal source of support and advice to the new South Korean Government in the area of English education, and we intend to invest significant resources in demonstrating the UK’s leading position in this area”. In its memorandum to our inquiry, the British Council detailed a range of new partnerships and schemes through which it is seeking to enhance its position in South Korea’s English teaching sector. The point was made to us in Seoul that, while South Koreans might be inclined to look first to the US for English language exposure, the US does not have a single official English language teaching agency equivalent to the British Council.

Dr Hoare suggested that, as a result of the British Council’s focus on English language training in South Korea, “some of the other things that go into the pot marked ‘culture’

797 “UK welcomes Korean students – scholarships presented to 30 young Koreans”, press release, British Embassy, Seoul, 18 June 2008, via www.uk.or.kr
798 Ev 79
799 Ev 90 [British Council]
800 Ev 89
802 Ev 89 [British Council]; “Push for intensive English teaching at school worries S Korea’s parents”, Financial Times, 30 April 2008
803 Ev 67 [FCO]
804 Ev 90
805 Ev 90
have been rather neglected”. His view was that “Germany and France have often made a bigger cultural impact in South Korea than Britain” and that the UK “is seen not to be as dynamic as some of our European partners”.

453. Dr Hoare recognised that the FCO and the British Council were making “strenuous efforts” to promote British culture in South Korea and to counter out-of-date views of the UK. The UK ran a promotional campaign in South Korea in 2007, partly to mark the 50th anniversary of the establishment of the British diplomatic presence there. The British Council told us that its work in Seoul would include participation in the Council’s international “Creative Cities” programme, in order to take advantage of the interest of many South Korean cities in arts programmes as a mechanism for urban development and international promotion.

454. The British Council told us that it was also focusing on climate security in its work in South Korea. The Council said that it was aiming to “raise awareness of the crucial importance of reducing greenhouse gas emissions”, primarily among young people.

455. We conclude that the British Council is correct to identify the potential for increase in the take-up of UK education services among South Koreans, especially in light of the Lee Administration’s push to enhance English language provision in South Korea’s state schools. We recommend that the British Council should continue to pursue these opportunities, while ensuring that UK universities are aware of the need to demonstrate the value of UK study in a tough South Korean market. We further recommend that, inasmuch as resources allow, the British Council should seek to increase its British cultural promotion work in South Korea, since the existence of a modern and dynamic cultural profile will contribute to the attractiveness of the UK educational offer. Given South Korea’s history as an Olympic host nation and its strong showing at the 2008 Games, we recommend that the British Council should consider capitalising on the approach of the 2012 London Games as a means of giving focus to this objective.

456. As we noted in our chapter on North Korea above, the BBC World Service does not run a Korean-language service. The BBC World Service’s English-language radio broadcasts are available in South Korea via a local English-language FM station in Seoul, and via mobile, digital and online services nationally. BBC World television is available in 3.6 million households and 13,000 hotel rooms, through a number of pay-TV services. As in Japan, BBC Global News told us that BBC World “aims to increase distribution” in South Korea.
457. We recommend that BBC World television should continue to seek opportunities to increase its distribution in South Korea.
Annex

Foreign Affairs Committee Visit to Japan and the Koreas, 11-15 May 2008

Participating Members:

Mr Fabian Hamilton  Sandra Osborne
Mr David Heathcoat-Amory  Mr Greg Pope
Mr John Horam  Mr Ken Purchase
Mr Eric Illsley  Sir John Stanley
Mr Malcolm Moss  Ms Gisela Stuart

Tokyo

Sunday 11 May

Briefing dinner hosted by HMA Sir Graham Fry with Embassy staff

Monday 12 May

Meetings with:

Mr Koji Tsurouka, Director-General, Global Issues, Ministry of Foreign Affairs
Mr Etsuro Honda, Deputy Director-General, European Affairs, Ministry of Foreign Affairs
Mr Akitaka Saiki, Director-General, Asian and Oceanian Affairs Bureau, Ministry of Foreign Affairs
Mr Koro Bessho, Director-General, International Cooperation Bureau, Ministry of Foreign Affairs
Mr Itsunori Onodera, Senior Vice-Minister of Foreign Affairs
Mr Shigeru Ishiba, Minister of Defence
Mr Masaru Tsuji, Director-General for International Affairs, Ministry of Defence
Dinner hosted by HMA Sir Graham Fry. Guests:

- Mr Ian de-Staines OBE, Executive Director, British Chamber of Commerce, Japan
- Mr Joseph R. Donovan, Jr., charge d’affaires, US Embassy
- Dr Kuniko Inoguchi, Member of the House of Representatives
- Mr Shintaro Ito, Member of the House of Representatives
- Mr Andrew Mankiewicz, President, British Chamber of Commerce, Japan
- Mr Stuart Milne, President and Chief Executive Officer, Country Manager Japan, HSBC Ltd
- Ambassador Nishimura Mutsuyoshi, Special Adviser to the Cabinet (Prime Ministerial adviser on climate change)
- Professor Koichi Nakano, Sophia University
- Mr Kotoro Tamura, Member of the House of Councillors
- Dr Taizo Yakushiji, Executive Member, Council for Science and Technology Policy, Cabinet Office

**Tuesday 13 May**

Meetings with:

- Mr Chikao Kawai, Director-General, Foreign Policy Bureau, Ministry of Foreign Affairs
- Standing Committee on Foreign Affairs, House of Representatives

Lunch hosted by David Fitton, Minister at the British Embassy. Guests:

- Dr Chiaki Akimoto, Senior Defence Analyst and Senior Commentator, Japan Broadcasting Corporation
- Professor Nobumasa Akiyama, Associate Professor, School of International and Public Policy, Hitotsubashi University
- Mr Toru Ando, Editorial Writer, *Chunichi Shimbun/Tokyo Shimbun*
- Ms Keizo Iizuka, Deputy Political Editor, *Yomiuri Shimbun*
- Mr Shinji Inada, Political News Section Staff Writer, *Asahi Shimbun*
- Mr Hiroshi Komatsu, Political News Editor, *Mainichi Shimbun*
- Mr Kenro Nagashi, Foreign News Editor, *Jiji Press*
- Mr Ryoichi Nishida, International News Editor, *Sankei Shimbun*
- Mr David Pilling, Tokyo Bureau Chief, *Financial Times*
For the remainder of the visit, the Committee split into two groups

Further programme in Japan, Mr Illsley and Mr Pope only:

Tokyo

Tuesday 13 May

Meetings with:

DPRK Abductee Family Association

Mr Kotaro Ohno, Director-General, Criminal Affairs Bureau, Ministry of Justice

Jason James, Director, British Council in Japan

Wednesday 14 May

Meeting with the Japan Federation of Bar Associations (Ms Maiko Tsugahari, Staff Attorney, and other members)

Tour of Fujitsu Forum, an annual display of new products and technologies

Osaka

Wednesday 14 May

Briefing from Chris Stuart, HM Consul-General, Osaka

Thursday 15 May

Visit to Osaka Detention Centre and meeting with Mr Masahiro Katou, Warden

Kyoto

Thursday 15 May

Visit to Advanced Telecommunications Research Institute International and meeting with Dr Yasuo Hirata, President, and Dr Nick Campbell, Chief Researcher, Department of Acoustics and Speech Research
Programme in the Koreas for the remainder of the Committee

Seoul

Wednesday 14 May

Briefing from HMA Martin Uden and Embassy staff, HMA to Pyongyang John Everard, and Ian Simm, Director, British Council, South Korea

Meetings with:

Mr Kim Sung-hwan, Vice Foreign Minister
Mr Kim Ha-joong, Minister of Unification
Professor Lee Jae-Joung, former Minister of Unification
Mr Kang Chol-hwan, North Korean defector and journalist
Ms Kay Seok, North Korea Researcher, Human Rights Watch

Major General John A. Weida, Deputy Chief of Staff, United Nations Command/US Forces Korea, and US colleagues

UK business representatives: Mr Chris Hollands, Executive Vice President, Standard Chartered; Mr Simon Cooper, HSBC; Mr Michael De Vere, Standard Life

Dinner hosted by HMA Martin Uden. Guests:

Mr Park Jin, National Assembly Representative
Mr Hong Jung-wook, National Assembly Representative
Ms Song Young-sun, National Assembly Representative

Thursday 15 May

Visit to Kaesong Industrial Complex, North Korea, accompanied by HMA Martin Uden and HMA John Everard:

Briefing from Mr Dan Byun, Hyundai Asan

Briefing from, and lunch hosted by, Mr Shin Un-sang, Chairman, Kaesong Industrial Management Committee

Visits to Shinwon factory and Taesung Hata factory
Visit to Joint Security Area (Panmunjom), Demilitarised Zone, South Korea:

Briefing from Commander Dignan, UN Command Joint Duty Officer

Briefing from Major Johann Larsson, Secretary, Swedish Contingent, Neutral Nations Supervisory Commission
Formal Minutes

Wednesday 12 November 2008

Members present:

Mike Gapes, in the Chair

Sir Menzies Campbell
Mr Fabian Hamilton
Mr David Heathcoat-Amory
Mr Eric Ilsley
Mr Paul Keetch

Mr Malcolm Moss
Mr Ken Purchase
Sir John Stanley
Ms Gisela Stuart

The Committee deliberated.

Draft Report (Global Security: Japan and Korea), proposed by the Chairman, brought up and read. Ordered, That the Chairman’s draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 53 read and agreed to.

Paragraph 54 read, amended and agreed to.

Paragraphs 55 to 122 read and agreed to.

Paragraph 123 read, amended and agreed to.

Paragraphs 124 to 162 read and agreed to.

Paragraph 163 read, amended and agreed to.

Paragraphs 164 to 176 read and agreed to.

A paragraph—(Sir John Stanley)—brought up, read the first and second time, and inserted (now paragraph 177).

Paragraphs 177 to 226 (now paragraphs 178 to 227) read and agreed to.

Paragraph 227 (now paragraph 228) read, amended and agreed to.

Paragraphs 228 to 266 (now paragraphs 229 to 267) read and agreed to.

Paragraph 267 (now paragraph 268) read, amended and agreed to.

Paragraphs 268 to 288 (now paragraphs 269 to 289) read and agreed to.

Paragraph 289 (now paragraph 290) read, amended and agreed to.

Annex agreed to.

Resolved, That the Report, as amended, be the Tenth Report of the Committee to the House.
Ordered, That the Chairman make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for printing with the Report.

[Adjourned till Wednesday 19 November at 2.00 pm.]
Witnesses

Wednesday 19 March 2008

Dr John Swenson-Wright, Lecturer in Japanese Politics and International Relations, East Asia Institute, University of Cambridge, and Associate Fellow, Chatham House

Mr Aidan Foster-Carter, Honorary Senior Research Fellow in Sociology and Modern Korea, University of Leeds, and freelance writer and consultant on Korean Affairs, and Professor Hazel Smith, Professor of International Relations, University of Warwick

Wednesday 2 April 2008

Ms Norma Kang Muico, Researcher, East Asia Team, Amnesty International

Sir Stephen Gomersall KCMG, Chief Executive for Europe, Hitachi, 2004-present; HM Ambassador to Tokyo 1999-2004, and Dr Jim Hoare, freelance consultant on East Asia; formerly with the FCO as a research analyst and in Seoul, Beijing and Pyongyang

Wednesday 2 July 2008

Lord Malloch-Brown KCMG, Minister of State for Africa, Asia and the UN, Foreign and Commonwealth Office, and Stephen Lillie, Head of Eastern Group, Asia Pacific Directorate, Foreign and Commonwealth Office
List of written evidence

1. The Council of the British Association for Korean Studies  Ev 53
2. The Foreign and Commonwealth Office  Ev 56; 106; 107; 109
3. The Royal United Services Institute for Defence and Security Studies  Ev 72
4. Dr J E Hoare  Ev 78
5. Professor Hazel Smith, University of Warwick  Ev 81
6. British Council  Ev 86
7. BBC Global News in Japan and Korea  Ev 91
8. Dr Christopher Hughes, University of Warwick  Ev 96
9. Dr Tat Yan Kong, Senior Lecturer in Politics, School of African and Oriental Studies, University of London  Ev 99
11. Letter to the Prime Minister from Mr Eric Ilsley MP and Mr Greg Pope MP  Ev 104
12. Letter to Mr Eric Ilsley MP and Mr Greg Pope MP from the Prime Minister  Ev 106
13. Letter to the Parliamentary Relations Team, Foreign and Commonwealth Office  Ev 105; 108
Oral evidence

Taken before the Foreign Affairs Committee

on Wednesday 19 March 2008

Members present:

Mike Gapes (Chairman)

Rt hon. Sir Menzies Campbell
Mr. Fabian Hamilton
Rt hon. David Heathcoat-Amory
Mr. John Horam

Mr. Malcolm Moss
Sandra Osborne
Rt hon. Sir John Stanley

Witness: Dr. John Swenson-Wright, Lecturer in Japanese Politics and International Relations, East Asia Institute, University of Cambridge, and Associate Fellow, Chatham House, gave evidence.

Q1 Chairman: Good afternoon. Thank you, Dr. Swenson-Wright, for being our first witness in this new inquiry on global security, Japan and Korea. Members of the public, will you please switch off your mobile phones, or put them on silent? Thank you. This inquiry is a follow-up to other inquiries that we have done on global security, including one on South Asia and one on East Asia. The East Asia one focused mainly on the People’s Republic of China and its neighbours, so we thought that there was an opportunity to have an inquiry that looked at Japan and Korea in greater detail. They were touched on in our previous report, and this gives us an opportunity to go further into the issues. I begin by asking for your assessment of the Japanese domestic debate on Japan’s role in the world and how it is changing.

Dr. Swenson-Wright: Probably the most important thing to say, in looking at Japanese security policy as it is perceived domestically, is that there has been a gradual evolution in Japanese foreign and security policy dating from the mid-1990s. Part of that has been prompted by the perceived threat from North Korea—in particular, the launch of the Taepodong medium-range ballistic missile in 1998. In the words of one former bureaucrat, in a sense, it pulled Japan out of its post-war cocoon. It made the Japanese public in particular aware of their vulnerabilities. We have seen a steady, incremental shift to a more proactive foreign and security policy. Gradually, some of the normative constraints, such as the post-war pacifism that has been reflected perhaps most powerfully by article 9—the so-called peace clause—of the Japanese constitution, have begun to be questioned and challenged. It is also partly an attempt to provide a corrective to the legacy of the first Gulf war, when Japan’s bureaucrats and politicians felt that Japan was caught in a difficult position, having provided substantial financial assistance, but perceived not to be a major player in its commitment to security interests. There has been a strong effort to avoid repeating those mistakes. Fundamental new legislation was introduced in 2001 and 2003, providing the opportunity for Japan’s ground self-defence forces to be deployed to Iraq. That was an unprecedented development, as it was the first time that ground self-defence forces had been deployed to a conflict zone. Also, importantly in terms of domestic political debate in the Japanese Diet, maritime self-defence forces were deployed to assist in Operation Enduring Freedom, providing logistical support and refuelling capabilities to the allied effort in Afghanistan. That all represents an important shift in how security is defined and pursued at a policy level. Some if it also reflects the importance of personalities. Former Prime Minister Koizumi took a number of important political risks in identifying himself so closely with the American allied effort in Iraq. More fundamentally, with regard to the long-term development of Japan’s security policy, it is also a reflection of important institutional change in Japan. As you may know, the Japan Defence Agency has been transformed into a fully fledged Ministry, reflecting the greater emphasis placed on defence matters in Japan’s decision-making context. There was a major overhaul of Japan’s national security doctrine in 2004 with the publication of the national defence programme guidelines. The emphasis in those has been to shift Japan’s approach to security from a rather narrowly regionally-defined role to a much more self-consciously global role, harmonising its capabilities with America’s global force posture review. The key watchwords are flexibility and mobility, ensuring that Japan’s defence forces can be deployed in a range of scenarios and circumstances to assist the United States—not only regionally, but globally. In that context, there has been much more active collaboration between Japanese and American forces since May 2006, with the articulation of a new road map. I can go into that in more detail if you like, explaining the background to some of those changes.

Q2 Chairman: Thank you. You mentioned article 9 of the constitution, and you also mentioned former Prime Minister Koizumi. Of course, since then, there has been Mr. Abe and now Mr. Fukuda. Do you think that the Fukuda Government will pursue prospects to amend that article?
Dr. Swenson-Wright: It is quite unlikely at this stage. Mr. Abe put in train a constitutional process to allow provision for constitutional reform in a range of different areas, but it must be emphasised that that is a long-term proposition. We are talking about four or five years. It is also fair to say that Mr. Fukuda’s current concerns are much more domestically orientated, because of the difficult domestic political balance with the opposition party, the Democratic Party of Japan, controlling the upper House. Mr. Fukuda’s priorities have to be domestic. Also, in terms of his own foreign policy priorities, he is a man who seems much less willing—much less eager—than his predecessor to force the constitutional issues. In a sense, he does not need to do so immediately. There are practical measures that can be taken to allow Japan to continue to demonstrate its commitment to its relationship with the United States without necessitating constitutional change. Some of the hallmark issues associated with Prime Minister Abe, such as the plan to introduce a national security council, have fallen by the wayside. I think that most observers see that as a reflection of the cautiousness of Mr. Fukuda, who is much less inclined to pursue that particular area.

Q3 Mr. Heathcoat-Amory: On the question of the UN Security Council, Japan wants to become a member, and it is supported by the United Kingdom, but membership requires a forward policy on world security. Is that compatible with article 9? I understand that, in 1945, the world thought that it had seen quite enough of the Japanese army, but that is more than 60 years ago. If Japan wants to play a world role in the Security Council, do you think that that is possible given the existence of article 9?

Dr. Swenson-Wright: Yes. I do not see any contradiction between article 9 and Japan enhancing its role in the UN. We have seen that already, for example, in the very deliberate efforts that the Japanese Government made in ensuring the passage of two key UN Security Council resolutions—resolutions 1695 and 1718—in response to the July 2006 launch of ballistic missiles from North Korea and of course, most importantly, most symbolically and, from Japan’s point of view, most worryingly, the detonation of a nuclear device by North Korea in October 2006. Japan’s behind-the-scenes efforts to put together a diplomatic coalition to deal with that security threat is precisely the sort of activism that I think reinforces its argument—it is not a new argument, of course—for why it ought to have a permanent seat on the UN Security Council. That argument is driven not only by Japan’s perception and argument that it is doing more in the security context, but, very importantly, by the fact that Japan is one of the most significant financial contributors to the UN. Some would say that Japan is the most reliable contributor to the UN Security Council, which emerged under Koizumi’s leadership, included a four-state proposition, involving Germany, Brazil, India and Japan. Although Washington paid general lip service to the idea of a Japanese position, there was a real feeling that Washington’s commitment was somewhat half-hearted—principally because Washington felt reluctant to open the Pandora’s box of UN Security Council reform on such a grand scale. Of course, the other opposition came from China. There are some indications at the moment that, with Sino-Japanese relations having improved and with China talking about possibly entertaining an Indian bid for Security Council membership, the Japanese might go back to the Chinese and solicit their support. It is too early to say, but I think that we will see further efforts by Japan to enhance its position, at least in the diplomatic context. As I said, there are many areas where the nature of US-Japan security co-operation is already much more global in focus. There is much more flexible deployment of Japanese forces in combination with the United States, and I would see that global approach continuing.

Q5 Sir John Stanley: As you know, the Committee, in an earlier stage of its global security inquiry, has visited both China and Taiwan. If there should be American military deployments or military operational action at any time in the future to safeguard the independence of Taiwan, what would be Japan’s role in facilitating the use of American bases in Japan for that purpose? Have you any reason to believe that the Japanese, in addition to making it easy for the Americans to use their bases in Japan in that context, might wish to give active military support to conventional activities by the Americans to ensure the independence of Taiwan?

Dr. Swenson-Wright: Probably the easiest thing that one can say at this stage is that the Japanese defence establishment and the political establishment would dearly wish to avoid that scenario developing. They would see it as drawing them into a conflict that could potentially extend far beyond their borders. Their preference has been to emphasise the importance of reaching a political solution. In February 2005, unusually for Japan, the Japanese Government, together with the United States, signalled the importance of reaching a diplomatic, peaceful resolution to the China-Taiwan conflict. As part of that redefinition of the US-Japan security relationship, there have been early stages of joint training between Japanese and American forces, with the potential contingency of a crisis in the Taiwan straits. But that is a long way from arguing
in support of active military co-operation. That would be seen as provocative, for obvious reasons, and would undermine the efforts of the Fukuda Government to enhance their relationship with China— a relationship that is important for a range of reasons. It is fair to say that the Japanese political establishment is also split about how best to manage its relationships with Taiwan and China, so it is far easier, from its point of view, to try to offset the possibility of such a security crisis emerging. Some have speculated that Japan’s efforts to develop missile defence in closer collaboration with the United States, particularly the deployment of more mobile Aegis destroyers, which form a critical part of the new missile defence structure, might, at some point, be directed towards dealing with a conflict in the Taiwan straits. I think that that argument is overstated, but, in terms of perceptions, it fuels some of the dynamic between China and its regional neighbours. From Japan’s perspective, China represents a real and present danger in terms of its ballistic missile capabilities. The Japanese establishment would wish to avoid intervening directly in support of the United States, but whether it could avoid doing so is debateable, because American forces would clearly have to be deployed from Japan, principally from Okinawa. It is almost inconceivable that the Japanese Government could veto such an action on the part of the United States.

Q6 Mr. Horam: What effect, if any, will Japan’s presence in the G8 have on its international role? Dr. Swenson-Wright: The G8 offers an interesting set of opportunities for Japan, particularly in the context of climate change. Prime Minister Fukuda clearly wants the Hokkaido summit in July to be a success. In part, that reflects the logic of domestic politics in Japan—there is talk of a possible lower House election in the autumn, and success in managing the G8 summit, however one chooses to define that in policy terms, is important for Japan. It also reflects the personal preferences of Fukuda, who, as a young man in the 1970s, was secretary to his father, the then Prime Minister, Takeo Fukuda. He had anticipated managing the 1979 G8 summit, but was unable to participate because of political change within Japan. The sense of frustration on the part of Fukuda Jr. partly explains his commitment. What would Prime Minister Fukuda do? We have already seen some important indicators. He gave a significant talk at the Davos forum in late January, when he set out the potential environmental policy proposals that Japan would like to be taken up at the G8 summit. My analysis suggests that Japan is trying to present itself as a mediating force between the European Union—with its preference for some sort of top-down, unified set of standards to deal with climate change, as well as a system of emissions trading—and the United States, which we know is very sceptical about the merits of binding national targets. The Japanese have proposed some sort of bottom-up system in which industry-based targets would be set as a means of moving towards the Kyoto and post-Kyoto targets, which are being debated at the moment. Unfortunately, the difficulty for the Prime Minister is that because of tensions within his Government and divisions within his Cabinet between the Environment Minister and the Ministry of Economy, Trade and Industry, he has been reluctant to set formal targets or to establish a clear time frame. The Japanese establishment is questioning the merits of the 1990 baseline for discussions on climate change. By doing so, opposition is potentially being generated in European circles. There are even doubts about Japan’s ability to meet its 6% reduction target under the existing Kyoto framework. However, despite those problems there are very real areas where Japan can demonstrate its willingness and ability to lead and to make a difference. Under the proposal made by Prime Minister Fukuda at Davos, Japan will provide some $10 billion-worth of economic assistance over the next five years, targeted at developing countries, in an effort to reduce their emissions. There has been a great deal of stress on the importance of harnessing Japan’s technical expertise in this field, particularly in conjunction with countries such as China. Again, that reinforces the effort by the Fukuda Government to enhance their bilateral relationship with Beijing. There is much talk of alternative uses of energy, solar power, measures to mitigate the effects of natural disasters associated with global warming and better control of water resources. In typical Japanese fashion, those initiatives are being realised through a combination of grants and loans and a set of different incentives. It is quite striking when one contrasts the level of commitment on the part of Japan, with its $10 billion, with what the United Kingdom is proposing. Japan is prepared to take a lead and clearly feels that this is an important opportunity. When we think about the G8, it is worth emphasising that there are non-environmental opportunities where Japan can afford to lead. In a sense, that relates to the earlier question about its security role and its ability to make the case for a prominent position in the United Nations. The initiative that is most relevant to that is the global partnership against the spread of weapons of mass destruction, which was first introduced in 2002 at the Canadian G8 summit. Japan has played an important role in encouraging denationalisation, often behind the scenes and in a low-profile context. Again, that is emblematic of Japan’s diplomatic style. It has been at the forefront of efforts to dismantle Russian submarines through the Star of Hope programme. Japan has also been an active player in broadening the range and number of participant countries beyond the G8 framework and bringing in non-G8 states as part of that initiative. That sort of technical experience is invaluable not only in the context of the former Soviet states, but in the context of North Korea—a very live issue for Japan. If the Six-Party Talks were to continue along the route that we see at the moment and if Japan was able to realise and manage its domestic opposition to closer relations with North Korea, one could see a very valuable role for Japan in providing technical assistance, perhaps in conjunction with the United Kingdom. There is a range of areas where Japan’s past efforts could be applied in a future context—
even in the context of China—for example, regarding non-nuclear weapons of mass destruction, such as chemical and biological weapons. Japan has played an important role in decommissioning stockpiles of chemical weapons left over from world war two. It has important technical expertise that could be applied in a variety of different contexts.

Q7 Mr. Horam: Briefly, how far do you feel that Japan’s stand on climate change and environmental matters is driven by its energy requirements?

Dr. Swenson-Wright: That is a very important part of its agenda, although its energy requirements cross a range of policy issues. The immediate context in which one would expect to see a more developed set of initiatives is enhancing and using nuclear power to deal with energy needs. Japan has been less proactive and less willing to embrace such initiatives. Its approach to its own energy demands involves closer relations with China, because of the need to develop access to oil and natural gas resources in the East China Sea. It also affects its relationship with Russia and, importantly in the context of non-proliferation measures, its relationship with Iran. Japan has been trying to develop access to the very substantial resources of the Iranian oil fields, and some of that has been qualified and constrained by diplomatic realities and pressure from the United States. Given the importance of maintaining access to diverse energy supplies, Japan is perhaps taking a more flexible approach in its relations with Iran than it otherwise might, and the Iranians have certainly been lobbying the Japanese Government to reconsider their position on that issue.

Q8 Mr. Hamilton: The Foreign and Commonwealth Office has said that the success of Japan, and also South Korea, in ensuring stability in East Asia “will depend on their close relations with the US”. It also notes that Prime Minister Fukuda has said that Japan’s alliance with the US “should be used to leverage an enhanced Japanese role in Asia to boost relations with China and the Republic of Korea.” Could you give us an outline of the current state of security relations between the US and Japan?

Dr. Swenson-Wright: The security relationship is broadly very positive. In fact, some former members of the Bush Administration who were closely involved with relations between the two countries would argue that it is the best that it has ever been. Certainly, if one takes most of the conventional indicators, it is easy to see why that argument would be made. The US remains the linchpin of Japan’s security strategy, both in the region and in its evolving more global role. There are some 53,000 American troops in Japan, which is a very real and substantial presence. There has been a substantial enhancement of security co-operation between Washington and Tokyo through the road map that I mentioned, and we have also seen at the diplomatic level a real effort by Prime Minister Fukuda to build on the success achieved by Prime Ministers Koizumi and Abe. I think that the November summit of last year was a success. The Bush Administration and the President himself provide rhetorical support on the critical issue of the fate of Japanese abductees, which again is a very important political concern for the current Japanese Government. A new host nations accord agreement has been signed. With regard to ballistic missile defence, there have been substantial developments in testing key technologies. Thanks to some agile footwork within the Diet, we have also seen the ability of the Liberal Democratic Party Administration to re-extend the deployment of maritime self-defence forces to the Indian Ocean and to reassure Washington, which had looked at that political issue as something that would potentially destabilise the relationship. We have also seen much more enhanced collaboration between Japanese military forces and their American counterparts in a series of exercises in the Pacific. Importantly, that is not limited to the US and Japan, but is now bringing in other nations such as Australia, Britain, France, New Zealand and Singapore. Having said that, I think that there are some very important potential irritants in the relationship that could complicate how it develops in the future. With regard to North Korea, I certainly think that there is a private worry on the part of the Japanese Foreign Ministry—it might be reluctant to say this publicly—that Washington’s commitment to solving the North Korean nuclear problem is perhaps not as strong as it would like. It worries, for example, that as part of the necessary arrangements to provide incentives to North Korea, the US is about to de-list the country as a state sponsor of international terror, in effect undercutting Japan’s negotiating position with North Korea and potentially creating very significant problems domestically. While Washington worries about the very evident proliferation risk posed by North Korea, from the vantage point of Tokyo, the principal security concern is about ballistic missiles. That is not to say that the nuclear issue is not important, but the ballistic missile threat from North Korea is equally important and, in certain quarters, there is a feeling that that concern has been insufficiently emphasised. It is also important to recognise that making those very ambitious security changes in the defence relationship between the US and Japan will cost a lot of money. The simple redeployment of 8,000 marines from Okinawa to Guam, which is due to take place over a four-year period, is due to cost some $26 billion. When you consider that the Japanese annual defence budget is about $45 billion, you can see why that will impose a huge constraint on Japan at a time when its economy is suffering. Past American Defence Secretaries have been assiduous in pushing Japan to show a willingness to dig into its pockets to support such initiatives. Defence planners worry that their abilities to meet the broader roles and missions that are part of the new road map might be constrained by very real fiscal pressures. The defence establishment is legitimately concerned about that. In terms of building an effective defence relationship, one area on which the two countries have been moving closer together since the 1980s is sharing critical defence technology. During the past 20 or 30 years, there
have been periodic flash points of tension where there has been a debate over the merits of sharing technology, partly because American defence contractors worry about the possible leakage of such technology into the civilian sector. A similar controversy arose recently over the American decision to prevent the export of F-22 Raptor fighter planes to Japan, again suggesting a certain degree of caution from Washington in its willingness to work actively with its Japanese partners. Politically speaking, in an echo of the mid-1990s, when a very damaging rape case on Okinawa threatened to derail the relationship, we have, alas, seen a similar event in the last month or so. Having said that, the political communities on both sides have learned how to manage such tensions and, for now at least, they have been able to contain the problem. There are other issues that are less germane to security per se, and more to do with domestic politics, both in Japan and in Washington. The US Congress has been keen to single out Japan for criticism because of its failure to address the interests of former comfort women. In the process, that raised difficult historical issues that bedevil Japan’s relationships with not only the United States, but, most importantly, China and South Korea. Those are areas that will need to be addressed in the future and although there is a will on both sides to manage the relationship, important areas of uncertainty remain. From Tokyo’s perspective, the other area of uncertainty is the likely outcome of the next presidential election. Rightly or wrongly, policy makers in Tokyo tend to assume that Republican Administrations are more sympathetic to Japan. Democrat Administrations have, in the past, been willing to play the trade card, and there is a nervousness due to uncertainty about what might happen in November.

Q9 Mr. Hamilton: Thank you for that comprehensive reply. Do you think that the close relationship between Japan and the United States is helpful to Japan in pursuing its regional relations? Despite all that you said, it is still a very close relationship—there are 53,000 US troops stationed in Japan, so it has to be close. How helpful is that to Japan in its regional ambitions?

Dr. Swenson-Wright: It is obviously critically important in providing Japan’s immediate security guarantee. The nuclear umbrella that the United States offers Japan is essential as a deterrent strategy, and one can imagine the consequences of removing or qualifying that. Fortunately, there is no move on either side to question that relationship. Japan does not have many choices in terms of where else it could go. We have seen a willingness to explore the possible development of a more flexible defence posture regarding not only enhancing its defence posture regarding not only enhancing its defence posture of the type that I have described will be perceived by the Chinese as confrontational and as signalling a new containment strategy. As a result, there has been a movement away from this more ambitious agenda. The fact that the Japanese political establishment and certain politicians are willing to explore those new structures demonstrates, I think, a desire to enhance Japan’s security options.

Q10 Sandra Osborne: With this recent rape case, to what extent are the views of the Japanese public reflected in the attitudes of the Government towards the US? I understand that there is anti-US sentiment. Is there a view that the US military should get out of Japan, or is the attitude consensual?

Dr. Swenson-Wright: It is a local issue for the residents of Okinawa, who represent 1% of the total land mass of Japan and accommodate 65% of all American forces. It is easy to see why this is a very difficult issue, but even in Okinawa there is a trade-off between those constituents who are opposed to the American presence and local businesses that benefit significantly from the economic stimulus that comes from that presence. On the whole, Japanese public opinion remains consistent towards the United States. If you look at it over the post-war period, you see very little fluctuation in general attitudes towards the United States, which for the most part remain very favourable. Of course, these sorts of incidents are disruptive. What is important in the Japanese context is that the guilty party—or in this case the guilty Government, by association at least—is seen to respond sympathetically and quickly, and to offer apologies. Secretary of State Rice and Thomas Schieffer, the American ambassador in Tokyo, moved very quickly—within, I think, three days—to travel to Okinawa in the case of the American ambassador to meet, the family of the victim and to offer apologies. That has helped to diffuse a lot of those tensions. Where public opinion is much more volatile is in relations with China, and also with South Korea.

Q11 Chairman: May I ask you about China? There was clearly strong hostility and opposition in China when the previous Prime Minister Koizumi went to the Yasukuni shrine. There were demonstrations—almost riots at some point. What is Japanese public opinion, and also Japanese political opinion, with regard to internal Chinese issues? It might be too early, but could you perhaps comment on Tibet, and also on the Taiwan question in Japanese politics?

Dr. Swenson-Wright: In terms of Japanese public opinion and attitudes towards China, there is no doubt that the demonstrations in the mid-1990s and the significance of the history issue have been a source of tension. The Japanese public’s attitude

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towards China is not that dissimilar to the American public's attitude towards Japan in the 1980s. That attitude is based on a fear of China's economic potential, and on the perception that it is growing ineluctably and will eventually take over Japan's dominant economic position. That is the principal fear on the part of the Japanese public. The media in Japan do not help, particularly popular media, whether it is manga cartoons or some of the more sensationalist press that is keen to demonise and stereotype the Chinese. That feeds into this almost symbiotic relationship between nationalist communities in China and Japan. There are certainly outspoken politicians who are quick to point out the political shortcomings and democratic deficiencies of the Chinese Government. They are a vocal force, but not necessarily a representative one.

In fact, if you look at the efforts—and not only those of the LDP and Prime Minister Fukuda—to rebuild the political relationship with China, you can see that they continue the important progress made by Mr. Abe. If you combine that with the efforts of the Democratic party of Japan—Ichiro Ozawa, the leader of the Democratic party, has travelled with other members of his party to Beijing for important meetings with the Chinese leadership—there is a healthy pragmatism and recognition that this is a relationship that needs to work. It is often characterised as a hot economic relationship and a cool political relationship. The economic relationship continues to work in a constructive way, and business interests remain committed to developing their presence. China is now Japan's most important trading partner, and the rate of increase in Japanese inward foreign direct investment to China is striking. That does not minimise the importance of other tensions, particularly in the defence context. The defence agency, as it was before it became a ministry, has, over time, emphasised the potential security risk posed by China. There is concern about submarine and naval incursions into Japanese territorial waters, and, as I said, about China's real ballistic missile capabilities. All of that has been an issue, but we have seen substantial improvement in the relationship in the past three or four months. That partly reflects person-to-person diplomacy. There was the visit of the Chinese Premier who, for the first time, addressed the Japanese Diet last spring. Importantly, in terms of addressing some of the historical issues that feed the domestic debate, Prime Minister Fukuda's visit to China was welcomed by the Chinese authorities, and he was given the opportunity to give a live public address on television—he was only the second leader to do so, President Bush being the first in 2005. Prime Minister Fukuda addressed the students of Beijing University, and spoke explicitly about having "the courage and wisdom to repent what we must repent." It was an important and deliberate effort to address the history issue head-on. As you know, Mr. Fukuda made a clear commitment not to visit Yasukuni shrine, taking some of the difficult political tensions out of the equation. Prime Minister Fukuda's counterpart, Hu Jintao, is due to visit Japan in April or, more likely, May. That will be the first time since 1998 that a Chinese leader has visited Japan and, again, there is a perception that that will provide a useful opportunity to cement the relationship at a practical level. One thing I would emphasise in this new dynamic, which perhaps exposes a strategic weakness in Japan's approach to foreign policy, is that the Prime Minister has been quick to emphasise the commonality between China and Japan at a cultural level. During his visit, he went to Confucius's home town, and there was talk of emphasising Asian values, minimising what in the past was a clearer highlighting of democratic, political issues. Foreign Minister Aso sought to articulate a much more ambitious security and political agenda when he talked about constructing a new arc of freedom and prosperity in the region. That idea has now been put very much on the back burner, and Mr. Fukuda has attempted to reorient Japan's posture towards Asia, particularly China. There are many other important elements in the new partnership. The Chinese ambassador to Japan, Cui Tiankai, talked about the importance of building a new strategic, reciprocal relationship, and we have seen unprecedented port visits by Chinese warships to Japan. We have heard talk of possible trilateral co-operation between China, the United States and Japan, looking for new security structures, particularly to address Japan's concerns about North Korea. There is increasing recognition in Tokyo of the fact that China is an important mediator in dealing with North Korea and thus a valuable partner. The economic relationship remains important to both sides. As for problematic issues, we have mentioned Taiwan, which remains a concern. Both contenders in the Taiwan election have travelled to Japan on a number of occasions and are looking to shore up their support among a diverse political environment in which there are constituencies in both parties that align with either China or Taiwan. The oil and energy issue surrounding the debate about access to the Senkaku islands seems to be moving towards a successful resolution, but it is important to emphasise that this is a resolution only in terms of energy security, and joint access and development of those oil and natural gas reserves. The Chinese sound positive, but they have not compromised on the critical issue of sovereignty, which remains a flashpoint not only between China and Japan, but between Taiwan and Japan. Lastly, and perhaps most strikingly in terms of the ability of unexpected events to derail bilateral relationships, there is the controversy surrounding food poisoning. Chinese dumplings have been identified as responsible for a number of high-profile food poisoning cases. This is not a trivial matter when one considers that China, after the United States, is perhaps the most important supplier of imported food to Japan, supplying about 60% of its frozen food imports. The fallout is verging on mass hysteria and is not inconsequential, both economically and politically, with accusations of bad faith on the part of both Governments. The Japanese Government are accusing the Chinese Government of covering up information relating to
the origins of the problem, and the Chinese Government are suggesting that the problem might have originated in Japan or was possibly an act of sabotage deliberately intended to derail the bilateral relationship.

Q12 Mr. Moss: May I return to relations with North Korea, which you touched on when answering the question on US-Japan relations? In your opinion, would Japan be prepared to normalise relations with Pyongyang if there were an international settlement on the North Korean nuclear issue, even if there was no some kind of movement regarding the issue of the abductees?

Dr. Swenson-Wright: If they can find a formula for dealing with the abductee issue, I think that there is a very real possibility that Japan would be prepared to entertain normalisation. After all, it was Prime Minister Koizumi who on two occasions took what at the time were very real political risks in visiting Pyongyang in 2002 and 2004. Mr. Fukuda, who in his time as Chief Cabinet Secretary was often referred to as a shadow Foreign Minister, took a great deal of interest in the relationship with North Korea, and his public remarks to date suggest that he is adopting a much more pragmatic approach than did his predecessor. As I am sure you are aware, Mr. Abe was very much constrained because he had legitimised himself in terms of popular support by taking a very hawkish position on North Korea, and we see in Prime Minister Fukuda a desire to develop, in his words, a comprehensive approach to dealing with North Korea, so I think that the simple answer is yes. Even public opinion in Japan is much more flexible, or at least ambivalent, on the importance of emphasising the abduction question. The key issue, of course, is how best to effect that change. In this context, relations with South Korea offer a new opportunity, not only with regard to co-operation between Seoul and Tokyo in developing a more co-ordinated approach towards North Korea, but in bringing in the United States to address security interests through the reactivation of bodies such as TCOG, the trilateral co-ordination oversight group and thinking politically of possible solutions. Of course, Japan will need to be an important part of any long-term solution, principally because it offers, through normalisation, very real incentives for the North Koreans. In the 2002 meeting, the talk was of a package of aid of anything between $5 billion and $10 billion. When you consider that the North Korean economy, if one can measure such a thing, tends to record figures of about $17 billion for its GDP, you realise that this is a potentially a very substantial incentive. If the political will is there, Japan could be a very instrumental player in effecting positive change, along with these important initiatives in the field of technology and the proliferation risks associated with North Korea.

Q13 Mr. Moss: Turning next to South Korea, how has Japan responded to the election of President Lee, and to what extent do you believe that the Japanese-South Korean relationship is still influenced by Japan’s treatment of regional states in its colonial and wartime past?

Dr. Swenson-Wright: Generally, the response has been very positive. As you know, President Roh was seen from Tokyo’s perspective as being over-willing to play the history card over territorial differences and to use the vexed question of history text books as a means of securing domestic support on the home front. I think that that might be an overstated argument, and one has to understand that there are very real cultural differences between Japan and South Korea that feed this perception on both sides. Similarly, on the Japanese side, local politics has often intruded to complicate the bilateral relationship without necessarily reflecting a hostile approach on the part of the Government. Lee himself, the new incoming president, is seen in Tokyo as a pragmatist. It does not hurt that he was born in Osaka, and so there is immediately a Japanese connection. It is striking that Prime Minister Fukuda chose to attend the inaugural ceremonies on 25 February and was one of the first foreign leaders to have a meeting with President Lee. There is talk of a visit by President Lee to Japan in April. The new Foreign Minister, Yu Myung Hwan, was the former ambassador to Japan, so what the Japanese like to refer to as pipes—thes personal ties that bring these two constituencies together—have been potentially enhanced in a very important way.

The previous Administration was dominated by members of the so-called 386 generation—individuals in their 30s who were born in the 1960s and attended universities in the 1980s—who were seen as not having those very important personal ties. The fact that we see a new generation or an older generation of individuals shaping policy towards Japan and Korea offers important opportunities. Just as we have seen in the case of Sino-Japan relations a willingness on the part of politicians on both sides of the political aisle to travel to China to rebuild relations, so, too, we have seen a similar pattern on the part of Japan-Korea relations. There is even talk—ambitious talk, it has to be said—of building a new tunnel between Japan and South Korea, which at 200 km would be a major engineering undertaking, dwarfing by far our own 50 km link with France. While all that is a positive change, there are possible areas where one might see points of tension alongside the co-operation. Lee is perceived as a business man and a tough negotiator. He has set his own agenda on economic growth very ambitiously: the so-called 747 strategy of ensuring 7 per cent. growth in the economy, doubling per capita income to the level of $40,000 per person, and establishing South Korea as the world’s seventh largest economy. That means that there will inevitably be tensions in the economic relationship between the two countries. It was in 2004 that the two countries last talked meaningfully about the possibility of building a free trade agreement or an economic partnership agreement between them. Those negotiations have since stalled. They may be reopened, but there will be difficulties, particularly in the agricultural sector, in rebuilding the relationship
in a constructive way. Finally, one area which sometimes gets neglected in the bilateral relationship is the importance of cultural exchange—soft power—on the part of both countries. Just as there has been in the past five or 10 years a Korean wave of cultural products—films, books and music—that has ensured the growing popularity of Korea among ordinary Japanese, so, too, quite interestingly, there is now a Japanese wave. There is a similar level of interest on the part of ordinary Koreans in Japanese culture. That has to be a good thing, albeit a force that will have at best only a gradual, but hopefully sustained, impact on the bilateral relationship.

Q14 Sir John Stanley: During the recent presidential election in South Korea, President Lee gave a firm impression that he would be taking an altogether tougher line with Chairman Kim Jong Il if he was elected President. Indeed, I understand that President Lee’s Korean nickname is the bulldozer. Do you anticipate that there is going to be significant change in policy towards the DPRK under President Lee, or is he as determined as his predecessor to try to achieve a peaceful reunification of the Korean peninsula?

Dr. Swenson-Wright: I am hesitant to express a view on this issue because there are two much better qualified colleagues behind me who I am sure will address that question much more persuasively than I can. My sense is that Lee’s approach is one of pragmatism and conditionality. There is the potential for a much more enhanced relationship with North Korea, provided progress is secured on the nuclear issue, and there is talk of expanding economic co-operation zones and of sending more economic assistance, in effect tightening the relationship between the North and the South. The distinction is between that approach and the approach of his predecessor, who saw engagement, in and of itself, as in turn producing success in terms of proliferation and nuclear discussions. We have a reversal of the sequencing. On the commitment to reaching a positive outcome, the two men are not that far apart.

Q15 Sir John Stanley: You referred earlier to the dispute between Japan and China and Taiwan in relation to certain islands. As you know, there is also significant dispute between the Republic of Korea and Japan on islands. Would you like to give us your assessment of whether there is any chance of resolving the sovereignty issues in relation to those islands? Could it produce actual hostilities between the Republic of Korea and Japan?

Dr. Swenson-Wright: The sticking point is on the mechanism proposed by the two sides for resolving the matter. Neither side accepts the proposal of the other—in the case of Japan, the willingness to go to international arbitration. There is complete reluctance on the part of the South Korean Government, who see the territory as legitimately Korean, so it is hard to see how diplomatic accommodation can be reached.

It is also important to emphasise that, in popular sentiment, this is much more of a live issue in Korea than in Japan. Your average Japanese member of the public, I am tempted to say, is little exercised by the fate of Takeshima, or Dokdo as it is known to the Koreans. It was striking that when the issue flared up—I think that it was in the spring of 2004, when the Shimane Prefecture decided to announce that henceforth 19 February would be Takeshima day—there was a very muted response on the part of the Japanese media and Japanese public opinion. By contrast, we have seen demonstrations, the burning of Japanese flags and attacks on the Japanese embassy in South Korea. It is hard to see how any politician in South Korea, however pragmatic he might be, would be willing to court public discontent by suggesting any sort of compromise on the territorial issue. I am afraid that it will continue to bedevil the relationship, but we may see the leaders being willing to find some formula for avoiding such unexpected flare-ups. The problem is that they often occur at local, not national, level.

Chairman: Can we ask questions about the regional security position and the Six-Party Talks?

Q16 Sir John Stanley: Could you tell us whether the Japanese Government, in your view, are quite content for the US to take the lead in the Six-Party Talks, or whether it has particular requirements that it sees as fundamental to the outcome?

Dr. Swenson-Wright: The bottom line from Tokyo’s perspective is progress on the abductions on the one hand and, as I suggested earlier, the question of the ballistic missile threat from North Korea. Japan is willing to support what the February agreement represents and the mechanisms for ensuring closer engagement with North Korea. We now have different working groups that can address a range of issues, such as the possibility of a peace treaty and the possibility of some sort of regional security architecture, but Japan has made it very clear that it will maintain its existing sanctions and that it will not provide economic material assistance directly to North Korea unless and until the abduction issue and full normalisation are realised. There is very little that Japan can be seen to be doing directly to enhance the Six-Party Talks process, and that is a danger for Japan. The danger is that it will be seen to be isolated. Pyongyang has been quite effective in the past in attempting to divide Japan from the other members of the Six-Party Talks, insisting that Japan’s interests should not be represented and, in some cases, insisting that Japan should not participate in those negotiations. One thing that the Bush Administration, particularly Christopher Hill, have insisted on is ensuring that there is continuing discussion on a regular basis with counterparts in Japan. There has been clear and persistent refusal to accept pressure from the North Koreans. There has to be a multilateral solution that involves all the key parties.

Chairman: Finally, can we ask some questions about the UK and Japan?
Q17 Sandra Osborne: How would you characterise the image of, and attitudes to, the UK in Japan?
Dr. Swenson-Wright: Very positive. It is often said by Japanese diplomats that, in a sense, the problem with the UK-Japan relationship is that there is no problem. It is a very harmonious relationship. There are no tensions or difficulties. Culturally, there are clearly very close ties between the two countries. We have seen a regular flow of tourists, language students and young Japanese people attracted by the culture of London and the wider UK. It is probably fair to say that, on the part of young people in the UK, interest in Japan seesaws alongside interest in China. We see that in an educational context. There has inevitably been a dip in the number of students enrolling in Japanese studies programmes, but broadly I think that there has been a great deal of interest in, and sympathy for, Japan at many different levels. Similarly, in Japan, there is a great deal of interest in, and enthusiasm for, British culture. Some of that has, of course, been the product of close political ties, particularly between former Prime Ministers Blair and Koizumi, who, to the best of my knowledge, had a very good working relationship. Prime Minister Blair was seen as an important—perhaps it is going too far to say inspirational—figure in Japanese political circles, and he was certainly very popular. Political culture in Japan has changed, particularly under Koizumi. Personality politics matters much more, as does the ability to command the media—the bully pulpit of television has been very important. One of the problems that I think that Mr. Fukuda might have in the long term is that he is not a natural performer like Koizumi. The Japanese public are probably looking for more of that dynamic style of leadership.

Q18 Sandra Osborne: In spite of that, the Foreign and Commonwealth Office cites a couple of issues about Japan’s whaling activities and use of the death penalty. What leverage do you think that the UK has in trying to make the case against those to the Japanese Government?
Dr. Swenson-Wright: It is quite difficult to see how the British Government can persuade Japan to undertake what would be a major cultural shift. The commitment to whaling remains quite strong. As you know, it is presented as driven by scientific research interest, but the reality is that it is still an important part of domestic political culture. The consumption of whale meat continues in Japan. As I understand it, there has been some willingness on the part of the Japanese Government, in the face of international pressure, particularly from Australia and its new Foreign Minister, to reassess some of its whaling activities. For example, originally there were plans to include in this year’s catch—if I can put it in those terms—some 50 humpback whales, but the Japanese Government have decided to roll back from that owing to concerns raised by the international community, including national Governments and non-governmental organisations in particular. I suspect that raising the issue in public forums and highlighting the concerns of a wide range of Governments provides the best opportunity for the British Government to at least try and contain the problem, but it would be over-ambitious to assume that we can really change the culture. As for the death penalty, again I think that there are deep cultural reasons why it remains very much an active part of Japan’s legal culture. There have been a number of high-profile cases of very sensational murders involving young children. Japan is a culture that believes in retributive punishment to meet the needs of the victims. Once again, I think that the most useful vehicles for effecting constructive change in Japan on such issues—and I think that there is a case for effecting constructive change, particularly in the way that prisoners on death row are treated—are organisations such as Amnesty International and Human Rights Watch. The British Government’s commitment to such activities could be quite constructive and helpful.

Q19 Sir John Stanley: If you were the British Foreign Secretary’s personal foreign policy adviser on Japan, what would you tell Mr. Miliband should he be his top British Government foreign policy priorities towards Japan?
Dr. Swenson-Wright: Climate change is probably the area in which there is the most opportunity to enhance and develop the bilateral relationship with Japan, taking advantage of the fact that Prime Minister Fukuda has clearly given a very important rhetorical commitment, as well as a financial one, to enhancing Japan’s role in effecting positive climate change. It is an area where a lot more could be done. A secondary priority, perhaps, would be supporting Japan’s wider security role. Under Prime Minister Abe, there was talk of an out-of-area support role for Japan with NATO, and those areas could be further explored.

Q20 Sir Menzies Campbell: Please forgive my absence for the whole of your evidence. I had another engagement, but I shall read the transcript carefully. Both whaling and the death penalty are issues on which United Nations conventions exist. Japan has a long-term aspiration of permanent membership of the Security Council. Is there any sense among the Japanese, particularly in the Japanese Government, that a reluctance to adhere to those conventions might stand in the way of realising that aspiration?
Dr. Swenson-Wright: I have not seen it actively discussed in public discussions or the media. Presumably, it is an area where professional diplomats are aware of the potential weaknesses of Japan’s position, but as a public issue, I would say that it is not something on which there has been much informed discussion or debate.
Chairman: Dr. Swenson-Wright, thank you very much. This has been extremely useful and we thank you for your time. We will pause for two minutes while we move the table around for the next witnesses.
Q21 Chairman: Good afternoon, Professor Smith and Mr. Foster-Carter. Thank you for taking part in our first day of taking evidence in our inquiry, “Global Security: Japan and Korea”. I think that you listened to the earlier part of our session. In this session, we will focus on the Korean peninsula, but there are clearly questions that go much wider than that. May I begin by asking you about the position with regard to North Korea’s nuclear programme? Professor Smith, how do you assess the current state of the nuclear programme and capability, and why do you think North Korea has pursued a nuclear weapons programme?

Professor Smith: Thank you for inviting me to this meeting. In answer to the first question on the current state of North Korea’s nuclear programme, I shall base my answer on discussions that I had with the State Department a few weeks ago in Washington DC and on information from the Senate Committee on Foreign Relations, with whose staff working on North Korea I have worked for a while. My view is that in terms of the relationships between the major protagonists, the United States and the Democratic People’s Republic of Korea—North Korea—the technical issues are under way regarding the negotiations on denuclearisation. I think that the Americans have had their experts in North Korea on it. In fact, I know that they have had their experts in North Korea. The North Koreans have been talking to the United States and, from my own information, people in the United States and in the DPRK think that at the technical level denuclearisation is proceeding as expected under the recent agreement at the last round of the Six-Party Talks. On the political level, there is still a lack of trust between the two major protagonists. Whatever one party says, the other party does not believe, or there are sections within the Governments and polities of both parties that put pressure on other sections. That is not the only issue, but it makes negotiations difficult. The United States is unhappy that North Korea has not given a complete rendering of its nuclear facilities, and that is still under negotiation. Negotiations have not broken off, which is very important. Chris Hill, the Assistant Secretary of State, who is responsible for the negotiations, is still fairly pragmatic and even optimistic. I am putting words into Chris Hill’s mouth as I have not met him, at least not recently.

The North Koreans are upset because they consider that the terms of the agreement from their perspective that there would be moves to take them off the list of states sponsoring terrorism and movements towards normalisation in relation to the United States—have not been fulfilled. It is those political aspects on both sides of the agreement that, in terms of the denuclearisation programme that has come out of the Six-Party Talks, are the key pertinent issues. Given that there was confidence on both sides, I think that the technical issues will be resolved.

Mr. Foster-Carter: I do not disagree with any of that. I shall just add one or two points to perhaps render it concrete. May I start by saying thank you very much for having me back? It was about two years ago that I was last here and I was looking over the comments that I made at the time, which looked extraordinarily inarticulate when written down. We were all exercised by two things: did the North Koreans have the bomb, and did the Americans have a policy towards North Korea? Things have moved on both those fronts; we know that the North Koreans have the bomb and the Bush Administration, rather belatedly, has acquired a policy. Statements about horses and stable doors may spring to mind. I agree entirely with Professor Smith—am I allowed to say Hazel in the informal 21st century?—about the difference between technical and political issues. On the technical issues, we both agree that they apply only to the nuclear programme that the North Koreans admit is based on plutonium, about which they have sometimes boasted. That is underway; it is canned. The political issues, which are a little depressing, are twofold: the first is the American suspicion that the North Koreans have in the past done things that appear to suggest that they were pursuing a separate programme based on enriched uranium. That has been on the go for a long time. The second issue is an entirely new one, as of last September, when the Israelis bombed a mystery facility in Syria, where there was a strong suspicion, strengthened by the tight-lippedness of almost everybody in Jerusalem, Washington and elsewhere, that there may have been nuclear proliferation. The political difficulty, as I understand it, although I, too, am making inferences, is probably a very great disappointment to Chris Hill. He has worked incredibly hard, and has been given a great deal of rope to produce an agreement. The problem seems to be that North Korea was supposed to produce a declaration on the UEP—uranium enrichment programme—by the end of December and it missed that deadline. That is the formal position, but I understand the practical position is that the North Koreans are not moving on from a formal denial: “We never did either of these things. We’ve never had highly enriched uranium, we’ve never done anything with the Syrians.” I call that their Bart Simpson moment— you know the famous line: “Didn’t do it, nobody saw me, can’t prove a thing.” Hill has explained the situation very carefully, and heavyweight people like Dr. Kissinger have been wheeled out in meetings with North Koreans in New York to explain that when we come to it, a comprehensive declaration must be just that; you really have to, forgive me, fess up. You really have to say everything. It is not enough to say “We’re not doing it any more—honest, guv.” To build the trust, which Hazel rightly mentions is lacking, there has to be a full confession. There are curious parallels with the abductions from Japan, but I will not go into that. When the North Koreans manage a confession, it is a rare thing. Those are the political difficulties, as I understand them. I worry about how they will be transcended, and I worry for Mr. Hill’s position, but perhaps that takes us further.
Q22 Chairman: What would make the North Koreans explicitly come to a point of abandoning the programme and admitting that they have had such a programme? Would that depend on the US going beyond the process of engagement to a more formal recognition and more formal diplomatic relations? Is that the sticking point?

Professor Smith: There are two issues. One is the broader issue that the North Koreans have been saying, at least since the first nuclear crisis of 1993-94, that they want normalisation of relations with the United States. In their terms, that means much more than being able to trade with each other. There is not much that they could get from the United States, because it is a bit too far away, apart from a bit of food. Most of their trade would still come from the region. Mainly, they see it as a security guarantee. If there was some form of normalisation, in their view it would mean that they were not going to be invaded or bombed. In the past, there has been a lot of discussion about whether the North Koreans are paranoiac. They probably are, but from their perspective, they have seen the Iraq war and the rather belligerent approach to Iran, which is one of the two countries on the axis of evil list. They considered that they were at risk of two things: military action being taken against them in some way, and regime change through different ways of trying to undermine the regime—something which they still consider a risk. I do not know whether it is possible to achieve what the North Koreans want, given that many people do not want to give that sort of guarantee. Until they are sure that the regime will be safe—that is the Government with Kim Jong Il in charge and the structure around them—they are not likely to do anything about the wholesale abandonment of what they consider to be their trump card, which they call their nuclear deterrent. They want normalisation, but in the broadest sense: they want a security guarantee.

Mr. Foster-Carter: Again—I am not disagreeing, but I hope just amplifying the point—in so far as the North Koreans seem to see it, how far do they see the United States influence or the sort of benefits that the North Koreans get from the US presence that we are seeing for historic reasons, they do not trust one another. There are all sorts of blocks on internal, institutional matters, mainly because there is no bureaucratic system in the UK which deals with this. The North Koreans explicitly come to a point of abandoning the programme and admitting that they have had such a programme. Would that depend on the US going beyond the process of engagement to a more formal recognition and more formal diplomatic relations? Is that the sticking point?

Professor Smith: May I add to that? One of the issues is that the structure within the North Korean state is not a monolithic entity, contrary to outside conventional knowledge. There are real divisions—I would not say between hard-liners and soft-liners—but there are different interests at stake. The Committee will have met people from the Foreign Ministry and the Ministry for Foreign Trade who travel abroad, and they are fully aware that they need to do some sort of deal with the international community, however that is organised. That could be done through the United States, the Six-Party Talks, the European Union—through the negotiations that they have with the IMF and the World Bank—or through any of the other people to whom they talk, officially and unofficially. Those people are sophisticated, and some of them—not all of them—go to a number of meetings, and I have mentioned in my evidence that there is track 2 as well as track 1. In North Korea, the structure is such that everything that goes in—UK Government negotiations with the North Korean Foreign Ministry, for example—must then go through another layer, which is the security or the military apparatus. Those people are not in direct touch with foreigners and they still benefit from the way in which the system used to work. They benefit not only because of their position in the apparatus, but also because of the economic opportunities that come up from below through the new processes of marketisation. In other words, they have good contacts, although no access to foreigners they have access to hard currency, and that gives them another way to benefit from the system. That powerful layer in the North Korean political structure is capable of keeping a block on, or at least entering into negotiations that have the effect of paralysing progress. In any negotiations that North Korea undertakes with the rest of the world, it gives the impression of one step forward, two steps back. It is not the only reason for paralysis, but it is a major one. North Korean bureaucracy does not work very well and there is not much communication between different Ministries and organisations. That is partly because there is no bureaucratic system in the modern sense of the word—file systems and regular systems of procedure—but it is also because, for historic reasons, they do not trust one another. There are all sorts of blocks on internal, institutional change taking place. Lots of learning takes place at the Foreign Ministry and the Ministry of Trade, even at the top, and that can be effective when the very big issues are at stake. If, for example, the whole state has to mobilise itself to respond to the United States on the nuclear test issue, it is able to do so. Any less than that, requiring some sort of effective bureaucratic functioning, leads to all sorts of problems.
Q23 Mr. Heathcoat-Amory: Reading the history of the nuclear negotiations seems drearily familiar. Where authoritarian Governments are concerned, there are endless retreats, advances, trade-offs, linkages, disappointments, disclosures, cheating, disclosures of the cheating and then more cheating. Does North Korea have a nuclear programme simply as a bargaining chip, or does it have genuine security concerns? Surely, North Korea’s neighbours dread a collapse there—a demilitarised North Korea would be left alone, or would be helped in some way. Who would invade North Korea? Is its concern real, authentic and valid, or is the whole thing about bargaining? 

Mr. Foster-Carter: I think that it is a bit of both. This is a state that was flattened by the US air force, with a bit of help from ourselves, half a century ago. It was not out of a clear blue sky—they had invaded South Korea—but it is a very powerful memory. It also reminds me—and here I show my age—of Konfrontasi in Indonesia under Sukarno. Throughout its history, the North Korean regime has consistently traded on those genuine fears and, for older North Koreans, on memories of attack from the outside, to create a permanent impression of a country at war on the verge of being attacked. I have no doubt—Hazel will know better than I do, as she has spent more time there recently—that many North Koreans genuinely fear that, as they have read and heard nothing else from their Government all their lives. At the same time, it is also a bargaining tool. My rather pessimistic fear is this. I take seriously the Songun policy, the “military first” policy that has been an avowed doctrine since Kim Jong II came to power, although not under his father. The military is put first, and I have described North Korea before, as others have, as a sort of Sparta of the East. I fear that, in the rather ghastly jargon of today, this is now hard-wired into North Korea. I cannot imagine a North Korea that is not trying to arm itself with everything under the sun, partly for bargaining, but mainly because it cannot conceive of security in any other way, such as collective security. I very much hope to be wrong about that. In my view, one must continue to try to engage, but that is my fear. That is the kind of state it is.

Professor Smith: I think that it is about deterrence. It is quite a classical use of the nuclear possession as a negotiating card. It is a fairly normal, whatever normal is, use of nuclear deterrence. Do the North Koreans think that they would be attacked? I think that they thought that there might be a surgical use of nuclear deterrence. It is a fairly normal, whatever normal is, use of nuclear deterrence. Do the North Koreans think that they would be attacked? I think that they thought that there might be a surgical use of nuclear deterrence. It is a fairly normal, whatever normal is, use of nuclear deterrence.
Q24 Sir John Stanley: As you both know, one of the key factors that produced the quite surprising progress on an agreement on nuclear weapons and declarations via the DPRK was the successful operation carried out by the US Treasury and other agencies to block the foreign exchange outlet of Kim Jong II and his regime through Macao. Do you think that that key pressure point has become not so effective and usable? If so, can you identify any other significant sources of pressure that might persuade the Kim Jong II regime that it has more to gain than to lose by complying with its enriched uranium declaration requirements and by making progress under the present agreement?

Mr. Foster-Carter: Gosh. On the former, the Macao business was actually rather odd. I am not quite certain, as you implied, that is has been established that that pressure brought North Korea to the conference table. Even if it did, things then turned very peculiar, because, as I understand it, once the Bush Administration decided that they wanted a nuclear deal above all else, the Macao business suddenly vanished from sight, with some embarrassment within different arms of the US Government. The North Koreans, as ever seizing any opportunity for further delay, saw the wonderful spectacle of the US having to return all the money, whether it was dirty or not. I do not want to spend too much time on the detail, but some quite interesting independent journalistic accounts have cast some doubt on whether the matter was quite as we had thought. I confess that I have become old and cynical over the years, and I have tended to assume that the North Koreans are probably guilty until proven innocent, which is not our system in this country. However, there are some holes in the evidence; the US Treasury Department never published its evidence, for example. The second part of your question was the more forward-looking, and I should like to pick up on something that my colleague said. China is key now. I am sure that she is right that it was a fateful day when the North Koreans exploded their little bomb. I think that it really annoyed the Chinese, not yet to the point that it caused a lot of upset. It caused the North Korean Government to want to do something. Clearly, whether it was strictly legal or illegal under international law, it was something that exercised the North Koreans. However, several things can be done in respect of the trade that takes place between North Korea and its neighbours that are not illegal. For example, there are the various shipping networks. We already have port controls in almost every port to which North Korea sends its shipping, and North Korean ships are inspected. Those are perfectly legal ways of, for instance, checking the cargoes that go between various countries. If the international community wishes to reassure itself that there are no contraband cargoes, that would be a perfectly admissible way of ensuring that there are not. Of course, at the same time, the economic situation in North Korea is so bad that even though a few people are making some money, most are not. A lot of the trade that goes into North Korea involves basic grains and things that actually help the population—food. It is hard to see a situation in which one would want to expand the sort of sanctions that would make things worse for the majority of the population, when they already suffer major food shortages. Given the low level of the economy—this is always the problem with economic sanctions, if that is what we are talking about—there are not really many opportunities to make the economy squeak, if that is the question. It is already squeaking a great deal, and it does not show many signs of being reinvigorated in the short, medium or long-term future without a deal with the United States that would enable World Bank and Japanese funding to go into the country.

Q25 Chairman: Is there a particular role for the UK? We are not part of the Six-Party Talks. Is there any role that the UK Government specifically can
play in these issues, or are we just there as a kind of supporting cast for the people who are doing the work?

Professor Smith: My view is that there is a role that the UK Government could play, but it would require funding. Also, it may not be a realistic objective to have the UK play such a role, because, after all, Korea has not been and, as far as I know, is not of major national interest to the UK directly. Of course, as an ally of the United States and as a partner in the European Union, the UK has supported denuclearisation and humanitarian issues, but, in essence, it has taken a supportive role in respect of what has come out of the United States and the European Union, rather than a proactive role. As I said in my evidence, my view is that the UK is at the stage, given its privileged relationship with the United States and given the fact that it has diplomatic relations with the DPRK, which has an embassy in London and has had high-level ambassadors here since the opening of those diplomatic relationships, where it could play a major role in confidence-building between the two major protagonists, the United States and the DPRK. I have said in my evidence—I admit to having a bias—that I think the Foreign Office was wrong to cut the money for CSCAP, the Council for Security Cooperation in the Asia Pacific, in which the United States, North Korea and South Korea, operate, as well as the countries in the Association of South East Asian Nations. It has provided a forum in which Asia-Pacific security can be discussed. The European Union and China are also part of it. Irrespective of that, there is a focus, for instance, for track 2-type forums to be made available, where North Koreans and United States policy makers and academics who are involved in the process can get together. This happens in the United States; it does not happen in Japan, but it does happen in China and parts of South-east Asia, and that has provided a forum for officials who are involved in the negotiating process to get together. The UK is certainly in a very privileged position, in terms of its relationships with the key players, to provide forums for that sort of trust-building exercise. North Koreans and United States policy makers are used to this sort of operation; they are used to taking part in track 2 activities. The North Koreans, of course, are a bit more unsteady in them, but they have been to Wilton Park in the past for these sorts of activities. There is a big role for the UK, if it wants to play it, but of course, it would cost money. It would cost money to set these things up; it would cost money to take time away from Foreign Office officials, who may see their primary role as being vis-à-vis Japan or China, because of the economic relationships there. In the end, however, that could provide an important stage for UK diplomacy because, as I said, international relations in east Asia—relations between China, Japan and South Korea—are changing a lot. The United States had found its position being sidelined and its status and authority being undermined, because of its previous inability to play a major part in the Six-Party Talks—another reason for it to come back are alliance relationships—and there is a place for the UK, if it wants, to become a little more important in playing a facilitating role in the region.

Q26 Chairman: Do you want to add anything?

Mr. Foster-Carter: Briefly, and in parallel to that. Again, this may be unrealistic, but I would hope that we would try—subject to priorities and resource constraints—to get as many North Koreans here as possible. They may not always be the top people—I take Hazel’s point that we have had very senior DPRK ambassadors here—but the coming people, the students and so forth. There often is not funding, and of course, after the second nuclear crisis exploded a little over five years ago, a lot of these initiatives were nipped in the bud because you have to try to punish the state somehow. However, the more younger North Koreans we can get out here and expose to the West, the better. But you know better than I what the constraints are.

Q27 Mr. Moss: May I turn to something that you have referred to already, if somewhat obliquely? How stable do you think the North Korean regime is?

Mr. Foster-Carter: I am glad that you asked that, because we fixate so often on the nuclear issue, and quite rightly, because it is important, but North Korea is a package of a—the UN has a terminology—complex emergency. There are so many issues, and the internal stability issues are coming to the fore. I speak tentatively here, because I was foolish enough 17 years ago to go into print saying North Korea was about to collapse and would definitely go when Kim Il Sung died, so nowadays one is circumspect. However, at the very least, the tensions are growing. The pressures on the regime and its long-suffering people are acute, and they grow worse. The fact that the regime has been able to keep things under control so far does not mean that it can do it for ever. Briefly, there are three issues. One is economic reform, and as I understand it, a toe has been put in the water since 2002, but that has not been radical enough to be effective—the economy has certainly not taken off in any sense. You now have a very odd mixed system where, as Hazel implied, the state no longer gives you a living—you have to really scrabble for it as best you can. Then, there is the whole question of succession. Kim Jong II is now 66. When his father was that age, his dauphinhood, if there is such a word, was already being arranged. It is complicated for Kim Jong II, whose marital history we will not go into, but he is damned if he does and damned if he doesn’t. By rumour, he has been almost private discussion of the issue. There is certainly none in public. We all just speculate. If he were to have the heart attack tomorrow—we think he had heart surgery last year—I would say that all bets for North Korea are off. I do not know what system they have, although it is a very tight one—perhaps the military would take over in a smooth manner. There are real questions, particularly linking the two issues—going back to the failure of economic reform.
With people’s hardship and a growing knowledge of the outside world—still not much, but a partial breakdown of the information quarantine—one is beginning to hear reports of people going to Government offices and protesting, and not immediately being carted away and so forth. There are huge tensions, and it is far from clear how the regime plans to manage them.

Mr. Moss: I think you said that there were three issues. I took down two: economic reform and succession.

Mr. Foster-Carter: They interlink, so forgive me for being unclear. Number one is the debates at the elite level: whether to reform or not and, although not quite the same thing, whether to give up the nuclear weapons or not. One imagines people who are on one side on that issue or the other. Secondly, there is the grass roots and the risk of unrest from below, the risk that the people will eventually become unmanageable—that is obviously linked to the first. Thirdly, there is the question of succession. I am sorry for my ambiguity.

Professor Smith: There are a number of different levels to that question. The first question, I think, was whether there was instability such that the Government could be overturned, in basic terms. One of the key variables is still the fact that there are major food shortages. Those food shortages affect the middle classes in particular, in the urban areas, because they do not have access to growing their own food, or they may not have relatives in the countryside. Let us look historically. I am a political scientist, and political science does not have a good record in prediction, but one of the things it finds is that revolutions are not really made by hungry people. Revolutions are made by people who have a little bit of a stake in the system and who do not have to worry about literally getting enough food to feed themselves and their families at the end of the week.

Now, in North Korea, with a population of about 23 million people, probably about half the country is still worried enough about food, particularly when the harvest has run out, in terms of its distribution. The urban areas do not have access to their own stores, so this is the top priority. Those people, including the people that might in another system be thinking about political change, such as white collar workers, teachers, doctors and local government officers working throughout the country, are spending their time thinking about food and survival—literally, survival. There is a modern infrastructure in the sense of universities, schools and technical and literate classes, but they are living in a primitive way because of lack of access to food. While there are continuing food shortages, there is a lack of legitimacy for the Government, but there are also bigger priorities than overturning the Government—that is, making sure people are alive. That is, literally, alive—it is not an exaggeration throughout the period. That also applies to the army, the famous 1 million-strong military. Although at the top of the tree people are of course privileged, most of the foot soldiers at the bottom are given basic rations, but they do not have enough food for their families. A million in the army and an average family of four people, that is 5 million people. So they are worrying about their families as well. The food issue, again, is so major that it does not lend itself to a position where there is room for political organisation and the ability to take over the state.

Q28 Mr. Moss: Would it be possible for North Korea under a different political regime, and another agrarian set-up, to produce most of the food it needs? Or is that quite impossible, given the geography of the state?

Professor Smith: It is not an agrarian country. Something like 20% of the land is arable, but most of it is mountainous and forested. Under Japanese colonialism, in the first 50 years of the 20th century, it was developed by the Japanese as an industrial area. In fact, the north-eastern strip was mainly chemical factories and steel factories, providing fertilisers. All those people are now unemployed, because there have been no resources since the fall of the Soviet Union to pump into those major industrial plants. So it is not a natural—whatever natural is—agricultural country, and when it was able to produce enough food for its people it relied heavily on agro-industrial inputs: electricity for irrigation; fertiliser, chemicals and pesticides. Those things are not available. Even the North Korean Government plans, and all the UN plans, are based upon: “If North Korea wants to feed its people, it needs to do something about developing and manufacturing export capacity so that it can buy food.” I do not think that that situation is likely to change.

Q29 Mr. Moss: Has there been any improvement in the humanitarian or human rights situation in the past few years?

Professor Smith: Those are two different issues, the humanitarian and human rights situations. On the humanitarian situation vis-à-vis food and malnutrition, the three major nutrition surveys of 1998, 2002 and 2004 showed that the nutrition statistics had improved for children under seven. Those statistics are probably reasonably reliable. The malnutrition statistics for North Korea are now pretty much the same as those for south-east Asian nations. In fact, the statistics are better than those for India and Indonesia, for instance. Nevertheless compared with North-east Asia—Japan and China—the statistics are pretty poor, and the people are still living under threat of dying because they do not have medicines, and if they have enough basic food they do not have minerals and vitamins, or variety in their diet. There is such severe malnutrition that people die of hunger. All that still exists in the DPRK. So the humanitarian situation is kept afloat by aid from South Korea and China; that is why it is not worse than it is. On the human rights situation, you can break it down into various aspects. Regarding the penal system, we still have no knowledge of what goes on in that system because there is no independent assessment. We must assume the worst case scenario, as we have information only from defectors. On the rule of law and electoral
systems, we still have the same systems as before, where the party is not independent from the judiciary. In my view, there is room for manoeuvre in splitting out human rights issues, and discussing with North Korea different aspects of those, in terms of technical assistance on some of them. Overall, people have much more access to individual decision making—they are making their own decisions about their day-to-day economic transactions because the state does not provide them—and there is more ability to move around in the country, if you can walk that is, because you will not usually have access to petrol or cars. However, in terms of political freedoms, human rights are still non-existent.

Mr. Foster-Carter: May I add a couple of things on the human rights side? I do not know what counts as independent evidence. I know what Hazel means, but if anybody here is an enthusiast for Google Earth you can now look at the North Korean prison camps, just as you can look at Kim Jong Il’s palaces and many other things. That adds an interesting dimension. To link to what we have been saying about how the power of the state has to some extent weakened, when I read accounts of people who go back and forth between North Korea and China—because of the level of bribery that is possible—I do not sense a trend, but there seems to be a growing awareness, People go back and forth between North Korea and China to earn money. If they get treated badly when they get caught, they might turn against the regime and do the very long journey—usually via another country in South-east Asia—and eventually find sanctuary in Seoul. People are moving around in spite of the regime. When they are caught, the degree of punishment can vary greatly, as far as I can see. I think that the capacity of the state to brutalise all its people is decreasing, and we may be thankful for that. Perhaps its will to do so is as well, but I am not so sure about that.

Q30 Mr. Moss: A final question, if I may? What is your take on the recent overtures from Pyongyang to western musicians? What is the point of that? Did it come as a surprise?

Professor Smith: No. The North Koreans have had, at least since the ’80s, an active cultural—academic even—diplomacy of some sort. They held a big student festival where they brought in people from around the world to show what they considered to be the artistic and cultural side of Pyongyang. They have sent sporting groups to the Olympics and various festivals in South Korea, and they are very proud of their circus people who have won medals throughout the world, including Switzerland and various places in the west. So, they have engaged in large amounts of cultural diplomacy. What is interesting is that it is with the United States as opposed to with Europe, with which they are more familiar. All talking is good, but the North Koreans are pretty hard-headed about the significance of cultural diplomacy and on what are core issues to them. Yes, the world is shown a cultivated side to Pyongyang. They around the world to show what they considered to be the artistic and cultural side of Pyongyang. They have sent sporting groups to the Olympics and various festivals in South Korea, and they are very proud of their circus people who have won medals throughout the world, including Switzerland and various places in the west. So, they have engaged in large amounts of cultural diplomacy. What is interesting is that it is with the United States as opposed to with Europe, with which they are more familiar. All talking is good, but the North Koreans are pretty hard-headed about the significance of cultural diplomacy and on what are core issues to them. Yes, the world is shown a cultivated side to Pyongyang, but at the same time that does not infringe too much on what they see as their interests in the six-part talks, for instance.

Mr. Foster-Carter: Briefly, I am particularly interested in what might be called the replay, of which we are the beneficiaries. I believe this is an entirely independent matter, but a British businessman, David Heather, is negotiating to bring the leading North Korean symphony orchestra to these very shores later this year. That cannot be bad. Although I suspect it will not solve the nuclear issue overnight, surely it is to be welcomed.

Chairman: May we switch focus and ask some questions about South Korea?

Q31 Sir John Stanley: I would like to ask about DPRK and the South. May I ask you both what you consider should be the top British foreign policy priorities towards the DPRK?

Mr. Foster-Carter: Gosh. In spite of what I said earlier, I think it is right to push on the nuclear issue. I would have hoped that if we have a voice, we could try to work some way—although I do not know how it would be done—towards a package approach, and that the North Korean issue could be seen as how to make what I sometimes call a rather fierce little dinosaur become a more peaceable mammal and live at peace with its neighbours. We need to ensure that we do not lose that focus. However, perhaps I have not been specific enough. On specifics, if I can return to what I said before about trying to encourage them to send people over here. Maybe that is entirely unrealistic. In a way, I would almost want to delink that from the behaviour of the regime because one wants to get at the hearts and minds of the younger North Koreans. You may tell me that is unrealistic, but that is the way that I think we and other European countries could make a big difference, if the resources permitted it.

Professor Smith: The question is about the role of the UK and—

Sir John Stanley: Foreign policy priorities.

Professor Smith: It is not realistic to think that the UK will take a major and leading role in the relationship with the DPRK. It could make more of three of its alliance structures: the first is with the United States, the second is with the European Union, and the third is with South Korea itself. To reiterate what I said earlier, in relations with the United States the UK could provide a number of forums where confidence building could take place around the issues identified for further discussion in terms of the working groups that are coming out of the Six-Party Talks, one of which is economic development. That is something with which the UK could play a role. Although there would have to be some money spent—not a lot of money, but some. Secondly, in terms of its alliance structure in the European Union, the European Union has a presence in North Korea and is likely to continue to have a presence. It has not spent massive amounts of money, but it has been very active, and has not only spent money on humanitarian and development aid, but has engaged in some form of political negotiations where it can—for example, with matters such as human rights. There is room for the UK to play more of a leadership role within the European Union in its relationships with North
South Korea. At the moment, the leadership role within the European Commission and the European Union is played by Commission officials, who in my view are very good. Nevertheless, there is room for a political leadership role to be played, and the UK has a comparative advantage because of its relationship to the United States and to the DPRK. That political role could be played in the European Union and could help to lead the resources that are already there in terms of providing some overall support for the Six-Party Talks. Thirdly, on its relationship with South Korea, there is of course a new President in Korea's integration into the international community, as happened with all the experiences we had with China. This is the right moment for such a project because it is also North Korea's top policy priority to get its people out and educated in degree courses, not just short-term courses, outside the country. The North Koreans know that that is expensive, but it is their top priority, and it should be a political and educational priority for anyone who can facilitate it. That runs counter to the myth that the North Koreans will never let anyone out. They will now, if we can find the funding to do it, so I make a plea: if anyone who is listening to or reading this wants to provide some funding for North Korean students to come here, let's go ahead and do it.

Q32 Sir John Stanley: Thank you. I shall now use the same words to ask you both a very different question. What do you consider should be the top British Government foreign policy priorities towards the Republic of Korea?

Mr. Foster-Carter: Sure. I have a particular view on that, although it takes us into entirely different territory, perhaps outside the remit of this inquiry.

Sir John Stanley: It is absolutely within the remit of this inquiry.

Mr. Foster-Carter: Okay. In my view it is not central—not a security issue. I hope that we will continue to do something that we were doing under the previous Roh Moo Hyun Administration, which is to encourage the South Korean Government to open their service sectors. I shall not go on at great length about why I think that is important. To give credit to Roh Moo Hyun, which is not always done, I think that he grasped that. Quite apart from any general views that one has on free trade and so on, South Koreans, right here and right now, are less well served than they could be in the spheres of education, health and legal services, which I know this country has taken a lead on, as well as in other areas. Curiously, although we are told that the new President has a business background, is business-friendly and so on, the business to which it is clearest he is friendly is Korean business, and large Korean business at that—the chaebol. He makes noises about free trade agreements, but I have not heard the sort of speech that we got from Roh Moo Hyun—they were widely ignored—about why opening the service sector, just as manufacturing is open and the financial end of the service sector is largely open, would be a good thing. I am afraid that it is straight-down-the-line national interest. I am sure that there are British universities and others that, if they were allowed to, would set up camp. It is bizarre that in what is nominally still communist China, Nottingham can go and set up a campus, but it is bizarre that in what is nominally still communist Korea it is straight-down-the-line national interest. I am afraid that it is not straightforwardly—in South Korea. That sort of thing could only benefit. South Korea has a huge national debate and hang-up about its education; one cannot yet do that—well, not straightforwardly—in South Korea. That sort of thing could only benefit. South Korea has a huge national debate and hang-up about its education; one cannot yet do that—well, not straightforwardly—in South Korea. That sort of thing could only benefit.
a doss—but the four years before that are absolute hell on earth. One hardly sleeps in order to get in. That sort of issue is what I hope we would do.

Professor Smith: I cannot really speak to the domestic issues, because it is not my direct area of research, but on security issues, I think that South Korea will continue its policy of engagement, both bilaterally and in the context of the Six-Party Talks. My view is that it is nothing really new, actually. I think that the UK can continue to provide what it has from 1990 onwards, when Kim Dae-jung met Kim Jong Il and the South Korean Government asked for support from the UK in their engagement policy, which was then called the sunshine policy. I think that it is still a policy that has borne more fruit than other policies, even if it is problematic. It is something that the UK Government should still see as the centre of their priorities in the security realm in their relations with South Korea, supporting it, though not blindly, in its attempts to deal with its difficult partner North Korea.

Q33 Sandra Osborne: What do you think has been achieved by South Korea’s engagement with North Korea and its economic support?

Mr. Foster-Carter: As it happens, I read this very day that a plane load of 159 small and medium entrepreneurs from South Korea have flown to Pyongyang. It is the first such occurrence—I presume that it was arranged under the previous Government, but such continuities happen. Apart from anything else, South Korea has celebrated 20 years of democracy and had 10 years of the sunshine policy. One aspect of that, over and above what the Government is doing may not do, is that the South Korean Government do not control what their own people do. South Koreans can go to North Korea now, and I am not sure that they even have to report back. The normal exercise of democracy, which doubtless we applaud, includes letting business people do that if they want to, subject, of course, to UN sanctions. That is all going to go on anyway, I think, if—it is a very big “if”—South Korean business thinks that there is any money to be made there. A fact that is not often commented on is that the famous South Korean chaebol—the big businesses, some of them global household names such as Samsung, Hyundai and so on—have not, except for Hyundai, gone into North Korea. The position is very different from that of Taiwanese firms, most of which now make their living in China, whatever the political risk. That is because, quite apart from security issues, North Korea has been a pretty dire place to do business. Again, there is no time for the detail, but Hyundai has arguably been fleeced quite a lot. The former Hyundai is now at least three separate entities, as you might know. One lot has put up with all of that, but it has put off the others. However, if there is business to be done, they will probably go in anyway. I shall add one thing on the Government level. Again, while we are focusing on the nuclear issue, sanctions, where to apply pressure and so on, we should not forget the sheer geopolitics of this. If North Korea is—I feel a bad metaphor coming on—a rather rotten plum that will at some point fall into somebody’s lap, there is a question of whose. We can talk about multilateralism and try to mean it as best we can, but, at the bottom, China and South Korea are rivals for influence in Pyongyang. They might co-operate in many ways, but there is great concern in South Korea, for instance, including in the conservative circles that are now in power, that the Chinese have been buying up all the minerals in North Korea, which is rather well endowed with a wide range of minerals, as Hazel mentioned earlier. Those were developed during the Japanese colonial period, which is one reason why most of the factories then were in the north. Much of that has been sold to the Chinese, so the South Koreans are worried that they are losing out. On the other hand, there is the cynical view of, “Let the Chinese have the difficult first stage of turning North Korea into a more normal country”—that is terrible talk that implicitly denies the sovereignty of the North Korean Government. However, even as the new South Korean leader, Lee Myung Bak, says—and he means it, I am sure—that he will try to move closer to the US and link his dealings with North Korea to the nuclear issue, I believe that there is powerful geopolitical and geoeconomic pressure to get in there and stop the Chinese, regardless of the nuclear issue. That will be a real dilemma for his Government, I believe.

Professor Smith: It is a very interesting question and I was just writing down what has been achieved in this period. Let us consider the big picture and compare the situation pre-2000, when there was hardly any contact between North and South Korea, with the situation today, when there are massive numbers of North and South Koreans talking to each other. That is something—they are opening up. To be even more specific, from the humanitarian and food perspective, there is absolutely no doubt that many more North Koreans would be dead if it was not for South Korean assistance. It has been the main supplier of food and fertilizer to help North Koreans grow food over the past six or seven years. Certainly, it has kept people alive, which is something. As we saw from the famine in the mid-1990s, at the beginning of which there was no external assistance to help keep people alive, such assistance could not be taken for granted. China was not on such good terms with North Korea. Although China also supplies food, South Korea is the major supporter in terms of bilateral food aid. Also on the humanitarian side, we cannot dismiss—although they get forgotten about these days—the family reunions. Of course the war divided Korea in 1953 and those divided, with relations on both sides, are all elderly and dying now. Divided families have managed to see each other owing to South Korea’s engagement policy, not because of anything else, including the multilateral talks. That could not have been expected, but it has not been good enough. My view is that, for instance, the video family reunions are nothing short of torture. Nowadays, some of the family reunions have been replaced by video contacts between relatives in North and South Korea. I do not know why South Korea agreed to that. That must be as disturbing as not seeing people,
Perhaps. However, where people can get together, it is a huge achievement on a very personal and individual level. Of course, those opportunities get lost as people get old and die off. Little economic development assistance has gone to North Korea from South Korea. Most of it has gone into humanitarian assistance. The small and medium enterprises working in Kaesong in the south and in the Kumgang tourist zone, when there is a comparison with South Korea’s real wealth, have not invested massive amounts. Owing to profitability concerns, it does not look like there will be massive amounts of investment from the business sector in South Korea, unless the political situation improves. On the political side, I think that it is certainly beneficial to be talking, rather than being in a cold war confrontation. There has been progress in some areas. The militaries have talked to each other on some matters. A road has been built through part of the demilitarised zone. There has been increased understanding at some levels, even if it has not permeated through in every aspect of the societies. However, under the cold war situation, you could have counted the number of North and South Koreans meeting in their dozens, but since 2000 that number has been in its thousands. Obviously, they are all speaking the same language, so that is important. Finally, on the security side, the fact that the North and South Koreans are talking on every level, and that they have done throughout every single nuclear and missile crisis when everybody else has been very fraught—even in the nuclear test times. North and South Korea have kept on talking at different levels—leads to security predictability, or at least more predictability than there was when people did not talk. An element of predictability improves security relationships overall. The situation is not perfect, but it is better than when there was no talking. There have always been back channels between North and South Korea, even in the worst times, but the amount of back and front channels between the countries now means that the complete unpredictability of North Korea is long gone. On the humanitarian and security levels, there have been major paybacks from the talks but, of course, not as much as the South Korean public would like. There have not been enough paybacks on a political level, and economic investment has mainly been for support in political, security and humanitarian matters than economic development per se. I do not think that much on the economic level will happen until a big deal is done to make people more secure about their investment.

Chairman: I am conscious of the time, so I shall take one more question from Sir John Stanley.

Q34 Sir John Stanley: Do you think that Kaesong has the potential to expand significantly and to become a major source of trade between North and South? Specifically, have you any information on whether the new joined-up railway system through the DMZ, which I believe takes goods only as far as a Kaesong, will be used to its full potential to create a freight link right through the DPRK? Is there any prospect whatever of the rail link becoming a passenger as well as a freight link?

Mr. Foster-Carter: It will eventually but, of course, the key question is when. One passenger journey has already been agreed. It is purely symbolic but, under the old South regime, the two Koreas agreed to send a joint cheerleading squad to the Beijing Olympics—they will start from Seoul and go all the way to Beijing by train. That is set to happen later this year. I do not think the arrangement will change, but we shall see. Progress has been terribly slow. The South Koreans paid $500 million all told for relinking two railways—I believe that the one on the eastern side, which is of less economic importance, is not fully done. So far, the North Koreans have been so reluctant that, for a couple of years, reputedly, the Northern military would not allow it to be used at all. The roads, however, were open. What is it in the North Korean military mindset that finds trains a problem? As of very recently, you can drive on the roads into North Korea. In the Kumgang zone on the other side of the peninsula, you can drive your car in. I believe that even foreigners can do that. Perhaps you could find out when you are next there. The train situation is worse: it does not go even as far as the Kaesong zone; it goes to the border station. The South Korean firms are numerous and the numbers are growing. It is for real—it might be too late, but it might be a mini Shenzhen in the making. The firms truck stuff because it is not economical to use the railway. On the broader infrastructure, there is a big question about the spate of agreements that were reached in the last days of the Roh Moo Hyun regime after his summit, many of which seemed to me to be broadly practical. The agreements include joint work on both the road up to Pyongyang and the railway all the way to Sinuiju on the Chinese border. All sorts of working groups were created, but the process has slowed down as the North waits to see what it thinks of Lee Myung Bak. North Koreans cannot decide what to make of South Korea’s new President, and I do not think that he can quite decide what he is going to do with the North Koreans. All those things will happen one day, hopefully in our lifetimes.

Professor Smith: Clearly, the South Koreans have the technical capacity to expand the railroad through China and Russia, but the North Koreans, for security reasons, are not keen to pursue the project fast. When the security environment becomes open, I do not believe that there will be any technical problems with expanding the railway. On the Kaesong development area—I know that we are about to finish and I do not want to end on a negative note, but I think I must—the way in which the operation takes place in terms of labour employment is essentially that South Korean businesses working there pay the wages to the Government, who pay a proportion of those wages to the workers, presumably through currency transactions that are favourable to the Government. That means that, in many ways, the Kaesong enterprise can reinstitute the old social and political controls that were prevalent in North Korea
throughout the country. Those controls are not prevalent in many parts of the country because the state does not have the resources to pay workers. That was precisely why there was marketisation throughout the country, and why there was an increase in economic freedoms for people. In Kaesong, the paradox is that with South Korean investment, which is properly and efficiently organised, the old systems can be reinstated. South Korea is in a bind about that because, at the same time, South Koreans come in, talk to North Koreans and show them new economic practices as well as just engaging in normal conversation, so that is part of the overall aspect of political diplomacy, but not the economic side. Politically, I think that it is a good thing that all this engagement takes place, but economically it acts as a subsidy for some very old-fashioned ways of operating in North Korea. I do not think that it is possible to square that circle at the moment. If I were asked, I would say, on balance, that the South Koreans, whether by default or by judgment, have come to a pretty good outcome in squaring that circle, because investment goes on, but there is not very much of it considering their potential to invest in North Korea.

**Mr. Foster-Carter:** May I add something?

**Chairman:** Briefly.

**Mr. Foster-Carter:** It will be very interesting if, as I expect, South Korean investment outside the Kaesong zone grows. In that case, we may get South Korean firms striking local deals, and some of the difficulties, which I agree are a problem, may be mitigated.

**Q35 Chairman:** May I conclude with a comment? When I went to Korea in 2006, I was told that the South Korean managers did not actually engage directly with the workers. They had to give instructions through the party commissar, in effect, in order to tell the workers what to do. Is that the case?

**Mr. Foster-Carter:** I think that it has moved on from that. I have not been to Kaesong—I was supposed to go last year and did not manage it—but that is my understanding from accounts that I have read. That gets unwieldy; you can see the Party in the North wanting it, but my understanding is that it is now more straightforward. Fraternisation is not allowed, but it being Korea, all the managers are southern chaps and all the work force are northern females, and there has been at least one rumour of romance. That would be the best way to unify Korea, but no one is having that yet.

**Chairman:** We could continue this discussion for several hours. Thank you, Professor Smith and Mr. Foster-Carter, for coming along. No doubt over the next few months, and when the Committee visits, we will have a lot more questions, but this has been extremely valuable and we are grateful.
Wednesday 2 April 2008

Members present:

Mike Gapes (Chairman)

Rt. hon. Sir Menzies Campbell
Mr. Fabian Hamilton
Mr. John Horam
Mr. Eric Illsley

Sandra Osborne
Rt hon. Sir John Stanley
Ms Gisela Stuart


Q36 Chairman: Good afternoon. Before we begin, members of the public please switch off your mobile phones so that we avoid interruptions. Thank you for being with us today, Ms Muico. I apologise for the slightly late start. We had some business to resolve, principally about our travel arrangements for when we go to the region. As you know, we have just begun an inquiry relating to global security, Japan and Korea. We are pleased that you are able to be with us. Could you first say a few words about yourself and what you do? We will then begin the questions.

Ms Muico: Sure. I worked on North Korea at a previous NGO for about three and a half years and produced two reports, one on trafficking of North Korean women into China and one on forced labour in North Korean prison camps. I am currently the researcher for Amnesty International. My remit includes Japan, South Korea, North Korea and Mongolia, and last week I returned from a four-week mission, visiting Japan, South Korea and Mongolia—obviously we have no access to North Korea. I have spoken to various people there regarding the human rights issues and concerns that we have in Amnesty. It is exciting, because we are looking at new projects on economic, social and cultural rights.

Q37 Chairman: Thank you very much. Can I ask you about the human rights situation in North Korea? How much information do we have and how reliable is it? You are from Amnesty—how do you get real information about the situation in North Korea?

Ms Muico: There are various ways. Of course you always have to vet them, to make sure that they are reliable, but there are certainly ways to do that. One way to find out information is through interviews with North Korean settlers, either in South Korea or in third countries such as Thailand. Other NGOs have access to China so they can interview North Korean settlers—undocumented North Koreans—there. From my experience, having done both, the information in the border areas is newer and therefore more reliable. The problem with North Korean settlers in Seoul is that they have already been exposed to life in China for several years, sometimes even six to 10 years. They have been exposed to speaking to the media, know what questions will be asked and what would make a more pleasant answer, so you have to ask them different questions without an agenda and try to re-ask the question and get confirmation elsewhere through research-based non-governmental organisations, both in South Korea and internationally. Other organisations and Government agencies have vast amounts of information as well.

Chairman: Thank you. We will now ask a number of specific questions about the situation in North Korea. We will begin with Fabian.

Q38 Mr. Hamilton: We know that captured North Korean emigrants and would-be emigrants, especially those in China, face particularly harsh treatment when returned, sometimes including torture and execution. According to Human Rights Watch, in 2004 North Korea toughened its treatment of its citizens found trying to leave for China or return from there to a prison sentence of up to five years. What is your assessment of the situation for North Korean emigrants and would-be emigrants, particularly women, in China and in detention in North Korea?

Ms Muico: I think that the treatment of border-crossers is getting harsher, because the numbers are growing and it is a huge embarrassment for the North Korean Government. Having said that, my research and interviews with border-crossers in January 2000 suggest that a lot of those who were forcibly repatriated and faced beatings, torture and other inhuman and cruel treatment tended to receive sentences that were less than what they would have been in previous years, and that could be for various reasons. Also, there seems to be a better understanding of why North Koreans emigrate or flee to China. An example would be why women marry North Korean farmers mainly and how they see it as a survival, and they are not persecuted as much as they used to be. For example, I did not come across any cases of forced abortion or infanticide, and most of my interviewees were with women who had all been forcibly repatriated and detained in the various prison camps.

Q39 Mr. Hamilton: Can I just move on to the Kaesong industrial complex, which I believe was established in 2004 under South Korea’s policy of engagement with the North? Given the way that workers are paid and how the companies involved transfer the funds to the North Korean Government
so that the relevant share can then be paid to the workers, do you think that the Kaesong project is actually of net benefit for North Korean workers or are they are exploited as they might be elsewhere in North Korea?

Ms Muico: In order to get a job at the Kaesong industrial complex you have to be fairly lucky. Many North Koreans would like to work at Kaesong, as the work conditions in the complex are, relatively speaking, fairly good and the amount of money that they get is quite favourable, even after tax and despite the fact that the currency exchange is not in their favour. Having said that, I think that we cannot be complacent on this issue. There is a window of opportunity for South Korean companies and the South Korean Government to do more in terms of freedom of association, collective bargaining and best practices using the labour standards of the International Labour Organisation, of which South Korea is a member. Therefore, I think that we can say at this point that the net gain may be in the favour of the North Korean workers, but a lot more needs to be done in Kaeson to make the labour situation better for them.

Q40 Mr. Hamilton: Can you just clarify one thing? You mentioned that they perhaps do not get the same rights that the ILO would accord to them, but what about the exploitation of children and child labour? Does that go on at the Kaesong industrial complex, and does sex discrimination and sexual harassment still occur?

Ms Muico: There is not much data on that, because we are not allowed to go to Kaesong. However, from the people I spoke to who work on the issue at a peripheral level, based in Seoul, it seems that there are no cases of child labour. There may be some cases of sexual harassment, but, again, we have to bear in mind that the majority of workers in Kaesong are women, and they did not seem to think that it was a big issue.

Q41 Sir John Stanley: On the previous question, raised by Mr. Hamilton, could you tell us whether Amnesty gives credence to the reports that have appeared in the press and emanated from defectors, that the North Korean regime has used political detainees as live human guinea pigs on whom to test chemicals for use in chemical weapons?

Ms Muico: I do not know how to put it delicately—Sir John Stanley: Please put it as frankly and as indelicately as you wish, madam.

Ms Muico: No, we give no credence to that. Many NGOs working on human rights for North Koreans would say that it is not true and that it comes from a very unreliable source. They know who that source is and he has been very unreliable in the past.

Q42 Sir Menzies Campbell: On the same point. We know that there are South Korean managers, but we have also been told that quite a few of them have been expelled. Are those South Korean managers suitable sources of information about conditions in Kaesong?

Ms Muico: Having not been to or worked in Kaesong, I cannot comment on it that much. However, from what has been said to me by various South Korean officials, there seems to be a slight separation between the North Korean workers and the South Korean company people, although I am not sure about the officials. They work in the same area, but they do not interact frequently.

Q43 Ms Stuart: May I take this a bit further? It relates to abductees. As I understand it, as recently as 27 March 2008, the BBC reported that North Korea expelled South Korean managers. There was a kind of movement of labour. Back in 2002, the North Korean leader Kim Jong Il admitted that they had abducted 13 Japanese citizens. I wonder whether you can shed some light, from your experience, on how the abduction of foreign nationals and the enforced disappearance of North Koreans relates—what picture would you paint? The Japanese claim that actually more people were abducted than the North Koreans are admitting to. What is your assessment?

Ms Muico: The enforced disappearances carried out by the North Korean Government are the subject of Amnesty’s next report, which will be launched in June. We have documented the enforced disappearances of various nationals, mainly South Koreans, but including Japanese, as you said, and North Koreans, some of whom are now South Korean citizens. There are also other nationals, but those are the main nationalities.

In the case of the Japanese nationals, the Japanese Government have been quite tough on North Korea. The North Korean Government have responded limitedly—but at least, in some ways, positively—by returning some people and the remains that were, of course, in dispute. However, the North Korean Government have said that, as for the South Korean fishermen—who make up the majority of those whom the North Korean Government have admitted to—they and the others have chosen to stay in North Korea. There is no confirmation of that whatsoever.

It is quite worrying for us that about 80,000 non-combatant South Korean nationals were abducted by North Korea during the North Korean war from 1950 to 1953, yet the North Korean Government refuse to acknowledge that they had those people. The South Korean Government are also unwilling to help in this matter. So, various people have been abducted for different reasons and, apart from the Japanese citizens, the North Korean Government are not willing to do much for them.

Q44 Ms Stuart: The Japanese have been very tough and seem to have got some results. The South Koreans are understood to give the matter higher priority. Do you think that they should be tougher to get results? Is that your read?

1 Note by witness: The NGOs
Ms Muico: Absolutely.

Q45 Chairman: Let me be clear; when did the abductions stop? Are we talking about people who are now 50 or 60 years old or even older? Or are there some people who have been taken more recently?

Ms Muico: People were taken during the Korean war between 1950 and 1953. We are talking about policemen, judges, lawyers and teachers. We do not know why they were taken. We think that they were taken because they served a useful purpose in rebuilding North Korea. During the cold war, fishermen and other people were taken from South Korea. We think that the fishermen were taken because they were out at sea and, therefore, the North Korean spies would not have to enter South Korea. The Japanese were taken during that time. The North Koreans—some of them South Korean citizens—were mainly taken in the border areas of China.

Some were undocumented at that time and were trying to help other North Koreans in the border areas.

Mr. Illsley: In the past two years, there was a very high profile case in which a woman was returned to Japan. Apparently, she had been abducted from a beach in Japan about 20 or 30 years ago. Is that serious? [Interruption.] The Japanese lady was returned to Japan from South Korea. She had been abducted as a young woman from a Japanese beach.

Ms Muico: There were two different stories.

Mr. Illsley: The story received a huge amount of publicity at the time.

Ms Muico: I think that there are two different stories.

Mr. Illsley: I will check on it.

Chairman: Perhaps you can communicate in writing.

Mr. Illsley: It was on a news programme on TV.

Ms Muico: Megumi Yokota was the most famous case. She was taken as she was returning home. The North Korean Government admitted to taking Megumi and returned her remains, but then the DNA showed that they were not her remains. In fact there was multiple DNA.

Chairman: Thank you. May we now move on? John Horam wanted to ask about food aid.

Q47 Mr. Horam: Yes, may we turn to the food situation and food aid? We seem to be getting slightly conflicting stories. Some press reports suggest that this year is going to be very difficult, but some South Korean NGOs say that because private barter and markets are better, we will never see mass starvation again. What is your view?

Ms Muico: I think that from what people have told us in various sectors, the food situation is getting worse.

Mr. Horam: Worse?

Ms Muico: Yes, it is worse than last year. Some tend to exaggerate and say that it could be as bad as the Arduous March in the early 1990s when there was a famine. Most NGOs will say that it is not as bad as the famine years, but that they have used up all of their available stock. What is worrying is that the North Korean Government have not asked for fertiliser from the South Korean Government this year. The planting season is almost over now and the worry is that they will not have much of a yield this year. The North Koreans have recently said that they will not ask for aid from South Korea, which is quite unrealistic. We do not know how bad the situation will be, but indications are that it will be quite bad.

Q48 Mr. Horam: Is it possible to use international food aid as some sort of leverage, or are they just not asking for it because they do not want the lever?

Ms Muico: That is the best case scenario. Of course, working with the North Korean Government is difficult at the best of times. What would normally work as leverage in most countries cannot be guaranteed to work with the North Koreans. What the South Korean Government should always do as a policy is to give food aid through the World Food Programme, so that it can improve its monitoring. The WFP’s monitoring is better than South Korea’s, far better. It is not perfect, but that is a point of departure. You can ask for more monitoring, more access to a wider area, and in previous years the South Korean Government have not been doing that. It is difficult to have that leverage if South Koreans prefer a bilateral agreement with North Korea.

Q49 Mr. Horam: So do we not know necessarily what is happening to the food?

Ms Muico: No.

Q50 Mr. Horam: It is not being used as leverage to improve human rights?

Ms Muico: Not with the past Governments, in terms of the food aid given by South Korean Governments. The WFP has been increasing its monitoring process and the access that it has. That is a work in progress, but because South Korea gives the most aid it would be in all our interests if it gave that aid through the WFP.

Chairman: We will move on to some other questions.

Q51 Mr. Horam: Is it sensible for the UN to continue pursuing the human rights resolutions when—as you say—the North Koreans continue to ignore them?

Ms Muico: Yes, because it is still our best hope, and we need a mandate like Professor Vitit Muntarbhorn’s to monitor the human rights abuses and report back to the Human Rights Council. His position is important and effective, although obviously not as effective as we would like, because he does not have access to North Korea. But a better
way of looking at that is to find parallel ways to improve human rights in North Korea, along with Professor Vitit’s special rapporteur role.

Q52 Mr. Horam: Do you think that there will be any serious movement until there can be resolution of the nuclear and other issues with the US?

Ms Muico: Yes. The human rights issue is not necessarily connected with the nuclear issue. They are two separate issues. Certainly the North Koreans would be more apt to talk about nuclear issues than human rights issues.

Q53 Mr. Horam: So they are separate, distinguishable?

Ms Muico: Absolutely.

Q54 Chairman: The UN human rights system has changed from the Human Rights Commission to the Human Rights Council. Has that improved the scrutiny and the pressure on North Korea or has there been no difference? Given that the UN representative was not able to visit North Korea in producing his report, is there practically nothing that has any impact?

Ms Muico: It is too early to say what the effectiveness of the Human Rights Council is. This is the first year that the Human Rights Council is reviewing countries under the universal periodic review, and it is far too early to say anything about North Korea because it does not get reviewed until 2009. All the countries backing Vitit Muntarbhorn’s position as special rapporteur and the passing of the resolution in March is a good sign, and this time South Korea did not abstain from the vote, it voted in favour of Vitit’s position. There is a window of opportunity there, via South Korea. I think that it will be far more robust in its position.

Q55 Chairman: Was that before or after the change of President?

Ms Muico: It was after.

Q56 Chairman: So does that have more to do with internal South Korean politics?

Ms Muico: Yes.

Q57 Sir John Stanley: What do you think is the most effective way in which the British Government, particularly through our embassy in Pyongyang, can further human rights in the DPRK?

Ms Muico: I have worked with the British Government on this matter for almost four years and it has been a very productive relationship. They have passed on a lot of the things that I have relayed to them. But continuing their role as the Government that is not the United States works in their favour. Also, they have maintained a good relationship but they have also pressed on human rights issues.

It is very difficult to work on human rights in North Korea. For us it is quite frustrating at times because progress is so slow. But as a Government—and they are a Government not a human rights NGO—they can open up the country by continuing with their educational programmes, their exchanges and anything that will open the society and the country to other ways of thinking and to engagement with other countries. It does not matter if they bring over Government officials in the exchanges. That is even better. Whatever exchanges you can have with the country, the UK Government should continue that and continue their tradition of dialoguing with North Korea. They should never close the door because they can provide a venue for us to speak. They can speak on our behalf and they have done so in the past.

Q58 Sir John Stanley: Do you expect President Lee in the South to adopt any major changes of policy in pursuing human rights in the North, now that he is in the Blue House?

Ms Muico: If he stays true to what he has said about acting in a more principled manner and pressing for progress to be made on the nuclear issue as well as on human rights, then I hope he does that. I worry that he will become so caught up in issues that he will not allow himself to be a bit more flexible. Yes, as a human rights organisation, we would want President Lee Myung-bak to go forth and to do more on human rights, but he must also be aware that if the North Korean Government go back on their word and make it difficult for the South Korean Government, and that in turn gets a negative reaction from the South Korean Government, it can have a negative impact on the North Korean people. Those are the people we are trying to help. Even from a principled stance, he has to be flexible.

Q59 Sir John Stanley: The DPRK regime initially seemed to have taken a rather hostile stance to President Lee. What do you think has precipitated that?

Ms Muico: A series of events. It started from Lee Myung-bak’s comments about a more principled approach on the nuclear issue and on human rights. Then there was the UN resolution on the special rapporteur’s position, which South Korea voted in favour of. That sparked the expulsion of the 11 Government officials from Kaesong. North Korea feels that the South Korean Government will end the sunshine policy and be more strict about what aid they give to North Korea. Lee Myung-bak has already said that any humanitarian aid given to North Korea will be based on progress made on the nuclear talks, as well as their human rights record.

Chairman: We now have some more questions about South Korea.

Q60 Mr. Illsley: The first question is in relation to the death penalty in South Korea, which I understand has not been used for a decade. That leads Amnesty to conclude that South Korea is an abolitionist state. There is a piece of legislation that is due to abolish the death penalty but it has to be
implemented by May of this year. Given that there are forthcoming elections, it does not appear as though there will be time for that to take place. What is your view on that that?

Ms Muico: It will expire in May in all likelihood, as it has done under the previous Governments. So this is not new. It is a trend. It is the second time that this has happened. They seem to be quite willing to introduce a Bill, but it just stays in the Legislation and Judiciary Committee and does not get passed or voted on.

Another worrying aspect is that Lee Myung-bak has publicly stated that he is for the death penalty. We have already expressed our concerns in an open letter to the President in March, stating that South Korea is an abolitionist country in practice, and that this time it should be not only introduced in the national assembly but passed, as the procedure for a moratorium on the death penalty has already been stated. It could also have a positive knock-on effect. I have spoken to people in Japan and Mongolia, who look to South Korea to abolish the death penalty so that it may be seen as a role model for other countries in the region.

Q61 Mr. Illsley: Although they have not used it for 10 years, if a sufficiently serious case occurred now, would South Korea hesitate to carry out the death penalty? Are they serious about abolition, in that they have not used the penalty for 10 years, or are they simply paying lip service to it?

Ms Muico: The past two Governments were definitely very serious. The previous President was a human rights lawyer, and the one before that was a dissident. However, even Lee Myung-bak would hesitate to break that 10-year good performance. The judicial system is certainly being tested, as there have been several cases of heinous crimes, following which there has been a lot of discussion in the media on the death penalty.

Q62 Mr. Illsley: The Foreign Office has said that the only human rights problem in South Korea is the death penalty. I would imagine that Amnesty would take issue with that, because you have highlighted other areas with which there are problems, such as migrant workers, conscientious objectors, security law, and refugees and asylum seekers. Would you therefore take issue with our Foreign Office on its assessment of human rights issues in South Korea?

Ms Muico: Yes. We have very good working relations with the FCO, but, right now, the migrant workers' rights issue is a big concern. The situation is particularly worrying because there have been targeted crackdowns on migrant workers' union leaders, some of whom have just been deported. They were arrested at the end of November 2007 and then summarily deported in December without the right to appeal. The authorities have been doing various things. For example, immigration officers have been issuing warrants for the arrest and detention of the union leaders. That is something that only a judge can do in South Korea, but they have been bypassing that law.

There are countless cases of intimidation, arrests and beatings, and of paid thugs being used to round up migrant workers' union leaders in vans, in which they are handcuffed and which do not go to a detention centre until the van is filled up. Many union members have been surrounding the detention centres, but the South Korean immigration bureau will deport the leaders using a back entrance and vans that are not clearly marked as official. A bread van was used in the detention in December when they expelled three union leaders. Little tactics such as that have created quite a stir and union leaders feel quite vulnerable. When I was speaking to the Migrants Trade Union in March, it said that its current leaders were told not to leave the building; and that when they do, they are surrounded by other people, especially South Korean nationals, so that they cannot be targeted in future raids.

Q63 Mr. Illsley: You have mentioned that you have a good relationship with the Foreign Office in relation to these issues. Is it taking any notice? Is our Government doing anything to raise the issues with South Korea?

Ms Muico: Yes. I think that my predecessor relayed that in the past, when he did a report on migrant workers in South Korea in 2006. I will continue to work on the issue, as it will be my next project. I have already spoken to the British embassy in Seoul on this matter, and it has even suggested that it would be more effective for a Government to give certain recommendations on those areas and that it would be best to go through them. I think that that sort of co-operation is exactly what is effective.

Chairman: Thank you. We have some questions about Japan.

Q64 Mr. Hamilton: You made a submission from Amnesty to the United Nations Universal Periodic Review working group in January raising concerns about shortcomings in human rights legislation in Japan, including the death penalty and the failure to protect the rights of refugees. You also expressed concerns about the daiyo kangoku—the pre-trial detention system—and the survival of Japan’s military sexual slavery system. What is your assessment of the current human rights situation in Japan?

Ms Muico: I think that the human rights situation in Japan is unique and very difficult. Lawyers, NGOs and community groups to which I have spoken all consider themselves to be in the dark ages. It is very difficult to get the Government to engage with that issue and to get the local media, rather than the international media, to cover stories that are not popular with the right-wing Government. In that environment, it is, of course, very difficult to work on the problem. For example, the issue of comfort women received lots of press coverage internationally but had very little domestic press coverage, and people who worked in the museum that dealt with the comfort women issue were harassed in February. These are the types of difficulties that have to be worked on.
I think that a lot more work needs to be done with regard to the death penalty. I believe that the one thing that works in Japan’s favour is that it is going to the lay system—the jury system—so it will be possible to raise the issue of the death penalty, the transparency problems with the daiyo kangoku system. Japan’s obsession with trying to coerce confession out of prisoners and the number of days that they can be detained. I believe that the death penalty issue and the substitute prison system are interconnected with the problem of the lack of transparency in the judiciary and the criminal justice system.

Q65 Mr. Hamilton: Do you think that there is likely to be any imminent change in this situation—this dark age of human rights that Japan is in? Ms Muico: It is difficult to say. The UN Committee on torture, the UN Committee on the Rights of the Child and other committees, when reviewing Japan’s status and the progress that it has made, have observed that the Japanese Government have not done much on previous observations and recommendations. There is a lack of respect for the UN system, which is quite worrying, considering that Japan has ambitions to be a permanent member of the UN Security Council. When you make a trip to Japan and speak to the EU office there, you find that the Japanese do not tend to listen to the EU or countries within the EU very much, and that is another worry. They seem to take their cue from the United States. One member of an NGO has joked that Japan is the 51st state of the United States. In that environment, it is very difficult. When we had so much success in various Parliaments around the world on the comfort women resolution and also on the moratorium on the death penalty, a Diet member said, “Well, that’s the EU. We are not the United States.”

Ms Muico: There are challenges, but a more concerted effort will certainly bear fruit. There has been a lot of media attention outside Japan. It is a matter of getting the domestic media interested and letting people know about it, because the Japanese public are not aware of what is happening in their own country. Executions in Japan are secretive—quite deliberately. Executions often take place when the Diet—the Parliament—is in recess or on national holidays. The person who is supposed to be executed is told hours before, and the families are told afterwards, not even before. There is no transparency. Even Government officials—Diet Members—cannot go to the execution chambers and visit the prisoners. Only direct family members and the person’s lawyer can.

Q67 Ms Stuart: Am I right that many people have been on death row for decades? Ms Muico: Absolutely. One such case was recently in the news. Iwao Hakamada was convicted in 1968 and at first confessed to the crime of killing a family of four. Immediately afterwards he recanted, and during the trial he said, “I was forced to confess, the police coerced a confession out of me. They beat me, they threatened me until I would confess.” There were also irregularities with the evidence that was provided, but despite all that, he was convicted. Forty years later, one of the three judges broke four decades of silence and said, “I thought he was innocent. I really felt that his testimony—his confession—was coerced.” They took all the new evidence and asked the Supreme Court for a retrial, and that was turned down last week.

Q68 Ms Stuart: Given that any pressures are likely to come from inside only, what sources are there for that greater open and public debate, which might just lead to a moratorium in the first stage and then potential abolition, or is the support so overwhelming that that is far off? Ms Muico: Support can be overwhelming, because the general public do not know what the issues are: there is no transparency within the investigation process and there is a dire necessity to get a confession. The 99.9% conviction rate is based on confession. There is a good window of opportunity because of the jury system debate. Lots of people are rightfully worried that a jury can decide on death penalty cases, and they are using that to say that we should have a moratorium on the death penalty. The human rights lawyers are quite active. They have the support of the Japan Federation of Bar Associations, but it is divided on the issue. Some want to be a bit more realistic—even those who are against the death penalty, by all accounts. They believe that there should not be any substitute system for the death penalty and that it should be abolished, but, having said that, they would like to introduce life imprisonment without parole, just so that the issue could get in there and the death penalty could eventually be removed over time. Other people think that we cannot go there because we have to abolish the death penalty on principle.

Q69 Sir Menzies Campbell: May I explore the apparent contradiction between an aspiration to be at the highest level of the United Nations—the Security Council—and an unwillingness to accept much of what the UN stands for? If the British Government were to make plain that their support for Japan’s membership of the Security Council depended upon a more sympathetic attitude towards the UN, would that have any effect, or is
theobduracy so engrained that it would pass over the heads of the people making the decision?

Ms Muico: No. I think that that would be useful. Certainly this delegation going to Japan will raise interests, and there will be concern about what you would have to say after your visits. I think that, in some ways, they are banking on hiding behind the fact that one of the permanent members on the Security Council has the death penalty. However, it is an exaggeration to say that they do not listen to the EU. NGOs in Japan are frustrated, but they will listen, especially if there is a lot of international attention on this matter. For some strange reason, Prime Minister Abe apologised as an individual to President Bush because there was a lot of attention on the issue of ‘comfort women’. He felt compelled to make a statement because there was so much media and press. The Japanese are not immune to government pressure: this is about what they do about it, and trying to ensure that they do the right thing and monitoring that.

Q70 Mr. Illsley: Is there any pressure from within the Japanese Parliament? You said that some executions are done secretly or when Parliament is not sitting. In a similar situation in this country, there would be pressure groups and parliamentary groups of MPs campaigning on the issue. Is there any movement within the Japanese Parliament to try and end this system of executions, particularly secret ones?

Ms Muico: There is a parliamentary group within the Diet that supports a moratorium on the death penalty and works closely with the NGOs. There is a network of NGOs that want to abolish the death penalty. It is imaginative and active, but the problem is that the general public seem not to care as much. In South Korea, anything will get a reaction from the general public, and it is quite buoyant. You do not have the same society in Japan. They are willing to sacrifice a bit more for the good of the country and the society.

Q71 Chairman: May I ask you about the issue of reparations for people who were put into sexual slavery in the second world war? What is the progress on that?

Ms Muico: We had something passed in the Parliament in the Philippines in March and we are trying to build up momentum because it had slowed down. We would like the matter to be raised when you are in Japan, because a resolution was passed in the European Parliament and also in the Dutch Parliament. We feel that there is NGO fatigue perhaps, so if the message could be relayed by a Government, rather than by Amnesty continuing to hound the Japanese Government, it might have more effect on reparations. However, so far, the Japanese Government have not engaged with us on this issue.

Q72 Mr. Illsley: What evidence is there that the daiyo kangoku system of detention involves serious human rights abuses? Is there any prospect of reforming this procedure?

Ms Muico: Yes, I think that in some ways there might be a better chance, because it affects a larger number of citizens than the death penalty. Suspects can be detained for 23 days without charge, and police use this period to interrogate and to coerce a confession. There has been some progress in this area, although it is still in the talking stage. The most worrying thing is that lawyers cannot be present during the interrogation. With support and raising awareness on this issue, there can be some changes, at least in this stage with lawyers allowed to be present during interrogation as part of basic rights. Another thing that I would flag up is that there is no digital recording of police interrogation. That is quite important, because if you get a digital recording, the coercive nature would be reduced because there would be proof that the confession was not given voluntarily.

Q73 Mr. Illsley: Well, any recording, whether digital or analogue. It still seems inconceivable that a country such as Japan could have a system such as that, where people can be detained for 23 days and be abused—

Ms Muico: They can be interrogated for 16 hours continuously at night time.

Q74 Mr. Illsley: To be interrogated like that in a country that we regard as quite civilised beggars belief.

Ms Muico: That is the most difficult part of our work. Most people in the world think that Japan is a very wealthy country that has been a democracy for a long time and that it would not have human rights abuses on such a large and dramatic scale. Yet, it is going on. It is not only Japanese citizens who are affected, but foreign nationals. Quite recently a Swedish journalist went through this horrible system.

Q75 Mr. Illsley: I just find that incredible. I remember visiting Japan in 1990 and being told by our embassy there that this is a crime-free area where you can leave your car open and you do not have to worry about theft and this, that and the other. From that point of view, we looked upon it as a modern, civilised society, with very little crime. To learn that they have a system of organised brutal interrogation such as this seems crazy, particularly as we have had a couple of high-profile murder cases in Japan involving British women. It just seem crazy that this is still going on.

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6 Note by witness: Not to the victims of sexual slavery.
7 Note by witness: In the US
8 Note by witness: Regarding the resolution in the US Congress calling for Japan to make an unambiguous apology for the suffering of the ‘comfort women’.
Ms Muico: It is the criminal justice system. The general public do not want to be associated with crime and with anything that may make them look dirty or bad. You have to understand that when someone is given the death penalty, it is not just the family of the person who has been accused and convicted that is shunned from society. The family members of the victim are also shunned from society, because they are in some way implicated in a terrible heinous crime.

Q76 Mr. Illsley: That is an aspect of a lot of Middle Eastern societies.

Ms Muico: But a lot of societies impose so much pressure that people feel compelled to leave the neighbourhood, change their names, and never tell their children.

Mr. Illsley: We look upon Japan as a country equal to ourselves in status in terms of civil and human rights. To trade with it and so on and to accept it as an equal when it is carrying out things that we did away with in the stone age in terms of interrogation seems incredible.

Chairman: We can pursue those matters in other ways, and the Japanese Government will no doubt wish to send a submission on that to us.

Ms Stuart: I caution us about being quite so condemnatory about a highly civilised 21st-century country and comparing it with the stone age.

Mr. Illsley: Sorry.

Q77 Ms Stuart: Do you have any statistics about how many people are held for 23 days without any lawyers or any support present compared with the percentage of how many people go through the court system?

Ms Muico: They may be available. The Japanese Federation of Bar Associations will have statistics on that. On lawyers not being present, that is never allowed, so that would apply to anyone who goes through the system.

Q78 Ms Stuart: Is that something that you can put in context? It is not all that long since we introduced the Police and Criminal Evidence Act 1984 and other safeguards, so it would be helpful if you could put the matter in context.

Ms Muico: I don’t have the statistics right now.9

Q79 Sir Menzies Campbell: My question is rather general. I cannot help thinking of the post-war reconstruction of Japan, which was carried out largely under the direction of the United States, in particular under General MacArthur. How far do these practices and the length of the law—the process that you have described—go back? Are they century or half a century old, or are they more recent?

Ms Muico: The daiyo kangoku system was established in the early 1900s—I believe it was 1908. It was just the way in which things were done. In 2006 the system was put into a new legislation, so they allowed that type of system to continue.

Q80 Sir Menzies Campbell: It was custom, but then it became the subject of statutory enactment?

Ms Muico: Yes.10

Q81 Chairman: A final question. You touched on this in some of the earlier answers: is the new UN human rights council—the new UN system—likely to lead to improvements in human rights in Japan or in either of the Koreas, or is it too early to say?

Ms Muico: It was designed to be revised, so that countries had to be more answerable, so I hope the answer is yes. We all have our eyes on Geneva at the moment, because it is starting its first review sessions. At this point, I cannot comment. The system is much better laid out, so it should work more effectively. All countries are reviewed under the universal periodic review.

Q82 Chairman: In a different context, people said that that factor will not lead to much change in practice, because countries operate as political blocs to protect their own. In the wider sense, leaving aside specific countries, some countries operate to put certain countries in the dock and keep other countries out of it.

Ms Muico: That cannot be done so easily now. Every country is reviewed every four years. It is not the case that, for example, if a country has signed a treaty body it could delay submitting a report. It is not the case that, for example, if a country has signed a treaty, it could delay submitting a report. You cannot review a country unless it has submitted a report, and Japan is quite late with its report-writing, as are a lot of other countries, but in this way they are reviewed no matter what every four years. That is one aspect to our advantage. The other is that the three countries who get to review the countries form a troika, and those three countries are selected randomly. It could be a friendly country, if you are lucky, and it could be a neutral country. Any country can be lobbied to do their job, because then they will get reviewed as well, so it is harder to go round that.

Chairman: Thank you very much for your time and for coming to speak to us today. We shall now break for about two minutes so that we can change our witnesses over and for any members of the public who wish to leave, this would be an appropriate moment.

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10 Note by witness: Under the old Prison Law of 1908 the daiyo kangoku system was meant to only hold arrestees temporarily until they were brought before judges, that is used as substitute prisons temporarily (due to overcrowding at the time). But the new Prison Law of 2006 retains the use of the system and gives them the legal status as an institution for detaining arrestees, thus, no longer merely a provisional option.
Q83 Chairman: Gentleman, we are running slightly late because we started slightly late. I have to warn you that there will be a vote at 4 o'clock, which will interrupt the proceedings, hopefully for only 15 minutes, but that is one of the perils of having Committee meetings that run at the same time as the House. We can never be sure what the business will be on a particular day, but I think there will be at least one vote at 4 o'clock. I would be grateful if you each introduce yourself for the record.

Sir Stephen Gomersall: It is an honour to be invited to give testimony to the Committee and a great pleasure to see some old acquaintances again. As you know, I left the Foreign Office in 2004 and have been working since for a Japanese engineering company called Hitachi, orchestrating its businesses in Europe. I would like to clarify that for today’s purposes, I am talking in a personal capacity and largely on the basis of my diplomatic experience.

Dr. Hoare: I am Jim Hoare. I, too, was a member of the diplomatic service, a member of the research cadre, and I retired in 2003. In my time in the Foreign Office, I worked on East Asia almost entirely. Since I retired, when I thought I was going to work on East Asia, I have worked almost entirely on North Korea, but I follow both Koreas and to a certain extent China, and to a lesser extent Japan.

Q84 Chairman: May I begin with some questions about Japan? How do you assess the current Japanese economic position? Given the difficult decade or more experienced by Japan, how vulnerable is it today to the repercussions of the international problems emanating from the United States and the possible global downturn?

Sir Stephen Gomersall: The perception that Japan went into recession during the whole of the 1990s is slightly mistaken because, in fact, it sustained about a 1% growth rate. Indeed, some important structural changes in the economy took place. Broadly, the exporting part of the economy that trades internationally restructured itself and became internationally competitive; it made a lot of changes, invested overseas and so forth. That is basically why the Japanese economy today is still driven, as far as growth is concerned, by the export sector. By comparison, the domestic part of the economy — retail, construction, insurance, financial services and so forth — remains rather stagnant. The overhang of debt on the economy, coupled with policies by the Government, which mistakenly tried to reinflate the economy by excessive public expenditure, led to the polarisation of the economy between an efficient export sector and a less efficient domestic sector. Since the Koizumi period, Japanese growth rates have been higher. They have been comparable to those of the European Union on the whole, in the 2% to 2.5% range. However, if you differentiate between what is happening in the short term and in the longer term, you would have to say that the Japanese economy is underperforming in comparison to its potential. There is no doubt about that.

In the short term, most people assess that Japanese exposure to the sub-prime crisis is less than that in other countries. However, the combination of dependence on export markets, increase in import prices, the potential rise in the value of the yen, the expected decrease in corporate earnings, and generally low consumer sentiment inside Japan, means that in the course of this year we will probably see a reduction of growth to around the 1% to 1.5% level. That does not mean a collapse, but it is less than is desirable, obviously.

In the longer term, although Mr. Koizumi achieved quite a lot in being a catalyst for reforms, there are still some major structural issues in the economy that politics is finding it difficult to sort out. One of those is obviously the ageing population. The essential problem is the difficulty of dealing with such deep-seated issues and bringing about further reforms in a situation where there is conflict between the two houses of the Diet at the moment, and both the major political parties lack a clear strategic vision of how to take the economy out of its current situation.

Dr. Hoare: I am not competent to comment on current Japanese economic development. The only point that I would make is that, despite the perception that Japan’s performance in the 1990s was and continues to be poor, people in the region still think of Japan as very much a major component in the region’s economic development. In South Korea, people still look to Japan and think of it as more wealthy than South Korea. It is a country to be emulated still. Of course, Japanese components and technology go into much of the development in South Korea and China, too.

Q85 Mr. Horam: Given what you said, Sir Stephen, that the current economic situation in Japan is rather fragile, how much scope is there to increase British exports there?

Sir Stephen Gomersall: I started to give an economic analysis, but Jim’s point is valid. With 10% of the world's economy, Japan is still an enormous market. Even when, in relative terms, the economy is in the doldrums, particularly domestically, Japan is still putting out a lot of new technology and still accumulating a large current account surplus, which indirectly helps to sustain American debt. It is still making an enormous contribution to international aid, so even at this relatively low level, it is making a sizeable contribution to the global economy.

British exports are, relatively, a great success story. Japan is still the third largest market after the United States and the European Union, so something must be right. If you would like me to address trade barriers and so on, I would be happy to do so, but the bottom line is that after 20 years’ effort, most of the barriers that have impeded foreign exports, particularly western exports to Japan in the past, have been taken away one by one, thanks to a combination of EU action and bilateral actions. The market is open, but challenging, and our advice to British exporters is that they must do a lot of
research before going into the market. They must have the right product, and the three critical factors are presence in the market, quality and delivery of the product, and relationships and trust with those with whom they are doing business.

Having said all that, while I was there, we had some major successes on the export side, including the sale of Westland helicopters to the Maritime Self-Defence Force, which was worth about £400 million, and the sale of Rolls-Royce aero-engines and marine engines to All Nippon Airways and the Self-Defence Forces. British telecommunications companies had big investments, which have since been unwound, but at that time, they were major British stakes in the ground.

Our exports cover a broad range of commodities. Some 70% of them are industrial, so they have not benefited so much from the imports to Japan that have been strongest, paradoxically, during this period of recession—luxury goods from the European Union. Companies producing fashion, high-quality jewellery, liquor and automobiles have had high levels of growth during the past 15 years.

Q86 Mr. Horam: What is the best way in which the FCO and other Departments can help British companies?

Sir Stephen Gomersall: We—I am sorry, I am skipping back. A lot has been done over a considerable period, beginning as far back as Mr. Heath’s Government. Mechanisms were set up in the then Department of Trade for directly helping and subsidising exports to Japan. That helped us to get an early foothold in the market.

In terms of official assistance, partly because of the priority given now to new markets, the volume of subsidy has been reduced, probably rightly, for Japan, and some of the mechanisms for promotion and hand-holding for British exporters have been unwound, but there is still a lot of expertise in the market, in the embassy and in the British Chamber of Commerce in Japan.

Q87 Mr. Horam: By direct subsidy, do you mean export credit guarantees?

Sir Stephen Gomersall: No. I was thinking more of small subsidies for trade missions, market surveys and so on, aimed at the smaller end of the market. There is a very powerful trade and investment section in the embassy, which is still a large part of the embassy’s effort in looking after trade missions, and you will no doubt hear a lot more about that when you are there. At the front end, I would say that it is still the most important part of the embassy’s mission, along with inward investment.

Q88 Mr. Horam: Looking at the UK and Japan the other way round, do you think that Japanese investment in the UK is likely to be sustained?

Sir Stephen Gomersall: The major investments that we have here in the automotive industry and in the manufacture of machine tools and construction machinery is almost certainly likely to continue for the foreseeable future. I think that what has happened in the market is that it has become more cost driven, and the sort of investments that we got in the ’70s and ’80s, which came in support for the automotive industry and other electronics businesses that dealt with components and that sort of thing, will now go to eastern Europe—it has done for the past five or six years.

The second trend is that, among European countries, there is now a more level playing field. We got a lot of investment from Japan in the initial phases because we put out the welcome mat: Mrs. Thatcher said that, if they came and had 60% local content, she would stand up for them in Brussels as though they were British companies, and that made a big impact. Of course, 20 years ago, companies took their decisions sometimes on a personal basis, because of the predilections of the chairman or the president of the company, but I think that, today, companies analyse the cost-effectiveness of different locations very carefully when deciding where to go.

The UK is still very competitive, as we have an open market and a relatively benign labour climate. Of course, we are vulnerable on the cost of living side, but with the English language and our general infrastructure, the UK is still very attractive.

Q89 Mr. Horam: Does it matter that we do not have the euro?

Sir Stephen Gomersall: I think that that has become a non-issue, because people understand that a decision to enter the euro is probably a long way off. Whereas five or six years ago, they were very exercised about it, other factors have now supervened and, as I have said, the low-cost investment in any case would probably not come to the western end of Europe. What people are looking for in the UK is probably much more high tech and science and technology-related. They are looking for research tie-ups with British universities or want to set up their own research or design facilities in the UK, where they can benefit from being at the crossroads of finance and commerce and where the number of employees is going to be smaller. They need a good supply of international graduates and well-qualified people, not only British, but Europeans predominantly. They need scientists, so a lot of collaborations have grown up between Japanese companies and universities. My own company has a laboratory at Cambridge University that has been going very productively for 15 years. A lot more companies have come in since then to do the same sort of thing, and I think that the role of development organisations in the UK is often to put potential investors in touch with British centres of excellence in universities in a competitive manner.

Dr. Hoare: The only point that I will make—it is a bit tangential and I have made it before—is that, in Japan and other East Asian countries, the perception of interest in Britain has been damaged by the closure of certain academic departments and the withdrawal of such studies at Durham, Stirling and other places. Those things add up: they may not be in themselves the most important, but they add up to a perception of a lack of British interest.
Chairman: When we produced our report on East Asia two years ago, we commented on that. No doubt it is an issue that we can revisit in this inquiry. I am conscious that the bell is just about to ring, but we will start the next question.

Mr. Hamilton: Following on from the question of my colleague, Mr. Horam, about investment, is Japan the largest? [Interruption.]
Chairman: We will hopefully be back in 15 minutes. Thank you.

Sitting suspended for Divisions in the House.

On resuming—

Q90 Chairman: We were in the middle of a question from Fabian Hamilton, but I will pick up that question and carry on. We should get through as quickly as we can. I am sure that there will not be another vote until 7 o’clock, so we have that advantage. Fabian was beginning to ask a question that followed on the remarks about scientific and technology co-operation. The Government have told us that there are huge benefits to be obtained from deepening co-operation between the UK and Japan with regard to research and development. First, do you agree with that? I think from your earlier remarks, Sir Stephen, that you do. How can that best be achieved, especially given the global competition from not only South Korea and China, but the United States?

Sir Stephen Gomersall: The first thing that is obvious is that Japan is very much a superpower when it comes to research and development, with 3% of GNP going on research and development, most of which is from the private sector. There is a lot of innovation coming out of Japan on to the world’s markets. Quite a lot of that innovation will be developed partly in Japan but also partly overseas. Therefore Japanese companies are certainly looking for research partners around the world to help develop and implement innovation. Japan’s science base is very complementary with our own. There is an enormous emphasis on energy technology, sustainability of society on low-carbon technologies, intelligent transport systems, nanotechnology, aerospace and areas like that, which coincides with our own agenda.

The UK began a formal framework for partnership with Japan in this area in the 1990s, but it came to life more after 2002 and 2003 as a result of an increase in effort by the Office of Science and Technology, which sent a lot of missions and research council missions to Japan at that time. As a result of that, relationships have built up—for example, the relationship between the Met Office Hadley centre and the Japanese climate-modelling supercomputer in Yokohama—which have direct and tangible benefits for UK science. Relationships are always important, and so the Government’s eTort and the embassy’s effort in organising and helping to orchestrate visits of researchers in both directions, particularly from the UK to Japan to see what is going on in Japan, is vital from the point of view of stimulating the first stages of collaboration.

The second area is obviously continuing to try to attract Japanese investment, and particularly science-related investment, to the UK. By and large, the UK is probably ahead of most other European countries in that. There was a perception, even inside Japan, in the early 2000s that Japan spent a lot of money but did not get good value for what it spent on R and D, because it did not have the right techniques or the right organisation. A lot of exchanges took place to discover how the UK got value for money out of science and research, particularly in the Government sector. This has helped, together with the reform of the universities in Japan, which can now form partnerships not only with Japanese private companies but with overseas private companies to do research and development. The doors have been opened in a big way, and the UK has a very good reputation in innovation—and research particularly—that we can trade on.

Dr. Hoare: The UK also has a historical link with Japan. I would not want to make too much of the history, but the Japanese have a long tradition of co-operating with Britain over such things as the Japanese railway system, which began with British assistance, shipbuilding, and so on. Those things matter. They do not matter on their own, but in conjunction with the sorts of things that Stephen has described, we have there a bit of historical support for turning to Britain rather than to the United States. In South Korea, for example, the inclination is much more to turn automatically to the United States. I suppose that the only competitor in Europe might be Germany, in terms of that sort of legacy.

Q91 Chairman: Can I now switch to some questions about South Korea? Does the recent election of President Lee—he has been in office for less than two months, I think—mean that there will be more protectionist policy in South Korea?

Dr. Hoare: He has said the opposite. He has made lots of noises about opening up to the outside world. He has talked about everybody having to be taught in English in schools and universities. I suspect that the reality is that at this stage nobody really knows what Mr. Lee’s policies will be. As you say, he is only a couple of months into office. He comes from a particular background—the chaebol, which is a big business background—but I think that he realises that there are problems within the South Korean economy, and that one way to get round those will be more international links and trade. His programme is very long on rhetoric at the moment, and rather vague on details, and I suspect that it will be some time before it really settles down. He knows that he has problems, but I am not sure that you can yet say that he knows how to deal with them.

Q92 Sir John Stanley: Do you think that the British Government should be supporting the EU-Republic of Korea free trade agreement? Are there any particular bottom lines that you think the British Government should insist on in that negotiation?

Dr. Hoare: That particular agreement is popular in South Korea—at least it was under the previous President. It was expected to have an easier ride than
the US-ROK free trade agreement. I think that it is a good development and that the South Koreans have decided that free trade agreements are positive. They have just been celebrating the one they have had with Chile for some years. I am not sure how much trade they do with Chile, but nevertheless that is a positive attitude towards such agreements. It is essential that an eye is always kept on the free trade agreement with the United States and what is in that, because South Koreans’ normal instinct is, I think, to take account of US interests first and not necessarily think through other people’s.

There is going to be the question over European attitudes towards the Kaesong industrial zone, which is situated just across the demilitarised zone in North Korea. It is financed and managed by South Korean managers, with North Korean workers. The United States has had problems with that, because it has various measures in place effectively forbidding trade with North Korea—Europe does not have quite the same restrictions. There will be much pressure from the South Korean authorities for Europe to accept that products from the Kaesong zone are Korean products rather than North Korean products. I suspect that the United States might—at least as long as the present Administration are in place—try and put pressure on Europe over that particular issue, although I do not know what form that pressure might take. Such free trade agreements bind the South Koreans into more open trading practices and are therefore a good thing.

Chairman: May we move to some questions on climate change? Eric.

Q93 Mr. Illsley: It has been suggested that in the past, the Japanese have allied themselves to the United States on climate change. Although South Korea does not come within the Kyoto protocol, it is a high per capita producer of emissions. Bearing that in mind, what are your views on the efforts of both countries to comply with international action on climate change?

Dr. Hoare: I really would not know much about the current Japanese attitude. South Korea often pays lip service to such things, but the pressure there is still for economic development and growth, and that tends to override other considerations. There is a lot of talk about the beautiful hills and streams of Korea, but in reality a lot of those streams are polluted by industrial development, or have been in the past. The new President has put forward an ambitious programme of economic development to raise South Korea’s position in the OECD league from its current 11th to seventh position, to raise South Korea’s position in the OECD league by 2020. He announced a 450 km—through mountains and over plains. It will go through areas that need economic reconstruction—former coal-mining areas and so on—but the environmental consequences of building a canal capable of carrying seagoing ships are horrendous, if you think about the construction traffic and so on. That seems to indicate a not very strong commitment to taking account of environmental factors. The rhetoric will be there, because the Koreans know the rhetoric, but the reality is slightly different. That said, they have cleaned up the Han river. When I lived in Seoul, it was a dead river; now it is used for recreational purposes and has fish again. There have been other efforts to improve particular environmental black spots, but there is no more widespread commitment.

Sir Stephen Gomersall: Japan is an absolutely pivotal country in the debate on climate change and for various technological solutions to deal with the effects of that. It is a founder signatory of the Kyoto protocol, and it is a large emitter with the potential to make very large reductions in its emissions. It has tried, in recent years, to find ways of bringing the US into the process and keeping the door open for that. I have mentioned the technology that it is prepared to share with other countries. Japan is struggling to meet its original Kyoto targets because they were set at a time when Japan was probably more advanced in its control of pollutants than the EU. Japanese industry up to now has been rather negative on mandatory reductions in carbon emissions, particularly in circumstances where its competitors across the water in China are not subject to that kind of regime. There is a lively debate going on about that at the moment.

As you are doubtless aware, when he was at the Davos meeting, Prime Minister Fukuda came out with quite a significant statement, saying that he would have it as his objective at the G8 to try to get agreement on a post-Kyoto framework that would bring in all the major emitting countries and that he would try to set a global target of 30% for an increase in energy efficiency by 2020. He announced a multilateral fund, in conjunction with the UK and the US, of $10 billion for aid to developing countries. He said that he wanted Japan to play a leading role in transforming the globe into a low-carbon planet, and by that he included sharing Japanese technology with other countries. On the mechanics of carbon reduction, it is quite significant that the Japanese Government set up two panels, one in the Cabinet Office and one in the Ministry of Economy, Trade and Industry, to study the benefits of cap and trade policies, which implies a step which will be taken later. The EU has been urging Japan assiduously—I know that the British embassy has been involved in this—to shift its position by the time of the G8 so that we can get the sort of agreement that Mr. Fukuda was talking about. Given that the position of the American candidates in the American election is positive towards cap and trade, Japan in any case will see the need to make a shift in its position. Most people are expecting Japan to move.

Note by witness: In the Federation of Japanese Business Organisations
The private sector, while being bound by an industry consensus to not yet accept these mechanisms, nonetheless sees climate change and carbon reduction as both a duty and a business opportunity. Companies such as mine are developing technologies in carbon capture, hybrid vehicles and things like that, which hopefully will come to the world market in a reasonably short period of time. On the whole, Japanese industry is trying to get ahead of the curve, so that it will be in a position to make a contribution to the solution of the problem, when there is a global agreement.

Similarly in South Korea, educational models have been very much based on those from the United States rather than Britain. If it was not the United States, they tended to look to Germany as an international model. Germany and France have often made a bigger cultural impact in South Korea than Britain. The British Council has tended recently to concentrate on English language training, and some of the other things that go into the pot marked culture have been rather neglected. So, the impression of Britain there also is that we are not quite the leaders.

To a certain extent I have found that impression in Japan as well, in the past. It is the old whisky and Burberry syndrome. There were the sort of things that Britain sold. In fact, we contributed to Japanese shipbuilding, and South Korean shipbuilding effectively began with British money and know-how. The Korean car industry began with British money and to a certain extent British know-how, although there was a lot of Japanese input as well. However, the initial impetus was not kept up and the memory of Britain tended to fade somewhat. This is one person’s perception. Even though I have been working within a British Government context in the embassy, others will have a different perception I am sure, including Stephen. However, that is what I have found about Britain in East Asia, and also in China, incidentally.

As a result of representations from, among others, Peter Mandelson and the 21st-century group, the Department for Education and Skills took a look at the matter, and the result was a stream of funding for which universities were entitled to bid. As a result, the White Rose Universities of York, Sheffield and, I think, Leeds were given funds for something called the White Rose East Asia Centre, which is now in operation. That funding is time-limited, but I think that it has eased the problem for quite a while and as a result it has brought in other groups like the Great Britain Sasakawa Foundation and the Daiwa Foundation to fund teaching posts either at those universities or at secondary schools that will feed them. There is more demand for places, particularly graduate positions, in those universities than five years ago. It is the old whisky and Burberry syndrome once again.

I agree with what I think is the premise of your question, which is that cultural diplomacy is an important part of projection and ultimately our effort to win friends and trade, and that it should be part of a joined-up co-operative enterprise between the British Government agencies involved. In my time in Japan the embassy and the British Council
worked very closely together. I have a lot of admiration for the British Council because, together with the embassy, it worked very intensively and successfully on changing the perceptions of Britain as a country of castles, Beatrix Potter and that sort of thing. It introduced contemporary arts and fashion and showed Britain as a diverse, multicultural society, and brought together a lot of artists and NGOs in the process. That work is rather tenuously funded and depends on funds from local sponsors for these kinds of activities, even more so today because of cuts in British Council funding. Nevertheless, that is an important part of the work in Japan. It was pretty successfully executed. There were, as you mentioned, a number of specific promotions. There was the big one in 1998, another in 2003, and another related to scientific innovation in 2004. There is UK Japan in 2008, which you will hear about. That is all very important. Again, it is run on a shoestring and developing the concept and implementing it is very much down to the people at the front end, but it seems to work. The effort is firstly to project modern Britain and secondly to bring in grass-roots schools, including primary and secondary schools, to make an acquaintance with the UK. A lot has been done through online means, both in advertising British educational services and putting schools in Japan in touch with schools in the UK so that they have some joint classes at particular times of the day and so forth. That is very good. On top of that, the British Council’s other big responsibility is to try to compete in the education market. Japan is an enormous market for British educational services, both for language teaching inside Japan and also for students coming to British institutes of learning. There are about 8,500 students in the UK on full-time studies and about 80,000 per year coming for short-term language courses. That is a very competitive business, and the British Council is trying to position itself so that if and when the Japanese Government decide to make English language learning compulsory in Japanese primary schools, the British Council is seen as a provider of those services. In the meantime it helps to administer British standard English language tests for business men and students, competing all the time obviously with the Americans and the Australians and Canadians.

A final element which is very valuable for us, as well as the other countries involved, is the JET programme. I am sure that you know all about it. It was invented by a British man, called Nicolas Maclean, in the 1980s. It involves British graduate students going for two years or so to teach as assistant language teachers in schools throughout Japan. It is a wonderful resource. We used to have about 1,200, but about 700 students now go out each year. They are literally dotted around the country in Japan, sometimes in very outbeat places. As a result, they acquire a very deep knowledge of how Japan works, and in many cases good Japanese language. A lot of the students from the programmes then come back and take up jobs related to work and business with Japan. It creates a virtuous circle. The British Council has about 90 staff to deal with everything. It has about 37 language teachers. It does a very good job on relatively thin resources.

Q97 Ms Stuart: It seems that both of you are saying that we are making a good job of the fact that English is a preferred language and that we have an advantage. To what extent do you think that we are held back in our business relationships by what could be described as a degree of ignorance of East Asia as a business area on the UK side? Do you think that that is a problem in the development of business? Are we held back in terms of building on our strength? Is business in the UK not as well informed about East Asian affairs as it should be?

Sir Stephen Gomersall: That is the thinking behind the re-expansion of Japanese studies that we were discussing a moment ago. If we do not have such skills, that is a disadvantage. Businesses in the financial sector, for example, operate in English. It is no great disadvantage to go with only English. In any case, many young people going there pick up the language to a sufficient degree quite quickly.

Q98 Ms Stuart: Even in Japan?

Sir Stephen Gomersall: Even in Japan—up to a certain point. Japanese is a very difficult language to read and write, but it is not impossible to speak.

Dr. Hoare: Something Sir Stephen said at the beginning is very important not only in Japan but in the whole of East Asia. I am sure that Sir John Stanley will back it up. It is very important to become known, to have a presence, to go regularly and to show a commitment. To have the language is an important element to show that you are committed to the area and the people with whom you are dealing. As Sir Stephen said, it is true that there has been an attempt to undo the damage caused by closing a whole series of university departments. Unfortunately, there is a pattern. It comes partly from our short-term funding approach. There is a burst of enthusiasm and an establishment of university departments not only in Japanese but in Korean. The Government funding then falls away. The universities are not committed for one reason or another, such as a change of vice-chancellor, different priorities or the university senior management not seeing the importance of East Asia because it does not have anything to do with it. The university then refuses to take on the funding, and there is a crisis.

So what do we get? Another input of Government money that funds things for five years or whatever. That is fine. Perhaps the universities keep it on for another two or three years, but then the same thing happens. That has happened over and over again. It creates the opposite impression from the commitment that Sir Stephen said was important in business. It creates an impression of, “We don’t really care, although if money is available, we will take it.” That was particularly true of Korean studies. When the Korean Government were handing out money, the universities, including Durham, were very keen to have it. When that
stopped, they said, “Well, hard luck.” In the case of Durham, they refused to give back money that they had received, even though they were proposing to stop the programmes that they had received it for. That creates the wrong sort of impression. I am not much of a linguist—I have always been very conscious of that—but I think that while you can do business in most of these countries without the language, the language indicates a depth of commitment and helps you to a depth of understanding which is very important. Even if you can manage in English, the fact is that you will then often be dependent—in the case where English is not in use—on the other side to interpret your position. That is not a good state of affairs. These things all tie together, both our domestic interest in East Asian studies—let us not pin it down to one country or another—and the bigger commitment globally.

Chairman: Thank you. We have just a few minutes more and want to move on to some security questions.

Q99 Mr. Illsley: I think that my question follows on. I was going to ask in relation to our Foreign Office whether there is sufficient commitment to Japan and the Korean peninsula by our Government. Are we as involved as we should be in that region? I was interested in what you were saying about business—sometimes it does not show enough commitment. Do our own Government show enough commitment?

Dr. Hoare: You have here someone who indicates the commitment. Stephen was a language student—that is what I first met him. That language student qualified and then went back to Japan several times, ending up as ambassador. I think that that has an effect on the Japanese. They see that as a commitment. We have just had our first ever Korean-speaking ambassador, just retired—Warwick Morris—and succeeded by another Korean-speaking ambassador. That matters too. Throughout East Asia we have a long-established tradition of believing that the people on the ground doing the job for Government did need to have the local languages. There is a long-established school in Kamakura that teaches people Japanese. We have been less successful in having the same sort of structure for Chinese and Korean, but we make an effort to train people in these languages. That is important, and also a sign of the more general Foreign Office acceptance that, to understand these places, you should have people who have lived there, know the language and understand the people.

Sir Stephen Gomersall: That is absolutely right. I am glad to say that the British embassy has the reputation of being certainly the best in the EU, by a long chalk, for that. The Chinese, Russians and Koreans are also very strong in that area. I think your question is a bit wider than language skills. On the issue of whether British diplomacy is giving enough weight to East Asia and Japan, I would say that the FCO does a lot with the relatively thin resources that it has in this area. The question is broader than just the FCO. It is a question of how much expertise there is in all the other Departments that deal with Japan. On the whole, the number of Japan experts within the British Government is relatively limited, although departments like the Bank of England and the Financial Services Authority and so forth, for obvious reasons, have quite a lot of skill in that area.

At the time that I was ambassador, certainly, the preoccupation in the FCO was with, first, the transatlantic relationship, secondly the European Union, and thirdly all the other big global security issues. There was very little quality time for dealing with East Asian issues. That was not entirely bad news, because it meant that the front line, in a sense, had the initiative. The embassy in Japan has two particular strengths. One is that its staff includes a lot of people on secondment from other Government Departments. There are regularly secondees from the Bank, from BERR, the Office of Science and Technology, the Treasury and so forth in the mission, which means that it has direct access to those Departments, and that can help, therefore, to get decisions when they are needed. The second strength is that there is a high percentage of staff with previous Japan experience, and therefore the expertise is on the spot. So the absence of that in-depth knowledge in the Foreign Office or elsewhere does not matter too much. But we are skating on thin ice when we consider that the trend in the global economy and politics is that East Asia will have a greater share of wealth and influence than up to now, and that there are important unresolved security issues there. We have big investments in East Asia. We need to be careful not to neglect that. It is very difficult to say to Ministers that they should spend more time on Japan when there are not a lot of major problems on the agenda, and business can be done effectively at official level most of the time. But the symbolism, the body language, matters a great deal and—if it is not the wrong thing to say—I think that Mr. Blair was superb in communicating to his opposite numbers and to Japanese visitors who came through No. 10 that Japan mattered to the United Kingdom. Those little gestures, for example Ministers getting on the phone from time to time to their counterparts, even if just for 10 minutes, make a lot of difference when it comes to following up on the substance of issues. I would argue not for an excessive re-calibration, but certainly for not forgetting the need to invest a bit more in expertise in official Government structures in these regions.

Q100 Mr. Illsley: Would you agree that delegating our influence in that part of the world through the European Union would probably be a mistake?

Sir Stephen Gomersall: Absolutely. The European Union is a very important player with Japan. It took Japan probably 20 years to understand and come to terms with the fact that the European Union—the Commission—has competence in certain defined areas. In those areas and on some bigger global issues that are not formally European competence issues—Middle East policy, climate change and things like that—the EU voice is very important, but
in many cases the Japanese would not have moved on trade issues if member states had not been there as well, backing up the formal representations of the EU. Of course, there are many instances where member states—particularly the UK, France and Germany—have interests in issues that are way outside the formal EU agenda, and we need to be there to represent our interests directly on those. My view is very clear, and that is that there is a great beneficial complementarity between the EU and the member states in Japan. The EU delegation in Japan has a fairly long experience there, and there are some very good people, including the ambassador. The relationship between the EU in Japan and the member state delegations is extremely close, and tactical and other information is shared pretty closely.

Chairman: We have a couple more areas to address. Sandra Osborne will speak and then John Stanley.

Q101 Sandra Osborne: In 2006, the Committee, in its East Asia report, noted a lack of institutionalised regional security architecture in East Asia. The Government’s response was that they were encouraging that through the EU and its involvement in the ASEAN Regional Forum. What is the state of play with regard to the development of such arrangements, and does there remain a useful role for the UK in encouraging that?

Dr. Hoare: I think that it would be fair to say that the reality has not changed a great deal since 2006. The one new development is the high-profile and, to a modest extent, successful Six-Party Talks on the Korean nuclear issue, but even that is perhaps in difficulties. There are a number of problems with trying to impose a European or western-style security apparatus on East Asia. There is the difficulty that there are two leading East Asian nations: China and Japan. There are difficulties because of the historical legacy of the second world war, which affects attitudes towards Japan, and because East and South-East Asia are not coherent political and cultural region in the way that Europe is. There are very great differences between China and Malaysia, for example, or any combination of countries that you care to take.

There is also the historical fact that until very recently the major outside power interested in East Asia—the United States—was not really very interested in any sort of regional security system. It preferred what was called the hub-and-spoke system, whereby the United States was the hub and had bilateral treaties with countries such as the Philippines, Japan and South Korea. Therefore, one of the problems is that you lack one of the basic building blocks to create the sort of regional security structure that we have in Europe.

There is an attempt to change that through the various off-spins from the Association of South East Asian Nations: ASEAN + 3, which includes China, Japan and Korea at the consultative level, and the ASEAN Regional Forum, which is much wider. However, for a number of reasons, which are partly cultural, these are not very powerful or dynamic bodies. When I worked in the Foreign Office on the ASEAN Regional Forum, a phrase that was used often was, “ASEAN will not be comfortable with that...” but ASEAN was not comfortable with a lot of things, and anything that might provoke confrontation was to be avoided. That said, the emergence of some issues, particularly the North Korean nuclear issue and how to cope with it, have made countries in the region look much more at the idea of some form of overarching security apparatus, but the problems still remain and I do not see them being solved in the short term.

Sir Stephen Gomersall: I think that Jim is basically right. My personal belief is that Japan has slightly missed out by not being more proactive in trying to promote some structures based loosely on ideas of free trade and respect for certain political norms in the area, which would have put relationships among Japan, China, Korea and the ASEAN countries on a more stable and constructive kind of framework and taken some volatility out of the situation. When I was there, I made several public suggestions that there might be things to be learned from EU experience, and I certainly believe that that is the case in areas of military transparency. For example, people are really quite worried about Chinese deployments and deployments in North and South Korea. The Organisation for Security and Co-operation in Europe evolved lots of mechanisms in the 1970s and 1980s that could be transported to that part of the world, but the bottom line is that there are virtually no takers for those kinds of ideas in Japan. Japan has pursued its own diplomacy through aid, the negotiation of free trade arrangements with individual ASEAN countries and, as Jim mentioned, through the ASEAN + 3 format, which is new, but not yet very operational. The stock answer to all these ideas is that Asia and Europe are fundamentally different in geography, culture, stages of development and relative wealth, and therefore the European experience cannot be transported there.

Q102 Sir John Stanley: As Sir Stephen and Dr. Hoare know, this Committee is overwhelmingly and primarily concerned with the scrutiny of British foreign policy. I would like to ask you, Sir Stephen, what you consider today should be the top British foreign policy priorities towards and with Japan, given our involvement with it as an associate member of NATO, for example, in Iraq previously, and continuing in Afghanistan.

Sir Stephen Gomersall: The two that stand out are climate change, which is a security issue, and international security, in the sense of Japan’s growing involvement in, and support for, international peacekeeping and peace support efforts. As you know, since the first Gulf war, Japan has gradually moved to become more involved, and it has been so in peacekeeping and peace support operations in the Gulf, Cambodia, East Timor and places such as that.

The National Defence Guidelines that were published at the end of 2007 state that international peace and security support is now a primary mission of the Self-Defence Forces. As you know, Japan
deployed in the wake of 9/11 both to the Indian ocean and to Iraq, with much support from the British armed forces. It is tentative at this stage, but mechanisms are being put in place within the Self-Defence Forces to create a readiness brigade, for example, which would be deployable more quickly in the event of a big natural disaster or international crisis, certainly in the East Asia area.

There is still a great allergy among the public to involvement in anything that would require the Self-Defence Forces to shoot in anger, and there is a tendency to look for operations where Japan can fulfil more of a support role than a front-line one. I think that that will evolve with time, but UK experience is highly regarded by Japan in that area. We have given it a lot of advice on, for example, forming joint operations and on the theory and practice of peacekeeping. It is very useful for us to keep alongside Japan, which does not like to be dominated all the time by the United States in that kind of area.

Q103 Sir John Stanley: Do you feel wholly confident that Japan will remain a non-nuclear power?

Sir Stephen Gomersall: I remain pretty confident, yes.

Sir John Stanley: Only pretty?

Sir Stephen Gomersall: Very confident. It is remarkable that 50 years after the end of the American occupation, Japan is still firmly allied to the United States. It is a very stable country. Although it has big armed forces, it has a very limited deployable offensive force. There is still a strong consensus around that position. It is recognised that Japan, with its ambitions to be more of a global player, including in the United Nations, needs to be visible in international peacekeeping operations. We have seen a lot of evidence of that. Only in the event of a major cataclysm on the Korean peninsula, or if the Americans were totally unexpectedly to turn tail and withdraw from the Pacific, could there be a scenario in which Japan would arm in the nuclear sense. That is my view, but that does not mean that there is not more open talk and discussion in the bars. You will find Japanese parliamentarians who say that Japan ought to protect itself against North Korea by rearming. However, although Japan might have the capacity to do that, I do not see any serious political movement in that direction.

Q104 Sir John Stanley: Dr. Hoare, you were charged with reopening our embassy in Pyongyang and blazed a trail there. Can you tell us the answer to the same question in relation to the DPRK? What should the British Government’s top foreign policy priorities be towards the DPRK?

Dr. Hoare: The problem is that we are not a leading country on matters relating to the Korean peninsula, so our role will always be somewhat limited. Over the years, we have tended to defer to the United States on Korean issues, providing support to the United Nations at the military armistice commission when it used to meet—the British defence attaché was a member of that. Indeed, we used to keep a token number of British troops in South Korea until the last 20 years or so.

In 2000, Ministers made a decision to establish diplomatic relations with North Korea—that was one of the clearest examples of a ministerial initiative rather than Ministers taking up something that officials had proposed. Within the Foreign Office, a small number of people had been saying for years that it was a sensible policy, but it had not been accepted. In 2000, it was accepted.

We had very few illusions that the demilitarised zone was going to disappear because Britain had established diplomatic relations with North Korea. According to our arguments at the time, we did it to help the South Korean Government in their relations with North Korea, and that has remained part of our policy ever since. As it developed in 2002—something about which there is considerable debate—the North Korean nuclear issue has overshadowed that initial initiative, and that has led us away from a position of developing our engagement with North Korea.

The lady from Amnesty who spoke just before us argued for continued British engagement with North Korea as a means of dealing with human rights issues. I would also argue for that. Even if there is going to be a modification in the South Korean Government’s policy—again, it is a little early to see exactly what the new President is going to do: the rhetoric is strong, but the reality may be different—there is no sign whatsoever that the South Korean Government want those countries that have already engaged with North Korea to back away from that engagement. Even when the US Administration were at their most vociferous about North Korea, there was no sign that they thought that we should back away from the engagement marked by diplomatic relations with North Korea. Nobody opposes that policy.

By dealing directly with the North Koreans, we learn more than we would if we were not there. By showing them, in however small a way, that the outside world has lessons for them to learn, by exposing their officials and students to that outside world and by giving an alternative to the closed society in which they live, we are helping to modify North Korean behaviour and policies. It is not going to be an easy or quick process, but it is underway.

The changes that have taken place in North Korea have many causes, including the hunger of the 1990s that forced it to seek international aid, and the consequences of the South Korean engagement policy, which has led it to be able to establish relations with more countries. All those things are modifying North Korea’s attitude to the outside world and, to a certain extent, its behaviour. If we stop, we will not improve the situation; if we continue, we might.

There is one big area where we have no influence—where nobody has much influence that I know of. That is the North Korean military. When I was there, we made some attempt to reach out to the North Korean military, without much success. The United States, believe it or not, did have some link...
into the North Korean military that was quite unlike that of any other country that is known—the American missing in action programme that ran in North Korea for 10 years. It is a great pity that that was stopped by the then Defence Secretary a couple of years back. That was a small military confidence-building measure that I think was helping the situation. However, we have nothing like that. We should, I think, continue to engage with North Korea. We should encourage other countries to do so as well. We may not make great advances, but we will certainly not help if we back away.

Q105 Sir John Stanley: You spent many years of service in the Republic of Korea embassy. You know it extraordinary well. What would you say, in the totally different situation in respect of South Korea, should be the British Government’s top foreign policy priorities for the Republic of Korea?

Dr. Hoare: We have a lot of interests with South Korea. We have trade interests, and cultural and educational interests, some of which are growing. We can play a positive role. South Korea may have an idealised picture of what we are like, but it regards Britain with a certain degree of respect because of our historical role in East Asia, as well as with a certain amount of gratitude because we were one of those countries that came to its aid during the Korean war. It also regards us as a leading European power that is worth cultivating. The new President is something of an unknown quantity to all of us. He was a very good mayor of Seoul—it used to be said of Neville Chamberlain that he was a very good mayor of Birmingham in a quiet year—but Mr. Lee has not played on the international stage before, so we have to take account of that. We have to learn his methods and his approach. We have formed a good basis over the years for continuing engagement with South Korea—for encouraging it to be more open—but we have to be realistic. We are not going to break its long-standing links with the United States, but in the past 10 years, we have proved helpful in South Korea’s main security consideration—relations with the North. Even if the President changes the policy, we will still gain credit for having played that role. I think that we should continue to act very much as we have done over the past 20 years, by providing an alternative voice to the United States on certain issues and providing an extra entrée into Europe. Like many Japanese, many South Koreans have English as their first language and, instinctively, if they are thinking of coming to Europe, they think of coming to Britain rather than other parts of Europe. Economic considerations may push them towards Poland or Romania these days, but the place where they want to live and to educate their children is probably London.

Chairman: Gentlemen, thank you very much for your time and for staying longer than we originally said—unfortunately, we had the two votes. We have covered a lot of territory and we are very grateful to you. If either of you has any thoughts that you wish to convey to us, we should be happy to receive them in writing.
Wednesday 2 July 2008

Members present:

Mike Gapes (Chairman)

Rt hon. Sir Menzies Campbell
Mr Fabian Hamilton
Rt hon. David Heathcoat-Amory
Mr Eric Illesly
Mr Malcolm Moss

Mr Greg Pope
Mr Ken Purchase
Rt hon. Sir John Stanley
Ms Gisela Stuart


Q106 Chairman: Minister, thank you for coming. We are pleased to see you again. It was only a few weeks ago that you were talking about human rights; now we are dealing with a regional issue. We also welcome Mr Lillie—I do not think that you have previously been before the Committee. May I begin by asking a brief question about UK relations with South Korea? How would you assess them at the moment?

Lord Malloch-Brown: Very good. You have chosen a difficult area, because in the case of both South Korea and Japan, my briefings are always loaded with terms like “never been better”, and I think that that makes it hard for you to find issues.

Chairman: We shall try.

Lord Malloch-Brown: Obviously, the one thing that I would say about South Korea at the moment is that we are following the current political crisis with close interest. As I am sure that you are all aware, the row that has flared up over the resumption of US beef imports is having an astonishing effect on the new President’s popularity. It is one of those honemoons that has ended very abruptly—something that we know nothing about, of course—and the row has driven his approval ratings below 20%, leaving perhaps the prospect of a Cabinet reshuffle when the Assembly resumes in September. With the one caveat that we are not quite sure how dynamic foreign policy can be in the coming months, I think that things are very good.

Chairman: We shall come on to some South Korea-related questions later on, but we are going to begin with a focus on North Korea.

Q107 Sir John Stanley: Minister, when we were in Seoul in May, we picked up a degree of anxiety that, with the Bush Administration coming to its end, the American President might be looking around to achieve a foreign policy “success”—in inverted commas. Since then, the Bush Administration have announced that they are planning, possibly within 45 days, to remove the status of the Democratic People’s Republic of Korea as a state sponsor of terrorism and to begin the process of lifting sanctions. Do the British Government believe that that is a timely move by the American Government, or do you think that it is premature?

Lord Malloch-Brown: However much President Bush wants a success—I am sure that he does—I think that the Six-Party Talks process has been very well grounded. None of the steps that are being taken avoid the necessary time for verification. For example, the core issue at the moment is the disablement of the reactor at Yongbyon, which is going slower than had been hoped. That is partly due to deliberate stalling by the DPRK, but there are also some health and safety issues. The next stage is for Pyongyang to agree to actual dismantlement. We saw rather dramatic photographs and TV coverage of the cooling tower coming down in front of the international press. That was the first step, but it is not the whole thing. While it is right that last week the US took steps to remove the DPRK from both the Trading with the Enemy Act and the list of state sponsors of terrorism, the latter will take some 45 days, which allows time for the declaration that Pyongyang has made to be verified. The US is proceeding, but it has a very hawkish lobby domestically that is cautious about any kind of diplomatic agreement with the DPRK because of doubts about the honesty of its declarations. Combined with that is the Bush Administration’s own history. Initially, they were against this kind of approach and they have come round to it somewhat reluctantly. All that means that President Bush will not do anything imprudent. He will move cautiously on this matter right until the end.

Q108 Sir John Stanley: When we were in Japan and Seoul, we were told that only a few days previously the Americans had sent a lorry through the 38th parallel to Pyongyang to collect the DPRK’s evidence of verification. The lorryload of boxes was then brought back to South Korea and they have no doubt been shared among the members of the Six-Party Talks. I appreciate that the British Government are not a member of the Six-Party Talks, but can you tell us whether they have had access to the verification material supplied by the DPRK? Are the Government satisfied that the DPRK has complied with its verification obligations under the agreement of October last year?

Lord Malloch-Brown: We do not have access to that material and we would not seek it. We do not see ourselves as a front-line player in this matter. Neither we nor the EU are members of the Six-Party
Talks. There are countries with an extreme interest—greater even than that of the US—in ensuring that what is in those boxes stacks up. Obviously, South Korea has a particular interest, as does Japan. Those documents will be examined by people with a deep inherent scepticism. As I said, the US has given itself 45 days for the initial verification period. The documents will have to pass the truth test with a lot of very cautious people. While we are not part of that process, we are confident that it will be rigorous.

Q109 Sir John Stanley: It has been reported that the Bush Administration are still to be satisfied on whether the verification obligations have been complied with in relation to the documentation supplied so far. If that is the case, are the British Government satisfied that the US Administration will not lift sanctions or end the designation of the DPRK as a state sponsor of terrorism until they are absolutely satisfied on the verification point?

Lord Malloch-Brown: Yes, we are satisfied that the US will be very cautious about this matter. It deliberately made the declaration last week while giving itself time to be satisfied. As far as I know, you are correct that it is not yet satisfied.

Q110 Chairman: Thank you very much. Will you say a little more about the influence and the pressure that the international community apart from the US might have?

Lord Malloch-Brown: On?

Chairman: On North Korea.

Lord Malloch-Brown: First, one has to say that the members of the Six-Party Talks include the circle of countries with the most direct and important influence. The rest of us are in the second row of this. For a long while, the EU has tried to play a constructive role—we have been generous providers of food aid, but we have also sought in our diplomacy to be something of a bridge between the DPRK and the outside world. Often that has been limited to small cultural and other programmes to try and open the eyes of that very closed regime to the outside world. However, I do not think that we should underestimate our own direct influence. Supporting the Six-Party Talks is the most important thing that we can do.

Q111 Mr Purchase: The axis of evil idea caught the imagination for a time. I am pleased to hear you say that Britain does not feel that it has a front-line role in that. From what I could understand and gather on the trip that we made, it seems that the North Korean regime is in deep decay—it is literally unsustainable for very much longer in its present form. Does the Foreign Office have a view about whether the North Koreans would have any capability worth talking about of doing anything at all with their nuclear technology—in terms of being aggressive?

Lord Malloch-Brown: Certainly, the tests have shown so far that what weapons the DPRK has—its rockets—are not particularly accurate, and certainly do not have much of a range. I do not think that Europe, for example, is at any risk at this stage from the DPRK. However, that little part of East Asia is a pretty tight neighbourhood, and you can hit Japan or South Korea with a quite primitive weapon, because they are close.

Q112 Mr Purchase: But that is not really what I am asking you—I understand that. Do you believe—or does anyone outside certain propagandists—that North Korea, even if it had the intention, has any serious capability to launch even to Japan?

Lord Malloch-Brown: It could not sustain any kind of nuclear military effort against Japan beyond a first strike, but we have to remain wary of, or alert to, the possibility of a once-off nuclear weapon or flight of nuclear weapons—or the launch of a very small number with the character of a dirty bomb—that could nevertheless do significant civilian harm. The DPRK would have no follow-up capability, but it has and still retains a very large land army, which continues to pose a threat to South Korea. The fact is that any rational calculus of military options by a regime engaged with the world and weighing their options sensibly would lead it to conclude that, in any major confrontation with the region, it would come out the worst very quickly. I completely accept that point. The issue is the irrationality of the leadership that is equipped with such damaging if not accurate weapons, and feeling that it is forced into a corner, where it takes some kind of last-stand political-military strategy.
directed against North Korea, but the very fact that it appears to have provided technology to Syria is in itself an indication of the continuing threat that it poses. That is why, in seeking a declaration from North Korea in the Six-Party Talks, the US has been anxious to obtain some kind of accounting by North Korea of its proliferation activities. Our understanding is that the declaration itself probably does not include that commitment, but there have been other discussions with the US to address it. I would also say that the two Security Council resolutions from 2006, following the missile test and the nuclear test, are very much directed at the proliferation threat. It is important to keep in mind that whatever is happening in the Six-Party Talks and between the US and North Korea bilaterally, those two Security Council resolutions remain in force.

Q114 Mr Hamilton: Minister, you and Mr Lillie referred to the human rights record. While we were in Korea, we had the privilege of meeting Mr Kang, the author of the book “The Aquariums of Pyongyang”, which is recommended reading as an account of human rights violations. Is there any evidence that the UK and the international community are having any effect on such dreadful violations? We heard, for example, that it was a criminal offence to open the back of a radio set and de-tune it from the Government channel. Being discovered to have broken the rules has the most appalling consequences. What effect are we having?

Lord Malloch-Brown: I think limited. With our EU partners and Japan, we sponsored a resolution at the March session of the Human Rights Council extending the special rapporteur’s mandate, but, as I understand it, he cannot get into the country. Although we are pressing Pyongyang through our embassy there for access, the fact is that it is a country that continues to abuse human rights on a massive, systematic scale. We use every opportunity that we can to raise the issue bilaterally, as well as pressing for a UN presence. Again, that is the cost of a country that has essentially opted out of the international system. Our ability to influence things there is very limited.

Q115 Mr Pope: On human rights, there is the issue of the Japanese abductees. When we were in Japan, Mr Illsley and I met with the families of Japanese citizens who have been abducted. That was obviously a distressing meeting. It is a big issue in Japan. Is it an issue that the British Government will raise bilaterally with DPRK?

Lord Malloch-Brown: Yes. We have been trying to support the Japanese efforts on this in every way that we can. There have been some quite positive bilateral talks—hosted by the Chinese, but between Japan and DPRK—in which the DPRK authorities agreed to reopen the investigations. As you will have gathered from your briefing in Tokyo, the numbers are quite small. There are only 19 officially recognised abductees. However, you will also know from your visit to Tokyo that it is a dramatic issue in Japan, over which Governments fall and Prime Ministers get chosen. It has a huge emotional attachment. So, yes, we do support the Japanese. The good news is that, because it is such a priority for the Japanese, the DPRK understands and within the general coat tails of the Six-Party Talks’ progress, the Japanese are getting some traction on this now.

Mr Pope: That is welcome. It is easy to lose this issue in the bigger picture of nuclear weapons and so on. I am very reassured that the British Government will raise it.

Q116 Mr Moss: Do the Government hold out any hope that under the current regime there is any prospect of economic reform or any improvements in human rights in the country?

Lord Malloch-Brown: Yes, in that obviously the fundamental purpose of the Six-Party Talks is to secure an end to the nuclear programme. Its broader purpose is to normalise relations and to begin to open up the country to both the flow of ideas and people, and to get them a bit more engaged in the international community. Through the bilateral efforts of the EU and countries such as ourselves, but also through international organisations, there is an effort to get a few more North Koreans engaged in economic training. That is sometimes only in China, but that is now not a bad place to learn about market capitalism. At the margins there are educational initiatives, technical assistance and even work that the British Council is doing to get people a bit more engaged. The hope is that the Government themselves might become slightly more reformist. If you were to stage it, it demonstrates some of the communist reform initiatives of Castro at a certain point, allowing a small enclave for overseas industrial investment and a little bit of liberalisation of prices in some areas. However, the fundamental state system is still in place. One has to assume that before there is the necessary root and branch reform, it is likely that there would be a change of Government. Stephen, do you want to add to that?

Stephen Lillie: What the North Koreans have clearly not done is made the Chinese calculation that embracing economic reform will ensure the sustainability of their own system. They have taken rather the opposite view and fear very much that moving down a real process of economic reform would be the beginning of the end and, similarly, with any kind of relaxation on human rights. There are a number of things that happen around the edges. They are willing to look at very limited areas that would open themselves up to trade, for example. Even on human rights, we have seen some reports from non-governmental organisations suggesting that when there is international pressure and international attention, there are limited changes. For example, there are reports that suggest that the North Koreans have stopped the practice of forced abortions on returnees from China, but the big picture—the overall trend—is still rather pessimistic.
Chairman: I apologise for the break. If there is more than one vote we may have a problem. Assuming that there is only one vote, we will be back in 15 minutes. If there are more votes it will be 30 minutes, but hopefully there will be only one.

Sitting suspended for a Division in the House.

On resuming—

Chairman: The meeting now has a quorum and shall begin. I do not know when the next vote is, but it is not immediately, so we will do as much as possible before the next disruption to our proceedings.

Q117 Mr Moss: Since the election of the current President, there has been a move away from the sunshine policy of his predecessors to such an extent that we have been told of a significant deterioration in North-South relations. Are the Government concerned about that and about the implication of any lasting breakdown in North-South Government relations?

Lord Malloch-Brown: No. In a sense, it increases the need to hold the North to an even higher standard of verification of its actions. Some held the view that the last President had perhaps become too much of a hostage to getting progress under the sunshine policy. We view the basic policy as remaining unchanged, but with a good dose of scepticism added. I do not think that people in South Korea want their Government to close down progress with North Korea, but it must meet an even higher standard of veracity. For now, basic policy is intact and the impact of the new President, if anything, will be to make things move more slowly and cautiously.

Q118 Ms Stuart: Minister, I want to probe a little further about Britain’s approach. We say that the UK has a policy of carefully targeted engagement with the North Koreans. One the suggestions for what we could do to influence that was to have more students exchanges. Can you tell us what your priorities are in that respect and where you think that we are going?

Lord Malloch-Brown: At the moment, in that area, we are limited to three British Council English teachers. They are not teaching English directly to students, but they are teachers of teachers. There is the prospect of a fourth one. I think.

Stephen Lillie: There are two there at the moment.

Lord Malloch-Brown: There are two teachers there and a third is going. I am not sure what the situation is regarding scholarships.

Stephen Lillie: We are trying to get the North Koreans to identify two candidates for a Chevening scholarship as part of our flagship programme. The difficulty so far has been for the North Korean side to identify the right sort of person with the right level of English. We have indicated that we would show some flexibility on the English language requirement if they could come up with somebody suitable.

Q119 Ms Stuart: And how would you define suitability? We met some young North Koreans whose English was absolutely excellent, but we were told that North Korea should be looked at as four different economies and four different circles of society. Will you look at whether such people come from only the political elite? How will you decide whether they are suitable, other than just by the English? Is that the only criterion?

Stephen Lillie: It is very difficult to decide because, clearly, whoever they put forward will have come through some kind of pre-selection process and therefore might not be the person who would come through an open procedure that we would conduct. Having said that, we nevertheless see value in people coming here and being exposed to the way in which we do business and how we organise ourselves in this country. There would have to be some compromise.

Q120 Ms Stuart: But there are no attempts to link up universities to have students coming over. You are just talking about two Chevening scholars?

Lord Malloch-Brown: I do not think that there is the political will on their side for that kind of opening up.

Stephen Lillie: The focus so far has been on the English language programmes. Two teachers were there to teach the Koreans to teach English.

Q121 Mr Purchase: May I ask you about our priorities with regard to North Korea? When replying, will you refer to its labour relations and workers’ rights? We visited the Kaesong industrial complex and I was appalled—as I think were my colleagues—to learn that wages were not paid to the workers. They were given to the Government and they sliced them off, for their purposes or the purposes of their family, before giving anything to the workers. That seemed to be against everything that we know about in International Labour Organisation work. Such practice was outlawed in most advanced capitalist western countries in the early part of the last century. Given our adherence to ILO organisations, what are Britain’s top priorities?

Lord Malloch-Brown: I shall respond first to that point. The DPRK is not a member of the ILO, so while the working conditions for North Korean workers, as you will have seen at Kaesong, are better than those for workers in the rest of the country, it is a bit of a Faustian pact. They work there under the conditions that you describe. They are not really getting the full amount of their already rather modest wage. The hope was that it would start opening things up. There will be issues. For example, South Korea is pushing for goods that are produced at Kaesong to be covered by the EU-Korea free trade agreement, which is currently under negotiation. Well, if that were to happen, I imagine that we would want human rights issues to be incorporated into the agreement. More broadly, the absence of workers’ rights is part of our whole effort to advance the broader human rights agenda—again, getting the UN special rapporteur involved and pressing on our own bilateral contacts to expand rights. That is the key. Kaesong is what it is. It is better than the average £1 a month that workers get elsewhere, but it is a classic situation of people...
operating in conditions where they have no rights and are not getting their full salary. It is unacceptable, even if a little better than the rest.

**Q122 Mr Purchase:** So what can we do? Are there opportunities to get more younger Koreans here to study and to start to understand different ways? The absence of a free trade union in any country is one to be deplored, especially in circumstances such as those in North Korea. You are right. The technology is that of the 1950s. It is pretty well behind the times. The use of cheap labour—not quite slave, but very cheap—to make the thing go is an absolute affront to any decent human being. Can we do something? Is there scope for North Koreans to study in the UK? Are any systems or schemes set up?

**Lord Malloch-Brown:** No. As we said earlier, before you came back, not really. That is not through a lack of willingness on our part, but because of a paranoid regime that really does not want people to go abroad. We are trying to identify two Chevening scholars to come here from North Korea, but that is the tiniest of toes in the door. I know from when I was head of the United Nations Development Programme, and we had a much larger programme whereby we were trying to bring people out to train them in economic planning, that ultimately the only country the regime would let us take them to was China. It would not let us bring anybody to the West for fear that in addition to getting economic training, some political free thinking would rub off on them, too. We are in the situation of demandeur. We have very little direct influence. It is a closed regime, which does not thank us for the generous food aid we provide and does not allow us to use it as a lever because of its lack of humanity towards its own people.

**Q123 Mr Purchase:** So what would be the British top priority for North Korea?

**Lord Malloch-Brown:** It is to bring North Korea more fully into the global community through things such as the Six-Party Talks so that the range of more normal pressures starts to have effect and the regime engages, gets a little richer, gets a glimpse of a better future for itself and its people in the world, and becomes amenable to pressure and dialogue as it engages.

**Q124 Mr Heathcoat-Amory:** When we were in Korea, we were told that many North Koreans cross into China and that several hundred a week are forcibly sent back to North Korea, where they have committed a criminal offence in trying to leave. They are then punished, or worse. China is a signatory to the UN refugee convention and its 1967 protocol, which requires it to look into the refugee status of each of those escapees, instead of which it treats them all as a group, as illegal immigrants or economic migrants. Do you believe that China is in breach of its international human rights obligations?

**Lord Malloch-Brown:** You are right: China is a signatory to the UN refugee conventions. It insists, however, that those defectors are economic migrants and, as you say, on those grounds returns them to the DPRK. We have raised that both in the most recent UK-China human rights dialogue and as part of the EU-China human rights dialogue, and the Foreign Secretary covered that point in a letter to your Committee following his appearance here. We have sought to raise the issue in every way we can. Whether China is in breach or not is something for the United Nations High Commissioner for Refugees to have a view on, rather than us, and I am not sure that it does, does it?

**Stephen Lillie:** I am not aware that it has expressed that view, but it has expressed concerns about how it works with the Chinese.

**Q125 Mr Heathcoat-Amory:** I do not think that is good enough. North Korea may be a slave state that has opted out of the world system, but China is a member of the Security Council. It is therefore part of that international network of obligations and law. It is hosting the Olympics. I know the issue has been raised with China, but why do we not get the United Nations Human Rights Council to investigate? This is not a handful of abductees we are talking about; it is hundreds of people every week, on a routine and continuing basis, trying to leave one country and go to another. They are leaving a country where they are persecuted and if they get sent back, they are punished. It is no good raising the issue with China; we want a row with China. This is a request from me and, I hope, this Committee: can you formally raise it with the United Nations so that it starts to do something about a convention that China has voluntarily signed up to and which it pretends to abide by?

**Lord Malloch-Brown:** I am happy to go back and look at this again. I would just say that in every country, including this one, clear differences are made between economic migrants and refugees, and we get criticised, too, for whom we put in the economic migrant category. Just the fact that you are punished for illegally leaving your own country is not in itself grounds for being able to claim refugee status. In other words, when we return economic migrants to countries, they may well be subject to legal procedures, so it really is a matter for the United Nations High Commissioner for Refugees to determine whether this case load can lay sufficient claim to refugee status to enable it to try to persuade and force China, through its obligations to the convention, to put in place procedures to test the claims of individuals. We will take a look at it, but I do not think it is quite as straightforward as it seems. As I say, we do raise it. We have been very clear in two different sessions with the Chinese this year that we do not accept their position that all the people concerned are economic migrants.

**Q126 Mr Heathcoat-Amory:** I know these things are never completely straightforward, but the evidence we have is that there is a breach of the convention going on here, on a systematic basis, and people who are sent back are not just punished, they sometimes face torture. I do not know whether that is true, but I think someone ought to find out. If that is not a
breach I do not know what is. Would you undertake to look into this again and engage with the United Nations about this—about its own convention?

**Lord Malloch-Brown:** I certainly undertake to look into it, and we will find out where the UNHCR is on this—yes.

**Chairman:** Perhaps we can have a note.1 Minister, as you are aware, the Korean war never ended. There is an armistice, but not an end to the war, and there is still a United Nations command. We would like to ask some questions about that.

**Q127 Ms Stuart:** The two areas on which I want to probe a little further are what the UK security commitment is and how we see the situation post-2012. Let me begin by asking how we see the security commitment and, more importantly, raising the question of the Military Armistice Commission and Britain’s current role in it, and how we see the future of Britain’s participation in that.

**Lord Malloch-Brown:** On the latter point, our participation in the Armistice Commission has evolved a little recently: we have involved military staff—the defence attaché, who is the senior Commonwealth member of the United Nations Command Military Armistice Commission and a brigadier in Seoul—and a liaison officer, who is an official and our political counsellor, so that we have both military and political representation, if you like, on UNCMAC and its issues. As to the issue going forward, we obviously, through the military committees, have participated in this at the staff officer level since the war. There is the prospect now, in 2012, of the transfer of the wartime command from the US to the Republic of Korea, but that function does not get in the way of the UNC, as it is called, which will retain responsibility for maintaining the armistice. That will remain under US control. We think that that is vital because it allows the transit of reinforcements and equipment through Japan if they are needed. There is a question going forward—if a peace agreement replaces the armistice—of whether there would be a UK role in that. Again, primary responsibility devolves on to the membership of the Six-Party Talks—the DPRK itself, the Republic of Korea, the USA, China and obviously Japan. Whether we become formally involved or not, we will continue to take a close interest because, obviously, the economic and political stability of north-east Asia remains crucial to us.

**Q128 Ms Stuart:** May I probe you a little further on the UK’s representation? The naval attaché was withdrawn, and we have some rather short-term postings of junior officers in Tokyo. There is a hint that the UK is even considering withdrawing its rather minimal commitment. Can we have an assurance that we will not give up our seat at the table, however minimal that seat may be?

**Lord Malloch-Brown:** I will leave the assurance to Mr Lilley—officials are around a lot longer than Ministers, so it is worth more. As I understand it, however, we do not accept the proposition that it is a downgrading. The naval attaché has been replaced by the political counsellor, and by having both the defence attaché and the political counsellor, we have a broader array of talents on the committee, because we have both the military and the political foreign policy side. We remain committed, but I am not quite sure what longer-term plans there are.

**Stephen Lilley:** I do not feel empowered to give a long-term commitment.

**Lord Malloch-Brown:** I am not asking you to give a commitment. I am thinking in terms of our planning.

**Stephen Lilley:** There are no papers being prepared for the Minister at the moment to suggest that we should in any way change our representation. The switch from the naval attaché to the political counsellor reflected changes to the whole defence attaché network worldwide. The provision of junior officers has happened before, but that is very much an additional supporting role to help the Japanese self-defence forces in the rear command and the South Korean forces in South Korea. But no consideration is being given—in the Foreign Office at least—to changing that basic headline representation by the defence attaché and the political counsellor.

**Q129 Ms Stuart:** We may return to that subject in the recommendations in our report. May I now take you to 2012, when we will essentially see the withdrawal of the US, and things will be completely under South Korean control? There is a clear mismatch in terms of who will have responsibility and who will have control. Are the Government satisfied that the arrangements are working?

**Stephen Lilley:** On the handing-over of wartime command in 2012, we need to keep it in mind that the basis for the security of South Korea is not the UN command, but the US-ROK mutual defence treaty. It has always been our assumption and understanding that in the case of a war, it would be the US and ROK combined forces that would be activated, at least in the first instance. Although the command will be handed over to the ROK in 2012, the US is still part of the combined forces there, and we would accept the judgment of the United States forces that that is an acceptable arrangement, which fully meets their security requirements.

**Q130 Ms Stuart:** In 2007, General Bell said that this would create a “military authority-to-responsibility mismatch for the United Nations Command”, so I am not even sure whether the Americans are terribly satisfied that this works, but you may want to write to us. In that context—this is a specific question of UN command—do you think that they will be able to provide an international officer back in the headquarters in Japan by the end of the year? Again, we got the impression that that was rather important, but I accept that these are rather specific and detailed questions, so I am happy for you to write to us.2

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1 Ev 106, Ev 108

2 Ev 106
Chairman: Thank you. May we move on to questions about Japan?

Q131 Mr Illsley: First, may I go back to my colleague’s comment regarding the handful of abductees? It is worth stressing again that that is a really important issue in Japan; indeed, I was surprised just how important it was, until I met the families. However, my question to you, Lord Malloch-Brown, relates to Japan’s chairmanship of the G8. What is our assessment of how effective that chairmanship has been? Have any issues been identified or highlighted on which we and the Japanese do not see eye to eye? My impression from our visit was that there are few, if any, issues on which we have a problem in our relationships with the Japanese.

Lord Malloch-Brown: Again, as I said about South Korea, although it is even truer of Japan, our relationship is so good that I sometimes detect frustration among diplomats on both sides that there is not enough to work on, because we agree on things. They were therefore quite pleased to have a summit. To be honest, there was some despair on our side earlier in the year because Japan has deep domestic difficulties and a Prime Minister who has faced a lot of problems. There was a worry in terms of the Japanese leadership of the G8 that the ambitions would fall short because people were distracted. In fact, as we get close to the G8, the agenda has shaped up as pretty good. The Japanese have surprised people by their leadership on climate change. They were in the slow lane on climate change for a long time, but under Prime Minister Fukuda, they have really stepped up and made some pretty bold initiatives in terms of their own domestic target of a 60 to 80% cut by 2050 and their commitment to funding a low-carbon revolution. They have also become partners with us in contributing to the new World Bank climate investment funds. So, on that issue, we have seen significant progress. The Japanese have also done pretty well on development. They had the Tokyo international conference on African aid, which discussed Japan-Africa development. It was quite a success, and that has given new momentum to development issues as we come into the G8 meeting. They have also been quite receptive to incorporating food and oil into the conference at a very late stage. We just had the G8 Foreign Ministers meeting last week, and we were pretty pleased because there were statements on issues such as Zimbabwe and Burma. You can never take it for granted that such things will be in a Japanese-hosted meeting, because of Japan’s general reticence about taking politically provocative positions. They will also have an Africa session and a major non-G8 powers session at the G8 next week, and they will bring in some of the major Asian regions at one point. So it will be a fairly imaginative G8 session, and we can all feel that it looks promising.

Q132 Mr Heathcoat-Amory: You mentioned climate change, and the Japanese have moved on that, but we detected a reluctance to go for a binding national emissions reduction target. They are keen on research and technology transfer, which you mentioned, but do you think that Japan will bind its future industrial capacity in the way that a binding target implies?

Lord Malloch-Brown: Fukuda gave a very important speech on 9 June. You were there earlier, right? In that speech, he set the domestic long-term target of a 60 to 80% reduction in emissions by 2050, and, critically, said that a trial emissions trading scheme would be initiated later this year. All the signals are that the Japanese are preparing to enter into an international scheme. It is right that there is some continuing reticence. I suspect that they are probably under quite a lot of pressure from the Bush Administration not to commit to an international scheme yet, but I would expect, with the change in the US Administration and both candidates committed to a global emissions system, that Japan will not hold out against it.

Q133 Mr Heathcoat-Amory: Are the British Government alert to the danger of the world dividing into developed countries with targets that may be difficult to meet—that is certainly what is happening here with the Climate Change Bill—and other industrial countries, which may benefit if businesses shift to them to avoid the targets? Although I am sure that Japan will do a lot to develop technology to counter climate change, do you think that it will finally wriggle out of the sort of target that we will be obliged to pursue? It is not impressed by whatever leadership or pioneer role we are taking. The moral lead does not impress the far east terribly, in my experience. How concerned are the British Government about that?

Lord Malloch-Brown: We have got to make sure that the process that began in Bali and will conclude in Copenhagen is a global one. There are all sorts of groups of countries that could be free riders: industrialised countries that do not buy into the scheme or large developing countries that declare that they do not want to join the scheme until they have clinched the industrialisation ladder as well. There are all sorts of anomalies. We have stopped talking at this point about South Korea, but it has one of the bigger emissions footprints around, yet it counts as a developing country, so it fell outside Kyoto. We have got to solve the free-rider problem and create a global scheme that is seen as fair in how responsibilities are differentiated, to use the word of the negotiators, and that everybody is in.

Q134 Mr Illsley: Just to follow on from what David said, in one of our meetings—I think that it was with Mr Tsuruoka—he said that Japan had led on the issue of climate change. He made an interesting comment. He said, “I don’t think we’ve achieved very much by taking that leadership role. It hasn’t brought the developing countries into taking the action that we want.” Is there any sign that Japan may be moving away from a leadership role on climate change?
Lord Malloch-Brown: They may think that they were leaders, but for a long time they were not. For a long time, they said the right things but were real back markers, along with the US. It is really only since Prime Minister Fukuda took office a year ago that we have seen it. The prospect of chairing the G8 came together with that to move Japan very dramatically on that. I actually think that it is a huge commercial opportunity for the Japanese, because Japan is exactly the kind of country likely to benefit from opening up a technological lead in terms of low-carbon energy technologies. If the whole world chooses to retool itself with low-carbon energy, I bet that a lot of the technology that we use will have a “Made in Japan” label. I think that they have great opportunities.

Q135 Ms Stuart: Japan seems to have discovered Africa as well, not just climate change. It seems incredibly proud of its international development commitment. What is your assessment of that? Is it something that could, in the long term, create a new dynamic as to who the donors are for somewhere such as Africa, or is it just part of a kind of awakening on Japan’s side to the fact that if it wants UN reform, space at the top table and to be an international player, with that comes certain obligations, and giving aid to Africa is just one of them?

Lord Malloch-Brown: In fairness to the Japanese, they have not just discovered Africa. The TICAD IV conference—Tokyo international conference on African Development—at the end of May was, as its name implies, the fourth, and they take place at three or four-year intervals, so the Japanese have been pushing the issue for a dozen years or so. I was the co-chair of TICAD III with the Japanese and they have done a lot. I think they are, to be honest, quite aggrieved. I would apply the last question to this issue. This is somewhere where they feel they have done a lot and it has not been recognised. There are some competitive juices flowing now at the way China has swooped in and very quickly created, frankly, a larger programme and a lot more African buzz and attention around it. What the Japanese have promised to do now is double their official development assistance to Africa, excluding debt relief, by 2012. That means they will have a target of $1.4 billion by 2012, but one should observe that, important and generous though that is, it will be less than the UK is giving to Africa at that time, despite the fact that Japan is a considerably larger economy. It will also come from re-allocating aid from other regions to Africa, because unlike the UK, Japan is not on track to reach 0.7 per cent. of its gross domestic product being given as ODA by 2012. They will do some important things and it might be worth pulling out several, because some are being done very much in partnership with the UK. The Japanese have a long history of being very good on food issues in Africa, and not just food, and they are giving $100 million at the moment, which is mainly targeted at Africa. They have been incredibly important in improving African rice production by the development of the so-called Nerica—new rice for Africa—crop, which is an Asian hybrid that does well in African drought conditions but has the productivity of an Asian rice. It has dramatically transformed west African rice production. Over the next five years, the Japanese will train 100,000 health workers in Africa. They also made a significant contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria. Very much encouraged by us, they are trying to do a lot on education in Africa. They have committed to construction of 1,000 primary schools, the training of 100,000 teachers in maths and science and so on. Those are important initiatives, but they are still within a financing framework that is significantly less than what, for example, we are doing.

Q136 Sir Menzies Campbell: Minister, in a minute I shall ask you to make an assessment of Japan’s current international role, and your last answer and the answer before are both quite important factors in making such an assessment. However, there is another component that you are probably uniquely qualified to help us with, which is the issue of Japanese permanent membership of the Security Council. Could you briefly cast your mind back to your days on the East River? Just how important do you think Japan regards the possibility of permanent membership of the Security Council, and to what extent are the objections of China, for example, capable of being overtaken?

Lord Malloch-Brown: On that last point, an extraordinarily high priority for Japan’s foreign policy is to achieve membership of the Security Council. Some of the setbacks that it has suffered over the past few years—it seemed to be enticingly close, and has now receded—have been a deep blow to Japanese self-esteem in the foreign policy area. We are very clear that we strongly support its membership of the council. Because it is the second largest economy in the world, it is the second largest contributor to peacekeeping operations. On the simple Boston tea party principle of no taxation without representation, it seems inherently unfair that Japan is being asked to pay ever larger portions of a growing global peacekeeping bill but has no direct say over it. It has made Japan rather recalcitrant on the expansion of peacekeeping, and grumpy about it. It has turned Japan into budget cutters and all the rest of it. We are losing its support in the same way that we are, on a smaller scale, losing Germany’s, and that has a real cost, because I think that we all assume that the multilateral portion of global peacekeeping is likely to increase. I hope that we will come back. Part of the Prime Minister’s initiative of international institution reform is to get the Security Council issue resolved. Just yesterday at the African Union summit, I was pressing a number of African Governments to get their act together and decide what form they want African representation to take, so that we can resume an effort to resolve it. More broadly, Japan sees itself as a little bit taken for granted in its foreign policy everywhere. It is still, as I said, the second largest economy in the world, yet one would never know it, as western Ministers and leaders all beat their way to the doors of Beijing.
or Delhi, but less frequently to Tokyo. The Japanese are publicly gracious about that, but I think that they scratch their heads a bit about how they have been so eclipsed, given how important they remain.

It is very much in our interest to stay extremely close with the Japanese, find them a forum as a permanent member of the Security Council and encourage them, within the limitations of article 9 of their post-war constitution, to become active in peacekeeping missions such as Afghanistan and now, with staff officers, even in Sudan. We do not want Japan to skulk back into itself, disappointed by its lack of a global role or recognition of that global role, or to be thrown off balance by its increasingly competitive relationship with China.

**Q137 Sir Menzies Campbell:** You have managed very comprehensively to answer the question I had not yet asked, but no matter. On the issue of willingness to spend money but not capital on military contribution, is there anything that the British Government can do to persuade the debate internally in Japan? As we all know, it is locked into the history and the events of the 1930s and 1940s. I am not talking about sticks or carrots, but is there anything that we can do to foster an understanding that a military contribution of the kind that they could well make, both in peacekeeping and in the more civilian aspects of military activity, would enhance their claim for membership of the Security Council as well as being a good thing in itself?

**Lord Malloch-Brown:** In a way, you answered the question with that last observation. The way to do it is through as multilateralised a direction as possible. Even Afghanistan was difficult for Japanese public opinion, because the military side of Afghanistan is not a fully fledged UN operation. Afghanistan and Iraq are difficult places for Japanese public opinion to see Japan immersing itself in. It is much easier for Japan, as it is for Germany, to accept that within internationally endorsed UN-mandated peacekeeping activities. I see a kind of convergence between these objectives of trying to get Japan permanently on to the Security Council and getting Japanese public opinion to accept that with membership of the Security Council come broader multilateral obligations and responsibilities. I think we need to drive those two things together.

**Q138 Sir Menzies Campbell:** We are at one on that. I have one last question. I deduce from what you said about the Prime Minister’s commitment, and from your own eloquence, if I may say so, in support of the topic, that the Government place a high priority on this, and will take every opportunity to push a solution that we, I think, agree would be ideal.

**Lord Malloch-Brown:** Absolutely, yes.

**Chairman:** Thank you. Can we move on to some questions about the economy?

**Q139 Mr Hamilton:** Minister, you mentioned earlier the revolution in green energy, the move away from fossil fuels, and how Japan would likely benefit and produce many of those new technologies. However, I wondered whether you could give us your assessment of Japan’s current economic position. We all know, and we have stressed this afternoon, that it is the second largest economy in the world, still; and while people beat their way towards the doors of the Foreign Ministry in Beijing they seem reluctant to go to Tokyo, yet Tokyo has considerably more economic muscle. What do you think is Japan’s vulnerability, given its recent history in terms of banking and credit, to the current credit squeeze worldwide? Is it going to suffer more or less than other developed economies, in your opinion?

**Lord Malloch-Brown:** This is one of those cases where the failure of Japan full to liberalise its international financial system and to allow as large a foothold in its banking sector for multinational banks as others have done is perversely rewarded at this point by the markets; in a sense the most liberalised international financial model—the allegedly Anglo-Saxon model of fully liberalised financial markets—has taken a bit of a knock from them recently. Japan is protected against that. It has a low level of foreign investment in its economy compared with other economies of a similar situation, and not only does it have relatively low exposure of its own banking sector to overseas banks but equally Japan itself has not got a high degree of exposure to sub-prime in the US or housing bubbles elsewhere. Its own housing bubble was a long while ago and while housing prices have come back in Tokyo they are nothing like the problem we have. Japan is actually growing again; part of the business of everybody overlooking the fact that it is still the world’s second largest economy is that along with that goes a five-year-old view of what is happening to the Japanese economy. It is growing again quite nicely thank you. They have brought down, I think, their estimate from 2.1% to 1.5%, but that still is pretty respectable compared with where the other G8 economies for the most part are. I think it is looking fine, and we also need to acknowledge the relationship between the health of the Japanese economy and our own, because while I have said that foreign direct investment in Japan is only 2.5% of its GDP, which is very low by global standards, nevertheless within that group are some very prominent UK investors—GKN, AstraZeneca, GlaxoSmithKline, Unilever, Virgin, British Airways, HSBC, Standard Chartered and Dyson. Also, in areas such as legal services we now have a lot of British law firms there. Correspondingly we, who are much more open to FDI in our economy, have 1,450 Japanese companies that have FDI here and which employ more than 100,000 people, and that process continues. Just in the past year, Sony and Fujitsu have set up European headquarters here. Over the past 20 years, Nissan, Toyota and Honda have transformed the automotive supply chain with their investments in the UK; indeed, they account for more than half the cars made in the UK. All three, by the way, have made substantial new investments in the sector over the past year. So we have strong two-way economic links, and the health of Japan’s economy matters a lot to us.

**Q140 Mr Illsley:** How much scope is there for increasing British exports to Japan, bearing in mind that there is a relatively low level of FDI into Japan?
As recently as 2006, those on the lord mayor’s visit to Japan commented on the difficulties involved in getting exports into Japan. Recently, it has been noted that Japan is perhaps looking to be a little more protectionist, particularly after looking at this side of the world and at the credit crunch. Is there any prospect of increasing our exports to Japan?

**Lord Malloch-Brown:** I think there is. In January, Stephen Lillie and I were both at remarkable events in Japan to celebrate 150 years of diplomatic relations between our two countries, and they were used to show off a little of our commercial ankle—and even a little leg, I might add. A lot of British design firms and service sector firms used that as an opportunity to remind the Japanese of the sectors where we believe we still have a lot to offer. Brave, British-based firms are still trying to take on the Japanese financial services sector and to expand their investment in it. You are right that they have run into some problems, which although couched in legal terms, smack of a little protectionism, and that needs to be taken on. Yes, I hope the British business sector continues to see the huge opportunity in Japan. While everybody else is racing off to Beijing, they might even get a bit of a competitive break in Japan.

**Q141 Mr Illsley:** Are you happy with the advice that companies that are willing to make that move are getting not only from the Foreign Office, but from across the Government?

**Lord Malloch-Brown:** Yes. This is a high priority for our colleagues in the Department for Business, Enterprise and Regulatory Reform, ourselves and others. So, yes, everybody is pushing hard to try to make the most of the opportunity.

**Q142 Mr Purchase:** We have adopted the Anglo-Saxon model of financial markets and capitalism more generally, but the Japanese and the Germans have adopted a different version, which has been very successful. You use the word “pervasive”, but they are not being pervasive at all; indeed, the Japanese have managed their model very well over a long period. Even though they have had negative interest rates because of over-production and all the usual problems, they have been able to weather that storm. However, there is also a high level of Japanese investment in Britain, and we see cultural changes in many of the companies involved. What makes Britain attractive to Japanese investors, who know that they will be coming into a dog-eat-dog world that Macmillan once described as being run by “banksters”? What makes it attractive to them?

**Lord Malloch-Brown:** It is its openness. It is the fact that they feel that they can come here and open factories and that they will be welcomed and encouraged. That is the plus of the British model. Compared with our European competitors, we are an extremely open economy, which welcomes overseas investment, whether from the Japanese or elsewhere. We have seen waves of this. At the time when the US was getting suspicious of the Japanese because they had bought the Rockefeller centre and Pebble Beach golf course, the UK remained extremely open. Let us take as an example the sovereign wealth funds not of Japan but of the Gulf countries, China or Singapore. In Europe or the US, you see a certain antipathy growing towards those funds, but the UK remains open. The reward for that is that we attract more than our fair share of that capital. The difficulty sometimes is that it does not look like a particularly flat playing field, because we have a much more liberal set of rules for here versus those available to us there. It is swings and roundabouts; you win some and you lose some in such a situation.

**Q143 Mr Purchase:** Japan is, for all that, in the top three or four of the countries with which we enjoy major trade relations, but is there anything we could or should do—is there anything we could do to attract more Japanese investment? I will leave the “should” because that has a bit of a value-laden connotation.

**Lord Malloch-Brown:** Japan was the fourth-largest investor in the UK last year after the US, Canada and France. Similarly, our exports to Japan are worth £8 billion a year, breaking down 50:50 between goods and services. Both sides of that equation are growing strongly. Whenever we see anything that might slow down Japanese inward investment into Britain, we jump on it like a tiger. Earlier in the year, there was some fear that the new points-based system for visas might discriminate against Japanese middle managers coming to work in sectors such as auto parts when they had not had big international exposure elsewhere in their careers and so were not fluent English speakers. We work very closely with our colleagues in the Home Office and I personally spend an awful lot of time lobbying the Home Office, working with the Japanese ambassador here and combining our efforts, because this is a very important economic relationship, which we want to make sure is not disrupted unintentionally by other policy objectives of the Government.³

**Chairman:** I congratulate you on that. If only the Home Office listened all the time to all representations made to it, but that is another question, which I will raise in a different context.

**Q144 Mr Illsley:** On research and development, some members of the Committee made a very interesting visit to an outfit called Advanced Telecommunications Research Institute International in Kyoto, where my Barnsley accent managed to defeat its wonderful device that is entitled the multilingual speech translation system—a wonderful machine that delivers simultaneous translation from Japanese into English. It simply could not cope with a Barnsley accent. I felt very sorry for the poor English designer of the machine, who had spent 15 years developing it with 500 different regional accents from the UK. In two minutes, we destroyed his career, but there you are. The Foreign and Commonwealth Office memorandum talks about the huge benefits from R³

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³ Ev 107
and D and deeper relationships and co-operation between the UK and Japan. How can we ensure that we maximise those benefits? You referred to competition from China, the US and South Korea. How can we best fight off that competition and maintain that research and development co-operation?

**Lord Malloch-Brown:** Japan is, as I am sure the memorandum said, the UK’s second-largest research partner. We set out in the two Prime Ministers’ joint statement of January 2007 aligned priorities on climate change, sustainable energy, health care and innovation. I have to admit we are slightly riding on the coat tails of the Japanese, because they aim to spend 1% of GDP on science and technology during the current five-year period between 2006 and 2011. The annual budget for the current period is £15.5 billion a year. It is singularly, and in a Japanese way, focused on Japan’s priorities. For example, under its new cool earth initiative for low-carbon technologies, which is $30 billion, it is strategically funding in that area. We recently signed a memorandum of understanding between our two countries’ two main funding agencies on R and D. It sets out a framework in which we can develop specific collaborative programmes. Later this year, Japan is due to host the UK-Japan joint committee on science and technology which meets every two years to discuss priorities. It is led on our side by our Government chief scientific adviser, John Beddington. A huge amount goes on at the Government and private sector levels to work with the Japanese Government. As Mr Purchase said earlier, it has more of a model of Government-led investment in things such as R and D. We are trying to go with that and work with that, and to partner Japan as much as we possibly can.

Q145 Mr Heathcoat-Amory: I want to raise the question of the death penalty in Japan. I am against it, but I am slightly puzzled why we apparently take up the issue regularly with the Japanese Government. Your Department tells us that the UK, “through the EU, regularly takes this up with the Japanese Government, although there is still overwhelming support for capital punishment in Japan.” Is there not a slight contradiction in that sentence? If Japan is a democracy, is self-governing and has a judicial system that by and large we respect, why do we waste an awful lot of time lecturing Japan about this issue before, but we still

**Lord Malloch-Brown:** You have pretty accurately described the daiyo kangoku system, which literally means substitute prison. You are right that there is a trade-off at the expense of the quality of the bilateral relationship, or that by lobbying Japan we lobby China less, I would not worry. I do not think that it is a trade-off on either. We make a nuisance of ourselves on the point, but not to the point of damaging our other objectives.

Q146 Mr Illsley: To expand on that, there are aspects of the Japanese death penalty that are quite horrendous. A person can be imprisoned for decades and simply be told with a few hours’ notice that they are about to be executed. Their family is not told, and it is done quietly and in secret. Aspects of Japan’s treatment of prisoners are questionable, including the daiyo kangoku, or substitute prison system, which we looked at while we were over there. How susceptible are the Japanese to pressure to change that system? Unlike the death penalty, I do not think that how the system operates has overwhelming public support. I am pretty sure in my own mind that a lot of Japanese do not realise just how the system works. We were given the example of a British national who was detained in Japan during the World cup. He was told that until he confessed his misdemeanours or crimes, he would simply remain in prison. The Japanese rely simply on the fact that a lengthy period of imprisonment will produce a confession. About 98 per cent. of crimes in Japan are solved as a result of a confession, in circumstances where the full legal rights that would be available in the formal prison system are not available. That gives us significant disquiet. What can we do about that? Bilaterally, there have been a number of notes verbales on this and we have even sent letters on general prison issues to specific prisons where we have had concerns. However, the main point is to pursue the issue in the multilateral, international legal system. We have been urging Japan to ratify the optional protocol to the convention against torture as soon as it can. We also recently raised our concerns about the treatment of detainees as part of the new Human Rights Council’s first universal periodic review of Japan. When the report on Japan was adopted, it insisted that the country remain committed to human rights, to its participation in the process and to its claim that all people were equal and no form of discrimination was possible under its constitution. We have noticed some changes. There was a 2006 prison law, which was definitely an improvement on the condition before, but we still
have worries and we will go on raising them multilaterally and in bilateral démarches of different kinds.

**Mr Illsley:** It is worth placing on record that the Japan Federation of Bar Associations campaigned strongly on this issue, and we had a successful meeting with it.

**Q147 Mr Purchase:** This sitting is part of our global security inquiry, as you know, so my next point might not seem desperately relevant, but may I remind you that the discussion in Britain about detention has revolved around global security and the fight against religious fanaticism? People here will say, “You introduce these measures at your own peril. They actually encourage religious fanaticism.” Although this has little to do with us in Britain, is there any evidence in Japan that such measures, which Japan has used for a long time, encourage, discourage and or have any effect whatever on the behaviour of people who would kill others for reasons of fanaticism or fundamentalism?

**Lord Malloch-Brown:** Japan is a homogenous society and does not have the same problems of domestic security or fundamentalism as we do. As a young UN refugee official, I served in Asia, and I remember my outrage that Japan would not allow in more immigrants. Frankly, it has always been highly restrictive in that regard, although less so in recent years. Again, however, I would argue that there have been somewhat perverse consequences.

**Q148 Mr Purchase:** You would not see any connection between what Britain and the Americans are doing in this area of so-called global security and what is happening in Japan?

**Lord Malloch-Brown:** No. I think they are disconnected. Having said that, it is worth pointing out that our own proposals for detention without trial were also brought up in the universal periodic review of the UK in the Human Rights Council, and very properly so. This issue of peer review, in which everybody has blemishes and is willing to point a gentle finger at each other, is a very important one. We have no monopoly of virtue in this area.

**Chairman:** We have a few minutes left. I am conscious that we have kept you a long time, but we have a few more areas to cover.

**Q149 Mr Moss:** May I turn the Minister to Japanese whaling activities? Although there has been some success this year in disrupting the Japanese whaling effort in the southern oceans—particularly by organisations such as the Sea Shepherd Conservation Society and Greenpeace—it is unlikely that this direct action is sustainable in the medium to long-term. What leverage, if any, does the UK Government have in persuading Japan to discontinue its whaling activities?

**Lord Malloch-Brown:** Despite our close friendship with Japan, we choose to differ with it very fiercely on that issue. We have just had the annual International Whaling Commission meeting; it was held at the end of June in Santiago, Chile. The formidable and redoubtable warrior, Lord Rooker, was fighting the British corner. I get a large mailbag on the issue the whole time. The British Government is very clear with its close allies—Japan and Norway—about our abhorrence of this activity and we go on fighting. At the moment, we are up, but there are always new issues with which to deal, such as the restructuring and reform of the IWC. We are intent on ensuring that that is not a cover for emasculating its anti-whaling position. We have to go on fighting on this issue.

**Chairman:** I want to touch on some regional issues. We produced a report in 2006 on East Asia in which we suggested that the NATO model or regional security model for Europe could profitably be considered with regard to security in East Asia. The Japanese Prime Minister recently made a speech in which he talked about the potential development of the Association of South East Asian Nations and where it might go. Is there anything that we can do to encourage greater regional institutional framework security in a very volatile part of the world?

**Lord Malloch-Brown:** It will become more and more of an issue. Anyone involved in the business of strategic forecasting of where the most dangerous part of the world will be in 10 or 20 years would have to choose the Asian region. You have all the conditions necessary for a rise in the likelihood of conflict with surging Asian economic powers, sharp population growth and increases in consumption of energy and resources. Everything is there for some of the economic and political competition turning violent. Such violence characterised Europe in the 19th and 20th centuries. Anything that we can do to put in place frameworks for managing that competition through mutual security arrangements is important. I commend Bill Emmott’s new book on China, India and Japan to anyone who has not seen it. He speculates how long the competition will remain friendly and economic in character and not assume a military dimension. The fact is that the current regional security arrangements are pretty insipid and have not been intended so far to provide a NATO-like arrangement, or anything akin to it. As people who are not members of the region but have strong historical connections with it, we can press them constantly to improve things. I cite, although it is a little bit out of regional context, our efforts to get ASEAN to take a lead role on Burma. It is all about trying to encourage regional institutions to move beyond passive secretariats with very mild ambitions to be something more. The region is generally light on regional institutional arrangements, let alone security arrangements.

**Q150 Ms Stuart:** My question follows on from what you said about the regional realignments. There are two issues on which I want to have your view. One concerns the development of trading groupings within that part of Asia. Is the UK fairly relaxed about that, as you were last time the Foreign Office responded about it? The second concerns the UK Government’s view on goods produced in Kaesong in terms of the EU free trade agreement. Are we happy, or are we pushing for those goods to be classified as South Korean in origin?
Lord Malloch-Brown: On the latter, the position has not yet firmly up, either in Europe or in the UK. The dilemma, as we discussed earlier, is that against the £1 a month salaries that industrial workers earn elsewhere in DPRK, it is attractive. The South Koreans have asked that it be included in the agreement, but we have to take a hard look at the human rights and other issues and not give them a free ride. If they are to be included, there must be human rights requirements and, included in that, I suspect, labour requirements. Is it correct, Stephen, that policy on the issue is under development and not formed at this point?

Stephen Lillie: The negotiation has not yet moved to a stage where we have had to take a final view on that.

Lord Malloch-Brown: We welcome guidance from this Committee.

Q151 Ms Stuart: One problem that we usually have involves discussions. We ask specific questions and Ministers tell us, “Well, we’re thinking about it,” but give no indication which way they are thinking until the decision is dished up. I would like to put it on record that there are just 50,000 workers there. It is planned to have 250,000 there within the next 18 months. Whatever the decision is, it will have considerable long-term consequences.

Lord Malloch-Brown: You can be absolutely confident and safe that it is not going to be allowed in without a set of conditions to govern it. Although it is an important toehold, in some ways, on the liberalisation of North Korea, it is a very limited one, as we said earlier. I mentioned Cuba, and Stephen made the point that it is, in a way, like pre-1978 China. It is an effort to create some kind of enclave that brings in foreign currency, but it is not indicative of a willingness to open up the economy as a whole. It is an opportunity of limited value. It is not the doorway to political and economic change in North Korea. Although we think that it is useful and helpful that the workers there get a bit more than the rest of them, it is not something that we are wedded to for the liberalisation policy. The downside—a flood of cheap goods into our markets for which there are no workers’ or human rights protections—is very evident. I can confidently tell you that we would press for conditions. We are not clear exactly what they would be. As I said, I really do urge you. This is an issue where timely advice from this Committee would be very influential in us forming a view. On the first point, trade more generally, we remain of the view that a global successful conclusion of the Doha trade round to prevent the need for all these regional agreements is the way to go, but we are not inherently against regional agreements as long as their general impact is to increase international trade.4

Q152 Sir Menzies Campbell: Can we take that last sentence as an endorsement of Commissioner Mandelson?

Lord Malloch-Brown: Commissioner Mandelson needs an endorsement today, so he definitely gets it from me, poor fellow.

Q153 Chairman: As a Committee, we are going to Paris in two weeks’ time, so we will no doubt have opportunities to discuss it with officials in the French Government. May I ask you about cultural issues? Do you think that more work is needed on the image of the UK in Japan and South Korea? Has the public diplomacy work of UK-Japan 2008 made a big difference? Has it been successful so far? Is there more to do?

Lord Malloch-Brown: It is a huge undertaking, with hundreds of events, if I remember my numbers right, and all of them intended to show cool Britain at its coolest. As far as I can tell, the only thing missing from the show is Tony Blair.

Ms Stuart: And he is free.

Lord Malloch-Brown: There is an awful lot going on there is intended to showcase British design and British innovation in the services sector, the arts sector, culture—you name it; it is all there. While the effort has not got a particular focus this year in Korea, there is a heavy public diplomacy effort. As far as I can tell, Britain is extremely well regarded in both countries and has a good little niche going for it made up of history, our reputation for openness today and our different cultural exports. We are well recognised in both countries.

Q154 Chairman: What about the English language? When I was in Japan a year ago, there was clearly a big American-influenced English language system. Are we well positioned to take advantage of the great desire among young people in Japan and South Korea to learn English?

Lord Malloch-Brown: Reasonably so. The British Council in both markets is largely self-financing in its activities—completely, I think. In both cases, there is huge commercial provision of English language beyond anything we can provide. The great glory of English becoming the global language is, in a sense, that it has outgrown the ability of our own institutions to service and meet that need. The demand is huge and the British Council is part of the way of meeting it.

Q155 Chairman: There was discussion earlier about trade issues, inward investment and our investment in the region. Is there not a problem of lack of knowledge in the UK, in terms both of the universities having a very limited footprint on these areas and of our business community being able to get into the Korean and Japanese markets?

Lord Malloch-Brown: The first point is definitely true. Interestingly, regional studies in the UK have not run down anything like as badly as in the US, but I generally think that all western countries made a terrible mistake 10 or 20 years ago when they let a lot of real regional institutional capabilities in our university system go. We can all regret that. It means that fewer people have the language skills and the
university-level knowledge of these countries than ideally we would want. British businesses make up for that even if it is a case of knowledge gained on the ground. You do not get to sell £8 billion-worth of goods to Japan without having learnt your way around the commercial sector there, so I think they are doing okay. My suspicion is that in many cases their Japanese does not go much further than how to order a beer, but that has not stopped them; they are selling a lot of stuff. Chairman: Lord Malloch-Brown and Mr Lillie, thank you very much for coming. This has been a very useful and wide-ranging session and we are grateful.
Written evidence

Submission from the Council of the British Association for Korean Studies

INTRODUCTORY COMMENTS

In 2006, the British Association for Korean Studies was asked to comment on the emergence of China ("The Emergence of the People's Republic of China as a Regional Power and Its Impact on the International System", statement prepared 20 April, 2006).

Much of what we said then is relevant to your query regarding Korea and Japan.

Although the past is not a certain guide to the future, it is the only guide we have. In order to understand the “global security” of Korea and Japan in contemporary times, we must clarify the nature of the historic cultural and political system of East Asia and look there to see what patterns there are. An examination of the East Asian past reveals the following general patterns:

1. East Asia (comprising China, Korea, Japan, Vietnam, Tibet, and Mongolia) is a coherent cultural and political sphere which has the area of “China” as its cultural, political, and economic centre.
2. When “China” is strong and stable, the region as a whole is stable.
3. When “China” is weak and internally divided, the region as a whole is embroiled in war.
4. Contiguous areas to this core region such as Vietnam and Korea have long been self-aware of their socio-political context, and traditionally have developed schemes to accommodate Chinese power, while at the same time maintaining independence and sovereignty.
5. Japan has historically been in and out of the Sinitic (Chinese) sphere. That is, its history has not been patterned along the lines of a centralised state, because it has the advantage of being an island and therefore it did not need to create and maintain a Sinitic-style bureaucracy to mobilise defences against land-based military threats. Korea has had this necessity and that is why it did not descend into feudalism as did Japan.

THE CULTURAL AND HISTORICAL BACKGROUND—CHINA

Chinese culture is the oldest continuous culture on Earth, having a literary and canonical tradition (largely based upon Confucian thought) stretching back to the fifth century BC. Even today, the literary works which constitute this canonical tradition can be read easily. Such accessibility to classical thought and ideas has produced an extraordinary continuity in literature and historical writing in the region so that ancient aesthetic, philosophical, social, and historical views have been created and re-created over millennia. General social, economic, and political views, as well as views and observations about neighbouring peoples, became firmly established by the second or third century AD and have accompanied, if not motivated, the successive drives to unify politically the mainland under bureaucratic autocracies.

Confucianism, the predominant philosophical mode of East Asia, defined individuals as social entities, elaborated an extensive moral system which limited governmental power, and presented an economic system focused on concepts of national co-operative activity to ensure general popular subsistence. As a consequence of Confucian ideology, politics have been dominated by political responsibility being vested in a regularised, bureaucratic institution recruitment into which has been determined by objective examinations, which in turn led to the creation of a non-feudal elite class (the so-called literati bureaucrats). Attempts to establish feudalistic aristocratic dominance over the “Chinese” state have been quashed, dynastic rulers preferring intellectual attainment over birth, defining status almost solely in terms of performance in the civil service examinations. We may style this system of governance as a “meritocratic” system.

Over the past two millennia, the key economic zones of the world have always included China. For most of the past two millennia, the Chinese economy was the most advanced in the world, triggering the onset of globalisation through the “Silver-for-Silk Trade”. The scale of the Chinese economy has usually dwarfed all others, containing within its domestic sphere nearly every known agriculturally productive ecological niche, often possessing the world’s most advanced technology, and using transport systems rivalled elsewhere only in the late nineteenth and twentieth centuries.

Although the standard of living in the Yangtze River valley seems to have been on a par with northwestern Europe until about 1800, from the mid- to late 19th century, Western views of China have been blinded by a European obsession with its own growth, and from the actual decline and collapse of one of the world’s greatest political and economic powers, the Qing dynasty (1616–1911) of China. From the mid-19th century to the mid-20th century, China passed through another period of “dynastic change”. However, by the end of the 20th century, it had again embarked on a stable growth path which will probably take it through most of this century and beyond.
THE CULTURAL AND HISTORICAL BACKGROUND—KOREA AND JAPAN

Naturally, the brilliance of “Chinese” civilisation has had a profound impact on neighbouring nations, especially “Korea” and “Japan” which—not appearing as viable, coherent political entities until the fifth (“Korea”) and the seventh (“Japan”) centuries, benefited from nearly a millennia of advanced “Chinese” civilization. The differences in socio-political organisation among these three countries can be placed on a spectrum from “meritocratic” (China) to “mixed meritocratic/aristocratic” (Korea) to “aristocratic” (Japan). These differences deeply affected traditional politics and helped create centralised, bureaucratic states in China and Korea and feudal anarchy in Japan. Only from the late 19th century has Japan moved towards a more meritocratic recruitment model.

Although their heritages differed, the three countries are now in the midst of a historical convergence and can be expected to share and expand their mutual understanding of bureaucratic/technocratic management. This convergence along pragmatic lines also means that full-scale military conflict between them is unlikely. If they are now internally stable and prosperous, how might they be expected to interact?

EAST ASIAN INTERACTIVE DYNAMICS

Each of the nations of East Asia perceived that they had a particular place within the common East Asian cultural sphere, and were perceived in turn by the Chinese to have a certain place within it. Partly, this has been the result of geographic propinquity. Koreans have long shared a land border with China and have accommodated themselves over the centuries to this fact. Japan is an island, and thus could join the Chinese socio-political ambit when it suited their purposes. This does not mean that the Japanese have not adapted Chinese civilization, quite the reverse. But it does mean that Chinese culture has been made to fit Japanese circumstances much more than has been the case of Korea.

The Emperor of China was considered to be the Son of Heaven and the symbolic centre of the East Asian socio-political system, which was composed of a series of hierarchical relationships amongst the nations based upon a model of ideal family relations. This idea of a “family” of nations derives from Confucian philosophy. The emperor’s mandate to rule his nation (“China”) was dependent on his ability to keep the peace and to satisfy the subsistence needs of his subjects—an idea deriving from the thought of the classical Confucian philosopher Mencius (372–289 BC).

The rulers of Korea in “traditional times”, however, never presumed to refer to themselves as “emperor”, but only as “king”. This usage reflects the fact that although the Korean elite thought of themselves as “equal” participants in East Asian civilisation, their socio-political position in the family hierarchy was perceived to be that of a younger brother to an elder brother. To do otherwise, would have implied that they were making a political claim that would have invited unnecessary Chinese interest and subsequent interference.

In terms of pure power, the Koreans have presented the Chinese over the centuries with both a loyal ally and a determined resistor to political assimilation. Korean policy towards China has always been a negotiated activity, either on the battlefield as is the case with the ancient kingdoms of Koguryo (4c AD) and Silla (7c AD), or by political accommodation, either on the battlefield as is the case with the ancient kingdoms of Koguryo (4c AD) and a determined resistor to political assimilation. Korean policy towards China has always been an interference.

When they have been able to do so, the Chinese have committed massive resources to defend Korea—in alliance with a Korean state—to drive military power away from their Korean frontier. Again, when it has had the resources, China has never allowed a hostile or potentially hostile power to dominate Korea. However, China has almost never sought to dominate Korea itself, being content that the peninsula is neutral or has a positive attitude towards Chinese interests.

The Koreans have long appreciated these circumstances and have profited from Chinese protection. When China has been strong and stable as in the early Song (960–1126), Ming (1368–1662), and Qing (1616–1911) periods, Korea has been at peace and has prospered as in the early Koryo and the Choson periods. When China was strong (as in the Ming dynasty) and the Japanese mobilised to attack (as in the invasion of 1592), the Chinese-Korean alliance repelled them. When China was weak and divided as it was in the late nineteenth century, the Japanese sought to take advantage of the situation, seized Korea, and then attacked China. Traditionally, the aggressive state of Northeast Asia has been Japan, not China, never Korea, and the Koreans have always been allied with the Chinese. We should not expect that this pattern will change. Although the Americans have provided stability in the region since the end of the Second World War in 1945, they can now retreat, because the Chinese and the Koreans are strong enough to check the Japanese. This old equilibrium is re-emerging and not to be feared, unless we fail to understand the history and cultures of the East Asian cultural sphere and end up by being excluded from it because of our ignorance.
In short, when China is stable, Korea is stable. When Japan is also stable, then the region is completely at peace. These are the current circumstances, but they could change. The greatest current threats to regional stability arise from a North Korea that might descend into civil war, or an outside power—such as the United States or Russia—that might engage in a military adventure.

Implications for British Policy

The greatest problem for British policy in the East Asian region is the high level of ignorance about East Asia which pervades contemporary British society. Unlike the United States, Britain lacks a significant and successful East Asian minority that can provide cultural background knowledge at all levels. Consequently, it is imperative that we develop such high-level expertise in our institutions of higher education. However, the current record provides a dismal picture. Major higher education institutions, such as the Universities of Durham and Sterling, have eliminated almost entirely their offerings on East Asia, destroying long-held (Durham) or nascent (Sterling) expertise. Even a flagship institution such as the School of Oriental and African Studies in London recently threatened to destroy its research infrastructure by eliminating specialist librarians.

The problem is that the Government and our higher education institutions have been driven by “managerialist” views which consider long-term investment in strategic “knowledge industries” (universities) to be foolish, for fear that the current year’s budget might show a deficit. To try and develop long-term expertise on East Asia with a workforce that can be sacked this year and re-hired the next is to play a fool’s game bred from the twin delusions that any need for information can be provided by out-sourced consultants, and the belief that the important diplomatic and commercial people speak English anyway.

In his 1986 report “Speaking for the Future: A Review of the Requirements of Diplomacy and Commerce for Asian and African Languages and Area Studies”, Sir Peter Parker stressed the need to have a well developed cadre of people in this nation who had a good knowledge of Asian and African languages and cultures. It would appear that, more than 20 years on, his lesson has still not been learned. Not to have a significant financial investment in the creation of a cadre of British citizens with a competent knowledge of East Asia contradicts the commonsense approach usually taken towards developing scientific expertise. If in science, why not in diplomacy and business?

Because of our ignorance about the importance of building up long-term expertise, we may say that in world historical terms, East Asians are colonising us. How better to control a people than to learn their language (English) and their culture and hope that they remain ignorant of yours? One might think that the recent “China craze” in Britain would have been good for Chinese Studies in general and East Asian Studies in particular. However, not only are the actual resources that are currently being committed to the development of the subject area still risible, but the focus of spending is almost entirely on the Chinese mainland. This latter issue ignores the key principle of understanding the context of any situation. One fears that the hype surrounding the “China craze” may be as transient and vacuous as the wind.

Decision makers seem to be lost in a dream of a billion-plus Chinese consumers all buying a British widget. This is fantasy. The challenge is not to make a widget that all Chinese want to buy; it is the Chinese who are making the widgets that we are buying by the shipload. The challenge for us is to keep the East Asian nations—who now trade among themselves more than they do with the rest of the world—away from systems of autarky and closed trading spheres. This means that the United Kingdom must move upstream and develop expertise on East Asia so that the Chinese, Koreans, and Japanese will look to Britons for sympathetic understanding, partnership, and the trust that is bestowed on honest brokers.

This goal can be fostered by:

(1) the guaranteed and continued Government support for all branches of East Asian Studies in the nation’s universities;

(2) Government encouraging businesses and other commercial bodies to provide bursaries for students studying East Asian subjects, and by making it financially attractive for them to do so; and

(3) encouraging businesses and other commercial bodies to provide in-course or immediate post-course internships for students who have studied a branch of East Asian Studies. It should be made financially attractive for businesses and commercial groups to provide these opportunities as this training is in the nation’s long-term interest.

(4) More specifically, in the cases of Korea and Japan, we want to call attention to the following:

(a) The nearly complete lack of undergraduate and graduate bursaries/It is a sad truth that few undergraduate Britons choose to study East Asia, and is a dangerous trend that the best graduate students do not come to this country, because we have no money to support them. Universities in the US, Canada, and Australia catch and keep the best and brightest.

(b) The nearly complete lack of post-doctoral research appointments that would snare the best young scholars.
We propose that:

For Korean Studies alone, the Government should capitalise a set of 12 full undergraduate and post-graduate bursaries for use at the four institutions which teach Korean subjects in the UK (SOAS, Sheffield, Oxford, and Cambridge).

The government should capitalise a set of six post-doctoral research fellowships for the same institutions.

The BAKS Council could administer these bursaries and fellowships, because it represents all four institutions, and for several years has administered bursaries and internships for undergraduate students to spend part of their course-time in Korea, and to experience the business world of Korea.

Any successful short-term policy prescriptions on East Asia will be dependent on the pursuit of a long-term policy for the development of expertise on the region, as Sir Peter Parker made quite plain over 20 years ago. Without the commitment to a long-term policy of development, this nation will not only be flying blind, but we will have nothing to offer East Asians in the coming decades, who will increasingly become the world’s dominant force politically as well as commercially.

The Council of the British Association for Korean Studies:

President: Professor James H Grayson
Immediate Past President: Dr James Hoare
Secretary: Professor Keith Pratt
Treasurer: Dr John Swenson-Wright
Members of Council: Dr Kirsteen Kim, Dr Grace Koh, Ms Fumiko Kobayashi, Dr James B Lewis, Ms Jane Portal, Dr David Prendergast

March 2008

Submission from the Foreign and Commonwealth Office

I. INTRODUCTION

1. We welcome this inquiry. North East Asia is of vital importance, both politically and economically, to the UK and EU and key strategic priorities are at stake in the region. Some of the largest and fastest growing economies are here. It is a major source of trade and investment for the UK and wider EU, as well as being important for climate security, counter-proliferation, regional and international security. Within the region, Japan and South Korea are major “like-minded” partners for the UK: free-market economies and democracies, with shared values and a number of common objectives in international issues. We have shared interests in combating key global challenges, including in the areas of international security, counter-proliferation, climate change and poverty reduction.

2. Japan and South Korea will play a crucial role in ensuring stability in East Asia, which is vital to the security and prosperity of the UK and EU. Their success in achieving this will depend on their close relations with the US and involvement in the Six Party Talks on North Korean denuclearisation, and through bilateral relations with the Democratic People’s Republic of Korea (DPRK). Key to this too will be Japan’s improving relationship with China. A confident, outward looking Japan which enjoys good relations with China is essential for regional security and beneficial to both the UK and the EU. The EU’s economic and security interests in the region are set out clearly in the Council’s East Asia Policy Guidelines, published at the end of 2007. These recognise the region as being one of especially dynamic change in which the EU has substantial interests.

3. The DPRK nuclear and missile issues, and the fragility of its economic and political systems are a major threat to international peace and security in the region. We already work closely with South Korea and Japan and will support them where possible to ensure a peaceful and sustainable resolution to the DPRK question. We also continue to have a role in upholding peace and security on the Korean peninsula as a member of the UN Military Armistice Commission.

4. Trade and investment is the dominant side of our relationship with both countries with the Japanese and South Korean economies being respectively the second and eleventh largest in the world. Japan is the UK’s largest trading partner outside the US and the EU with £4 billion each in goods and services. Japan is also the leading source of FDI into the UK after the US and the largest in Europe with about 20% of the total. There are huge benefits to be gained for the UK in deepening UK-Japan co-operation in R&D. South Korea is a similarly significant trade partner being the UK’s eighth largest export market. Major Korean companies are also choosing the UK as the base for their European operations.

5. Internationally both countries are committed members of the UN being in the top 15 largest contributors to the UN Regular budget, though with Japan paying significantly more as the second largest contributor after the US. On peacekeeping, Japan’s actions are limited by its constitution. In contrast, South
Korea has been able to contribute troops to Afghanistan, Iraq and Lebanon and is keen to do more. Japan took over the Presidency of the G8 in 2008. The UK is working hard with Japan for ambitious outcomes on climate change and Africa and development, which are Japanese priorities.

6. Our relationships with Japan and South Korea are well established, though in some ways receive less public attention than the emerging relationship with China. In order to ensure that our relationships with both countries can achieve their full potential the FCO has formulated cross-Whitehall strategies to guide our engagement. These identify our key priorities for both countries: top priorities for the Japan relationship were also embodied in the joint statement issued by then Prime Ministers Blair and Abe when they met in London in January 2007. At the same time, there are senior level advisory bodies feeding into the work of Government. The UK/Korea Forum for the Future headed by Lord Kerr of Kinlochard and the UK/Japan 21st Century Group headed by the Rt Hon Lord Cunningham of Felling meet regularly in both countries to discuss the state of the relationships.

7. During former-President Roh’s 2004 State Visit to the UK it was agreed that both countries would hold campaigns celebrating our bilateral relationship and raising awareness of each other’s strengths. The South Koreans held their campaign in 2006, while the UK campaign took place in 2007, partly to mark the 50th anniversary of our raising a diplomatic presence in South Korea. In January 2008, the British Embassy in Tokyo launched a major public diplomacy campaign to mark 150 years of UK/Japan diplomatic relations entitled UK-Japan 2008. The programme focuses on highlighting UK/Japan achievements in the creative industries, science and innovation and the arts, all of which are areas for strong potential for future UK and Japanese economic growth. The Japanese Embassy is launching a reciprocal campaign in the UK, to start this autumn.

II. JAPAN

Political situation

8. The conservative Liberal Democratic Party (LDP) has ruled Japan for almost all of its post-war history. In power continuously from 1955–93, they were toppled by a loose opposition coalition in 1993. But they returned to power in 1994 as part of a coalition and all governments since then have been led by the LDP. The current coalition was formed in April 2000 between the LDP and New Komeito, a small party with close ties to the lay Buddhist organisation, Soka Gakkai. The main Opposition party is the nominally “centrist” Democratic Party of Japan (DPJ)—in reality an amalgam of former members of the Socialist Party, LDP rebels and others.

9. After a succession of short-lived leaders in the late 1990s, Junichiro Koizumi became Prime Minister in April 2001. His fresh approach was popular with the public allowing him to pursue difficult structural reforms and tackle vested interests within the party. Koizumi was succeeded as Prime Minister by Shinzo Abe on 26 September 2006. Abe was Japan’s youngest Prime Minister since WWII and the first to be born after it. He pledged to continue Koizumi’s domestic reforms and to break with the post-war foreign policy consensus by amending the Constitution and promoting a proactive foreign policy. But his position was weakened when the LDP and New Komeito lost their Upper House majority in the election in July 2007 following a major pensions scandal. In theory, this allows the Opposition to block or delay most legislation. Abe resigned due to ill health on 12 September 2007 after just one year as Prime Minister.

10. Yasuo Fukuda succeeded Abe as Prime Minister on 25 September 2007. He is 71 and is respected for his experience, especially as Chief Cabinet Secretary under Prime Ministers Mori and Koizumi. Known for his moderate, consensual approach, Fukuda has sought to cooperate with the Opposition where possible but has shown himself willing to force legislation through the Diet using the government’s two thirds majority in the Lower House. A general election is not due until September 2009, but Fukuda might be forced to go to the country before then to break the political impasse. His current poll ratings are not healthy and he has said that he would prefer to wait until at least after the G8 Summit in July.

International security and peacekeeping

11. Japan has become an increasingly co-operative partner on a wide range of issues including Iraq, Iran, Indonesia/East Timor, the Middle East Peace Process, Afghanistan, and in counter-proliferation and the fight against terrorism. Since 9/11 Japan has provided welcome political, economic and logistical support to the international coalition against terrorism and has extended strong civil and military support to reconstruction efforts in Iraq.

12. Japan’s security policy has been constrained by its American-authored post-war constitution, in particular by Article 9 which renounced war, disallowed the possession of armed forces, and denied the right of belligerence. Although Japan has interpreted the constitution in a way that allows for the right to maintain self-defence forces (SDF), the current cabinet interpretation of Article 9 judges that Japan should not exercise its inherent right of collective self-defence. This has implications for Japan’s participation both in Ballistic Missile Defence with the US and in UN peacekeeping operations. In practice, it also inhibits military co-operation or combined exercises with countries other than the US. Under Prime Minister Abe...
there was a drive to revise Article 9 to make it easier for Japan to contribute to UN peacekeeping operations. However, Fukuda has had to concentrate—at least initially—on domestic issues, and appears less inclined to take this issue forward.

13. In January 2004, Koizumi overcame strong domestic opposition and secured authorisation for the deployment of approximately 550 Ground SDF personnel to southern Iraq. The forces were withdrawn at the mission’s end in the summer of 2006. Japan maintains an intra-theatre airlift mission in Iraq, which has recently been extended until July 2009.

14. Since 2001, the Japanese Maritime Self Defence Forces (MSDF) have provided fuel to coalition vessels conducting maritime interdiction operations in the Indian Ocean in support of Afghanistan Operation Enduring Freedom. There was a short break between November 2007 and January this year when the DPJ used its Upper House majority to block renewal of the enabling legislation. This led to the temporary withdrawal of the MSDF from the Indian Ocean. The Government, using their two thirds majority in the Lower House, eventually forced through new legislation on 11 January and the MSDF have now returned to the Indian Ocean. The UK has welcomed the resumption of the mission, not least as an important symbol of Tokyo’s commitment to a wider international security role.

15. On international peacekeeping, Japan has incrementally increased its global contributions (particularly in Asia), recently dispatching a small observation team to the UN mission in Nepal and a small policing team to East Timor. The UK Government would like to see Japan doing more despite the constitutional constraints and has lobbed for a greater contribution in Afghanistan and Africa among other places.

UK/Japan Defence Relations

16. In the wake of close co-operation on the ground in Iraq, the bilateral defence relationship is stronger than it has ever been. The Japanese have made clear their wish to continue regular dialogue with the UK across a wide range of defence matters, with a particular focus on, joint operational planning, defence procurement reform, the higher level management of defence, and the UK’s “comprehensive approach” to Peace Support Operations (PSO). The Japanese place great emphasis on the close relationship between our two Navies/co-operation which dates back to the end of the 19th Century. There is scope to deepen our relationship still further with the two other Services.

17. The UK’s primary security co-operation objective is to help build Japan’s capacity for joint operations, particularly in the area of peace support activities combining civil and military effects. The desire is for Japan to become an effective contributor to global PSO in the medium-term. The UK also seeks to maintain Japan’s commitment to its remaining mission in Iraq (airlift). Defence sales remain an important aspect of the bilateral relationship, with Japan seen as a possible market for the Typhoon.

18. Japan and the UK hold regular Defence Staff Talks, and single Service Staff Talks. In June 2007, Political-Military Talks were held for the first time in Tokyo jointly with the MOD, FCO, and the Japanese MOD and MOFA. Japan regularly takes up places in the UK’s Royal College of Defence Studies and Advanced Command and Staff Course, with a Japanese RCDS graduate seconding to the MOD in alternate years for eight weeks (next in 2009).

US/Japan relations

19. The US remains Japan’s principal partner in foreign and defence policy as well as trade. The US has guaranteed Japan’s security since 1960 under the terms of the US-Japan Security Treaty. Like the UK, the US would like to see Japan play a more active role in international security and supports Japan’s bid for permanent membership of the Security Council. Fukuda reaffirmed the importance of the alliance by making his first overseas visit as Prime Minister to the US in November 2007. The Japan and US share similar views on most security issues, including on DPRK (but see below). They also agree on a policy of engagement towards China. Prime Minister Fukuda took this approach further at the East Asian Summit in November last year stating that the alliance should be used to leverage an enhanced Japanese role in Asia to boost relations with China and the Republic of Korea. The Japan and US have begun co-operation on a ballistic missile defence programme in response to the DPRK and terrorist threats. The base realignment agreement in May 2006, which should be implemented by 2013, should lead to a substantially more integrated and regionally focused US defence posture. However, there remain difficulties with local communities in the areas surrounding the bases.

20. DPRK featured prominently in Fukuda’s visit to the US on 17 November 2007. He emphasised that Japan was concerned by DPRK’s nuclear and missile programmes, as well as the Japanese abductees issue (see below), and feared that DPRK would not keep its promises on denuclearisation. President Bush reassured Fukuda that the US would not jeopardise the US-Japan relationship as it sought to normalise relations with the DPRK, and that the Japanese abductees would not be forgotten.
EU/Japan relations

21. Japan’s bilateral relationship with the EU is anchored in two documents: the Joint Declaration of 1991 and the Action Plan for EU-Japan Co-operation of 2001. The Joint Declaration established common principles and shared objectives in the political, economic, co-operation and cultural areas and established a consultation framework for annual meetings between Japan and the EU. The Action Plan has four basic objectives: promoting peace and security; strengthening the economic and trade partnership; coping with global and societal challenges; and bringing people and cultures together. An EU-Japan summit takes place annually at the level of the President of the European Council, the President of the European Commission and the Japanese Prime Minister. The next Summit is due to take place in Tokyo in April.

22. At the last EU-Japan Summit in June in Berlin in June 2007, it was agreed to deepen Science and Technology co-operation as part of the shared drive to a knowledge-based society and the promotion of innovation. This drive was also reflected in the adoption of an IPR Protection and Enforcement plan to further encourage co-operation in this area. A new high level dialogue on trade issues was launched last year, as well as the Industrial Co-operation Dialogue. There was also an initialising of an Agreement on Customs Co-operation and Mutual assistance.

23. The EU has recently started to realise its interests in the preservation of peace and security in East Asia and the need for effective and consistent EU diplomacy in the region to affect this. Furthermore, regional countries have made clear their desire for the EU to play a greater, more strategic role in the region. The endorsement of the East Asia Policy Guidelines in Council and subsequent publication on 20 December 2007 are a step forward in our efforts to achieve a coherent and strategic EU approach to East Asia. The guidelines are based on the assessment that East Asia is a region of especially dynamic change in which the EU has substantial interests and set the parameters for pursuing the EU’s broad foreign and security objectives in the region (Attached at Annex 1).

Japan regional relations

China

24. Japan normalised relations with China in 1972 and the two countries have strong, and growing, economic links. But there are underlying tensions in the relationship. Japan is concerned about the implications of China’s rapid economic growth for regional security and is particularly concerned about the growth in, and lack of transparency of, China’s defence spending. In China, there are still bitter memories of Japanese actions in the 1930s and 1940s, which the Chinese Government has occasionally fanned for its own domestic reasons.

25. Prime Minister Fukuda’s premiership holds out the prospect that Japan’s relations with China will continue to improve. Fukuda sent out a strong signal to Beijing by ruling out making visits to the Yasukuni Shrine immediately after he became prime minister. Fukuda’s relations with Prime Minister Wen are markedly more relaxed than those of his predecessors. His lunch with Wen at the East Asian Summit was the first time a Japanese prime minister had had lunch with his Chinese counterpart in a third country; and a recent phone call was reportedly the first ever between Japanese and Chinese leaders. This was followed by a successful visit by Fukuda to China in December 2007.

26. A key objective in bilateral relations is to increase China’s efforts in reducing GHG emissions and other pollutants. During Fukuda’s visit to China the two sides committed to pilot projects in emissions reduction, to strengthen intellectual property in the area of energy efficient technologies, and to co-operate on clean production in heavy industry. They also agreed to step up joint research and training programmes on environmental issues, with a target of 10,000 participants over three years. China is Japan’s top priority for strengthening international collaboration (with South Korea a close second) and in many areas of science and technology appears to have overtaken individual EU countries in terms of numbers of scientific exchanges and research projects (the US remains top partner). Leading Japanese Universities and research agencies have opened offices in Beijing.

27. On the East China Sea dispute (over territorial limits relating to exploration rights for gas reserves), it was agreed that the negotiation teams would be upgraded to Vice-Ministerial level. However, territorial delineation efforts remain deadlock and China continues its development of some gas fields near the disputed boundary. The next target for progress is Hu Jintao’s visit to Japan scheduled for spring 2008.

South Korea

28. Although the history of the colonial period remains a sensitive issue, links between Japan and South Korea have been expanding in the economic and cultural areas. Relations with the South were normalised under the Basic Treaty in 1965 and had shown signs of warming after President Kim Dae-jung, during his visit to Japan in September 1998, stated publicly that the relationship should look forwards, not back. President Roh Moo-hy whole visit to the Yasukuni), these Summits were suspended. Relations improved after Prime Minister Abe’s visit to Seoul

President Roh Moo-hyun visited Japan for a regular summit meeting in June 2003 but, after he clashed with Prime Minister Koizumi over a variety of what he saw as “inappropriate” Japanese actions (including visits to Yasukuni), these Summits were suspended. Relations improved after Prime Minister Abe’s visit to Seoul
in October 2006. South Korea’s new President, Lee Myung Bak, has said that he is keen to strengthen the relationship further, moving on from the past, and there are signs that this is receiving a warm response in Tokyo.

North Korea

29. Japan’s relations with DPRK have been overshadowed by the latter’s nuclear and missile programmes. They have been further complicated by the DPRK’s unwillingness to give a full account of its abduction of an unknown number of Japanese citizens in the 1970s and 1980s. Koizumi’s bold decision to visit Pyongyang and meet Kim Jong II in September 2002 was supposed to pave the way for normalisation of relations. But Kim’s confirmation that the DPRK had abducted Japanese citizens provoked a backlash in Japan. The Japanese Government responded by cutting off the humanitarian aid that it had been providing to the DPRK. This temporarily resumed in May 2004 when Prime Minister Koizumi made his second visit to Pyongyang and secured the release of the immediate families of those abducted who had been allowed to return to Japan. The UK has repeatedly expressed its support for Japan’s efforts to resolve the abduction issue.

30. Japan is a participant in the Six Party Talks, which address the DPRK nuclear issue. It has adopted a sceptical position on the prospects of DPRK giving up its nuclear weapons and has consistently insisted on a resolution of the abduction issue. Japan does not contribute to the 1 million tonnes of heavy fuel oil (or equivalent) energy aid that the DPRK is entitled to receive under the Six Party Talks’s 13 February Agreement if it fulfills its side of the bargain. A Six Party Talks working group established to work towards the normalisation of Japan-DPRK relations has failed to make substantive progress.

Wider political relations with Asia

31. Japan is by far the largest investor and bilateral aid donor in the ASEAN region. Prime Minister Fukuda used his first East Asian Summit to develop his greater focus on Asia. He held a series of meetings with regional leaders at which he discussed bilateral and regional topics. These included Premier Wen of China, President Roh Moo-Hyun of the Republic of Korea and Prime Minister Manmohan Singh of India, and others. He also met the Burmese Prime Minister and called on him to re-double his efforts to bring about democratisation and to open negotiations with Aung San Suu Kyi. Japan has been negotiating a series of Free Trade Agreements and Economic Partnership Agreements with its ASEAN partners.

Relations with international organisations

32. Japan is a reliable member of the international system and contributes 19.5% of the UN regular budget. Japan is supportive of UN administrative reform. Securing permanent membership of the Security Council is a long-standing aim for Japan. The UK supports wider representation, including a permanent seat for Japan. It joined the International Criminal Court in 2007. As President of the G8 and an active player in the IFIs, Japan takes seriously the need for effective international institutions and shares a number of our objectives on institutional reform, eg on the UN and the IFIs.

UK/Japan relationship

33. Japan is one of the UK’s most important global partners. It is a strong ally on nuclear non-proliferation, the third largest aid donor in the world and shares with the West similar values and approaches to major foreign policy issues. Engagement with Japan is crucial on these issues and on climate change, conflict prevention and reform of international institutions. This does not prevent the UK Government making it clear where it differs from Japan on such issues as whaling and the death penalty.

34. In order to make more of the close working relationship with Japan, the FCO, with other Whitehall departments, formulated a UK/Japan strategy in September 2006 with the aim of deriving benefit for both countries’ international priorities.

35. In January 2007, former Prime Minister Abe visited the UK and signed an agreement with former Prime Minister Blair on promoting bilateral relations. The agreement endorsed joint objectives in four areas: international security, climate change, international development and science, technology and innovation and has formed the basis for developing relations in 2007. (The agreement is attached at Annex 2).

36. In January 2008, the HMG took stock of developments over the past 18 months recognising that the political climate in Japan since the strategy was written had changed significantly. Japan’s key role in counter-proliferation and conflict prevention, its importance to the UK for trade and investment and its central role in discussions on development and climate change was underlined. We are now looking at ways to develop the EU/Japan relationship and improve further the UK image as a place for future direct investment.
37. In 2008, the British Embassy launched UK-Japan 2008 to mark 150 years of UK/Japan diplomatic relations. UK-Japan 2008 is a major public diplomacy campaign running throughout the year, organised jointly by the British Embassy and British Council. It focuses specifically on highlighting UK/Japan achievements which are contemporary, creative and collaborative in the creative industries, science and innovation and the arts—all areas with strong potential for future UK and Japanese economic growth. There will be well over 100 events in total as part of UK-Japan 2008, ranging from major public events, performances and exhibitions through to science and business workshops. (A list of highlight events is attached at Annex 3).

Trade relations

38. Japan is the UK’s largest trading partner outside the US and EU. It offers export and technology opportunities in key business sectors such as aerospace, automotive, IT, health care, nanotech, pharmaceuticals and financial services. Japanese companies are generally open to buying products, services and technology from the UK, but competition is getting tougher. Japan is a major trading and foreign direct investor in the Asia/Pacific region. There are strong prospects for UK companies to establish closer business links with Japanese partners in joint ventures, investing in Japan to target the region as well as the large Japanese domestic market. The market can be confusing, expensive and time-consuming: large and small UK companies value UKTI help with introductions, market research, events and PR.

39. Japan is the leading source of FDI into the UK after the US. Some 1445 Japanese-owned companies have invested in the UK, which is host to over a quarter of all Japanese investment in Europe. Japanese-owned companies employ over 100,000 in the UK, far more than in any other European country. Of the Japanese companies operating in the UK, over 230 own manufacturing facilities and over 150 have their own R&D operations. In 2004–05, UKTI recorded 57 investment projects from Japan, creating over 3,000 new jobs. The number of projects for 2005–06 totalled 84. In 2005, Japan invested more through acquisition in the UK than in any other market, and more than at any time since 1988. Many of these are strategic investments for the global market, expected to benefit the UK operations acquired as well as the acquiring companies. There are strong prospects for investment from Japan in the pharmaceutical and life science sectors and in ICT (services and software as well as equipment), with opportunities in sectors as diverse as environmental technology, aerospace and medical equipment. Japanese-owned car plants account for over 50% of UK car production, three quarters of it exported. Over 70 Japanese companies manufacture automotive components in the UK. Automotive R&D, not least Environmentally Friendly Vehicle technology, is a major target, both for collaborative R&D and for independent facilities.

Science and Technology Relations

40. Japan is the UK’s second biggest partner for research collaboration. Our priorities are aligned, focusing on climate change, sustainable energy, healthcare and innovation, as set out in the PMs’ joint statement in January 2007. The Japanese government aims to invest 1% of GDP in science and technology over the five year period (2006–11), with an annual budget in FY 2008–09 of 15.5 billion pounds. There is increasing focus on investment in strategic priorities. Under the Cool Earth initiative for example Japan aims to invest approximately USD 30 billion in developing innovative low carbon technologies over the next five years. It is in our interest to ensure that this investment is effectively aligned with our own investment in energy R&D, both to support development of UK needs and capabilities and to ensure effective international co-operation in this arena—as recommended in the Stern Review.

41. Overall, Japan accounts for about 20% of the world’s R&D, 80% of which is conducted by the private sector. The top 10 Japanese companies invest more in R&D than the UK public and private sectors combined. Access to Japanese R&D strengthens the UK science base, supports technology development by UK business and helps build a common agenda around the key challenges facing the UK and Japan—security, climate change, energy supply, an ageing population and infectious disease. It has an important role to play in delivery of a low carbon, high growth economy.

42. UK scientists stand to gain from access to Japanese funding and support for collaborative research, particularly in those areas perceived to be less strong. The International Strategy recently published by the Research Councils sets out more clearly the importance of international collaboration in maintaining UK scientific capabilities. Informally, the Research Councils estimate that around 220 million pounds of research funding supports projects with some form of Japanese involvement (second to the US). There is strong evidence to suggest that internationally co-authored research papers have a higher impact than those resulting from non-collaborative research. The relationship is of mutual benefit, with Japan particularly interested in developing links to UK expertise in the life sciences (the most striking example being a GBP 8 million grant to Imperial College to establish a joint programme on structural biology) and the UK focused on developing links in advanced materials, physics and ICT.

43. Access to Japanese research facilities and data is also important to maintaining the strength of the UK science base, particularly as Japan has invested heavily in advanced research facilities and is a participant in major international projects (such as ITER—the experimental nuclear fusion reactor). Access to the Earth Simulator supercomputer in Yokohama helped secure continued UK leadership in the field of climate
modelling, with UK researchers estimating that this put their research one to two years ahead of where it would otherwise have been. Output from the collaboration contributed to the fourth IPCC report and the skills can be transferred to the UK’s own supercomputer (HECToR) through continued partnership with the Japanese. The Japanese contribute around GBP 4 million to run a muon research facility at the Rutherford Appleton Laboratory in Oxford and have just agreed to extend that facility by another five years. An MOU between next generation synchrotrons in the UK and Japan (Diamond and SPring8 respectively) ensures that both countries remain at the forefront of global research and maximises scientific output. Other benefits include the opportunity to work with Japan in complex data heavy areas, such as systems biology and structural biology (eg access to large amounts of structural biology data).

Development Relations

44. The UK has good relations with Japan on development: development was one of four priority areas for the bilateral relationship going forward in the statement signed by PMs Abe and Blair in January 2007. During 2007, the Department For International Development has made substantial investments its relationship with Japanese counterparts, particularly through visits to Japan and contribution to G8 papers, as part of wider efforts to increase engagement with major donor countries.

45. Current signs indicate that the investment is paying off. The Japanese have confirmed that together with Climate Change, Development and Africa will be one of the key themes of their G8 Presidency. Japanese priorities on development fit well with UK government priorities for the G8 Summit: the primacy of the MDGs; the importance of making progress on health systems and education; economic growth; and the fundamental connections between climate change and development.

46. Bilateral cooperation in country is also increasing. Discussions are underway in Ethiopia, Kenya, Rwanda, Tanzania and Uganda to identify areas where the UK and Japan can collaborate more. The UK and Japan have different complementary strengths: Japanese strengths of particular interest are growth, infrastructure and investment and bringing lessons from Asia to Africa. These discussions are important in view of current Japanese ODA reform process—from October 2008 DFID and the Japan International Co-operation Agency (JICA) will be two of the largest bilateral aid organisations in the world.

47. The UK is working closely with Japan on development both within the G8 Presidency and in preparations for the fourth Tokyo International Conference on Africa (TICAD IV) which is being held in May 2008. The results of this will feed into the G8 Summit.

48. Overall despite the fact that the Japanese ODA budget is falling due to its tight fiscal situation and low public support for development, Japan is an important and complementary partner to the UK on development with whom the UK’s relationship is closer than ever before.

Environment relations

Climate Change

49. Prime Minister Fukuda has confirmed that climate change will be the priority theme for the G8 summit, and has pledged to continue “Cool Earth 50”, former PM Abe’s personal climate change initiative. Although other Ministries favour a more ambitious approach, the Japanese approach to climate change has been strongly influenced by the Ministry of Economy, Trade and Industry (METI) which favours a stance based on voluntary agreements and a sectoral approach. They co-ordinated their position very closely with the US throughout COP 13 in Bali in December 2007, and were consistently among the back markers (along with the US, Canada and Australia) in resisting further mention of short-term emissions reduction targets for developed countries.

50. Prime Minister Fukuda moved Japanese policy forward when he launched Japan’s G8 agenda at the World Economic Forum at Davos on 26 January 2008. In his speech, Prime Minister Fukuda proposed:

— Japan would agree, together with other major emitters, to set a post-Kyoto “quantified national target”. This “could be” based on a bottom-up sectoral methodology.
— The 1990 base year and other issues “must” be reviewed to ensure fairness.
— A global target of 30% improvement in energy efficiency by 2020.
— Japan’s “Cool Earth Partnership” would offer $10 billion to work with developing countries in tackling climate change.
— Japan would aim to create with the US and UK a new multilateral fund, and called on other donors to participate.
— Japan would invest US $30 billion in energy R&D over the next five years and set up an “international framework” in order to work closely with international organisations like the IEA.

51. A further agreement along the lines of Kyoto is opposed by the Keidanren, and especially by a group of energy intensive industries (steel, electric power, cement). Their view is that the Kyoto Protocol, with its 1990 baseline and “6, 7, 8” (Japan 6%, USA 7%, EU 8%) target setting was deeply unfair to Japan, which
had considerably better energy efficiency in 1990 than its competitors. This group is resisting any further mandatory target setting, and has instead set itself tough voluntary targets, promising to buy CDM credits if it fails to meet them.

52. The British Government has been active on this issue with Japan. As well as discussions with the government, we have been in contact with business, the media and civil society. With business we have been arguing that the global move to low carbon presents a business opportunity for Japan, with its world class, energy efficient companies. Among our public facing events, we held a joint symposium with the Keidanren in May at which former Foreign Secretary Margaret Beckett spoke; and arranged public presentations by BERR Secretary of State John Hutton MP, the former Chief Scientific Adviser Sir David King and the former Head of the Government Economic Service, Lord Stern.

Whaling

53. Whaling remains a point of contention. This will continue to be the case so long as Japan insists on its right under the Convention for the Regulation of Whaling, to carry out “scientific” whaling. Japan carries out large-scale lethal scientific whaling programmes in the Antarctic and North Pacific. Under JARPA II, (in the Antarctic) Japan announced its intention to take 935 minke whales, 50 Fin whales and 50 humpback whales annually (though the humpback programme was later suspended). The UK is strongly opposed to all lethal whaling, except for some limited subsistence whaling, and works with allies within the International Whaling Commission (IWC) to maintain a majority of the current membership in favour of the international moratorium on commercial whaling. The UK and its allies regained the simple majority at the IWC Annual Meeting in 2007, but continued Japanese recruitment of developing countries puts this at risk.

Death penalty

54. Japan continues to apply the death penalty. There was a de facto moratorium in place during most of 2006, but Japan did not hold de facto abolitionist status. Execution is by hanging and is carried out in secret, with little notification to prisoners and none to their families. Recently however Justice Minister Kunio Hatoyma decided to announce the names of three prisoners executed on 7 December 2007, the first time such details have been disclosed. The UK usually lobbies on the death penalty as part of the EU. The EU raises the death penalty during Human Rights Troika meetings and through démarches.

55. There is an active “Parliamentary League against the death penalty”. The league is planning to submit an abolition bill to the forthcoming ordinary session of the Diet, one of the main points of which will be that life sentences should be introduced as an alternative to the death penalty. The Japanese government justifies its position in favour of the death penalty by reference to strong public support and a rise in violent crimes, although the standard of public safety in Japan is higher and reported crime rates are far lower than in most industrialised countries.

III. REPUBLIC OF KOREA (SOUTH KOREA)

Political Situation

56. The end of the Second World War freed Korea from 35 years of Japanese rule but the country divided into US and Soviet occupation zones along the 38th Parallel. This then acquired semi-permanent status with the onset of the Cold War. The Republic of Korea was founded in the south on 15 August 1948 and the Democratic People’s Republic of Korea (DPRK) in the north on 9 September the same year. On 25 June 1950 the DPRK invaded the South Korea and overran most of the country. A UN Command (UNC) led by the USA was established to defend the South. The war devastated the peninsula. An armistice was signed between the DPRK/China and UNC on 27 July 1953. South Korea’s early Presidents established authoritarian dictatorships but waves of civil unrest eventually led to the first truly democratic elections in 1987.

57. Lee Myung-bak from the centre-right Grand National Party decisively won the December 2007 Presidential election and succeeded Roh Moo-hyun on 25 February, ending 10 years of progressive government. Lee Myung-bak nominated former Finance and Foreign Minister Han Seung-soo (who has close links to the UK) as his Prime Minister.

58. After the last National Assembly elections in April 2004, the progressive Uri Party was the largest party with 152 seats, followed by the conservative Grand National Party (GNP) with 121 seats. In the run up to the latest presidential election the competition between potential candidates led to a major restructuring of progressive political groups with the United New Democratic Party (UNDP) replacing the Uri Party at the centre. Despite the party’s efforts, the UNDP’s candidate was beaten by the GNP’s in the election. Further regrouping of political parties can be expected before the National Assembly elections scheduled for April with the UNDP now merged with the Democratic Party to form the United Democratic Party (UDP).
International security and peacekeeping

59. The 1953 Mutual Defence Treaty between South Korea and the US forms the basis of its alliance with the USA, which ensures security on the Korean Peninsula. The US is re-configuring its presence to a smaller, but more potent force of 25,000 stationed within South Korea. South Korea’s largely conscript army supports this with over 600,000 troops, the sixth largest in the world. The US has other forces in the region on which it could call if necessary. South Korea will assume operational wartime control of its forces in 2012.

60. With a per capita defence expenditure exceeding that of the UK, together with modern and capable defence forces, South Korea has considerable potential as a substantial contributor to international peacekeeping operations. Its desire to play a greater role on the international stage and to maintain its alliance with the US has led to South Korean soldiers being sent overseas to play a valuable and important role in the last six years, albeit rarely on the front line. The transition team for the new Administration recently recommended the creation of a 1,000 strong standing force available for Peace Support Operation (PSO) with the UN by the end of 2008, increasing to a 2,000 strong force by the end of 2012. Currently, under the South Korean Constitution, all deployments of soldiers overseas require the annual approval of the National Assembly. However, it is also likely that new legislation will be proposed during the next twelve or so months that will allow Korea to deploy forces on UN mandated operations without the specific approval of the National Assembly. The success of this legislative change, which will facilitate rapid deployment of Korean forces on UN PSO and which has been attempted three times previously, will very much depend on the size of the government majority after the National Assembly elections in April.

61. Despite its a modern well-equipped military, the potential PSO contribution by South Korea can be over-estimated primarily because her regional security responsibilities take precedence. In addition, South Korea’s forces are largely conscripted and, as a result, are much more closely linked to the civilian population than volunteer professional forces such as exist in the UK. Not only does this result in a higher level of public, and therefore political interest in any potential deployment of the armed forces, but also results in a reduced ability to accept casualties.

Afghanistan

62. In December 2007 all bar one of the last South Korean troops serving in Afghanistan returned home, ending their six-year mission during which they had suffered one fatality. About 50 South Korean army medics and 150 engineers had been stationed in Afghanistan since 2002 to help with reconstruction and rehabilitation efforts, including paving the runway at Bagram airport, expanding major roads and providing medical services to about 259,000 people. The mandate of the deployment had been extended several times. It was due to end at the end of 2008. However, the kidnapping of 23 Korean missionaries/“aid” workers in July and subsequent murder of two of the group by Afghan militants who demanded the withdrawal of the deployment was followed by a South Korean decision to end the deployment early.

63. South Korea remains involved, however, in a small Provincial Reconstruction Team (PRT) in Afghanistan. A group of 20–30 government officials, civilian medical staff and vocational training experts were sent to Bagram airbase in January 2008. The PRT also includes a group of five soldiers formed of two doctors, one chemist, one administrator and one “manager” (a Lieutenant Colonel who will act as the Vice Chief of the PRT). The PRT will provide medical services and vocational training.

Iraq

64. By late 2004 South Korea’s 3,000 troops in the Zaytun Unit made it the third largest contributor of troops to the Multinational Force (MNF) behind the US and the UK. Numbers have steadily dropped since then, with annual cuts the price for gaining three rounds of National Assembly approval for this somewhat unpopular and controversial deployment. In December 2007, the National Assembly agreed to extend the deployment of the Zaytun Unit to Iraq until the end of 2008, cutting the number of troops from 1,008 to approximately 650.

Lebanon/Middle East

65. 358 South Korean troops have been serving as UN peacekeepers in Lebanon since July 2007. The deployment consists of a formed unit of infantry combat troops with some support elements. The deployment is relatively uncontroversial.

Elsewhere

66. There is a possibility that the South Korean Navy may contribute to Combined Task Force (CTF) 150 operations in Indian Ocean. CTF 150, currently commanded by the UK, is a combined naval force employed in counter piracy and anti-terrorist operations in the Middle East. In addition, the Transition Team working for the new administration recently recommended the deployment of Korean forces to assist in the UN mission in Darfur “within the early part of this year”. The expected creation of a 1,000 strong
force for UN operations by the end of 2008 (increasing further to 2,000 by the end of 2012) and attendant changes to the legislative procedures necessary to allow these forces to deploy rapidly, will greatly enhance Korea’s ability to contribute to global PSO.

**UK/South Korea Defence relations**

67. Defence relations between South Korea and the UK are good but our influence is limited, as South Korea’s security remains dependent on the US military presence and security umbrella. The UK retains a role through its membership of the UN Military Armistice Commission (UNCMAC), thereby contributing directly to peace and stability within the region. The UK provides the senior Commonwealth officer through its membership of the UNCMAC (a Brigadier) and a National Liaison Officer (a diplomat).

68. The UK’s primary defence relations objective is to persuade South Korea to contribute more to global PSO and at least to a level commensurate with her world economic ranking. The UK and South Korea hold biennial Defence Staff Talks and share similar views on many security issues, such as counter-proliferation, counter-terrorism, and regional/global security. There is a growing relationship between the Navies, cultivated through high-level contact, Naval Staff Talks, and regular ship visits. South Korea sends students to the UK’s Royal College of Defence Studies and Advanced Command and Staff Course, and there is a developing relationship between our respective defence and security academic institutions. The UK and South Korea have established an ongoing Air Force Cadet exchange programme and a midshipman’s exchange programme is under development.

69. Defence sales remain a significant area of UK interest. The South Korean armed forces—the 6th largest in the world—are in the process of modernising and are likely to offer an increasingly competitive, and potentially lucrative, defence market for UK industry. Specifically, the UK hopes to encourage greater transparency within South Korean defence procurement procedures. Areas of potential for British defence business include maritime surface and sub-surface sub-systems and integration expertise; helicopters and rotary wing sub-systems; aircraft sub-systems, unmanned aerial vehicles; as well as force protection technology for all environments.

70. South Korea has an energetic high-tech defence industry that is keen to grow to become a net exporter. Particular strengths include shipbuilding and armoured vehicle production. It is keen to have its own fifth generation fighter, as well as blue-water submarine and aircraft carrier capabilities, aiming to develop a domestic capability for these by 2020. A key factor in all defence-related contracts is the ability to transfer IPR and ensure domestic Korean production capacity. South Korea is a possible future partner in the TYPHOON project (although EADS and Spain rather than the UK have the responsibility for pursuing this).

**US/South Korea relations**

71. President Roh came to power vowing to loosen the historic ties between the US and South Korea. Nevertheless, at the end of his presidency, the US still maintains nearly 30,000 troops in South Korea and South Korea’s ground forces have a very strong relationship with the US Army. President Lee, however, recognises the importance of the US-South Korea special relationship and has pledged to take steps to strengthen it, although a desire for independence from the US will still remain in some quarters.

72. In April 2007, US and South Korean trade negotiators in Seoul concluded a bilateral free trade agreement (FTA). The trade deal was Washington’s largest since NAFTA, agreed over 10 years ago, and South Korea’s largest ever. The FTA is expected to boost two-way trade, currently over $70 billion a year, by up to 20%. The deal is predicted to add up to 1.99% to Korean GDP and up to 0.2% to US GDP. It has yet to be ratified in either capital.

**EU/South Korea relations**

73. In 2006, the EU became South Korea’s second largest trade partner (with the UK its largest recipient of Korean investment for three out of the last four years) and its largest foreign investor. The EU, therefore, has major direct economic interest at stake in South Korea and is currently negotiating a Free Trade Agreement (FTA) and considering whether to negotiate an updated Framework Agreement, which would demonstrate how its relationship has grown with South Korea. Of particular interest to the UK is the liberalisation of the Korean financial and legal services markets, the lifting of indirect ownership restrictions on telecomms companies and the elimination of whisky tariffs. The issue of whether to include a clause covering Kaesong Industrial Complex (see below) as part of the overall EU/South Korea FTA is under discussion.

74. President Lee is expected to seek to improve and expand relations with the EU, focussing on: maximising economic cooperation (through the conclusion of EU-Korea FTA); improving Korea’s investment environment for the EU (as part of a global policy designed to attract more foreign investors); strengthening cooperation with the EU on key 21st century challenges (energy, environment, fight against terrorism); expanding cultural and education exchanges and cooperating with the EU for a post-nuclear North Korea.
South Korea regional relations

China

75. South Korea’s relations with China are driven by trade worth over $120 billion a year. The political relationship after 15 years of diplomatic relations, however, is becoming more mature and President Lee intends to develop that relationship further. Soon after his election in January, he sent a number of special envoys to key countries, including China.

DPRK

76. Hostilities between the DPRK and the UN ended under the 1953 Armistice, but there is no Peace Treaty. A heavily guarded De-Militarised Zone (DMZ), supervised by the UN Command Military Armistice Commission under the Armistice Agreement, still separates the DPRK and South Korea. A war between the two Koreas, while unlikely, would have disastrous consequences for the Korean peninsula. This scenario is perhaps made less likely as both sides have committed to work for the reunification of Korea. President Kim Dae-jung's Sunshine Policy from 1998 to 2003 led to the first ever Inter-Korean Summit in 2000. It aimed to reduce tension on the peninsula and encourage inter-Korean co-operation. President Roh pursued a similar approach, with great emphasis on economic and tourism co-operation.

77. Over the past 10 years, South Korea has invested more than US $1 bn into infrastructure projects and provided other humanitarian assistance to the North. South Korea hopes that by exposing the DPRK to outside influences, and improving basic infrastructure, the regime will see the benefits of engagement and becoming a responsible member of the global community.

78. President Lee has pledged to take a more cautious but pragmatic stance concerning inter-Korean relations. The key political difference will be Lee’s determination to coordinate his DPRK policy more closely with that of the United States. Consequently, the new government will attempt to link any expansion of existing inter-Korean projects with progress at the Six Party Talks and agreements reached at the 2–4 October 2007 inter-Korean summit will be “re-examined in regard to feasibility, fiscal burdens and public opinion in the south”. Inter-Korean related issues have been categorised by the new South Korean administration into three “baskets”: projects that should be implemented as planned; those dependent on the progress of the denuclearisation process in North Korea (likely to constitute the majority); and finally plans that will be momentarily suspended. Projects with substantial benefit to South Korea will be continued (such as Kaesong Industrial Complex and the tourist resort at Mt. Kumgang). As yet, Lee has shown no particular rush towards the negotiation of a Peace Treaty with his northern counterpart and other interested parties.

79. Lee also proposed, as part of a wider package of government restructuring, that the Ministry of Unification (MOU) be merged with the Ministry of Foreign Affairs and Trade, ending its 40 year history. Lee’s proposals need to be approved by the National Assembly, but he has found resistance from the United Democratic Party, which opposes the abolition.

Kaesong Industrial Complex (KIC)

80. Most assistance from the South has gone into the development of initiatives such as the Kaesong Industrial Complex or the Mt Kumgang Special tourism zone. Many more initiatives—both economic and tourist—were agreed at the Second Inter-Korean Summit 2-4 October 2007, which was followed by numerous official level meetings and several high level visits by Prime Ministers and intelligence chiefs.

81. KIC is located 12km north of the DMZ in the DPRK. It was opened in 2004 under the management of the South Korean company Hyundai Asan to allow South Korean (and other) businesses to manufacture goods using North Korean cheap labour. Currently 22 companies are operating in the complex employing 11,803 North Koreans and 709 South Koreans. By 2020, the plans are to have 2,000 companies employing 350,000 North Korean workers and turning over 20bn USD. There are plans too to include a tourism complex and a zone for biotech and hi tech enterprises eg semi conductors.

82. Working conditions at the KIC have been the subject of much debate from a human rights perspective. Although conditions are much better than those elsewhere in the DPRK, concerns have been raised by a number of human rights organisations about the absence of basic worker’s rights. These include the right to freedom of association and collective bargaining, the right to strike, the prohibition on sex discrimination and sexual harassment, and restrictions on child labour. The DPRK is not a signatory to the International Labour Organisation (ILO). The nominal salary for DPRK workers in Kaesong is US$68 a month—considerably more than they would normally be paid. The problem is that only a part of this gets to the workers with the DPRK government siphoning off the rest. Kaesong is a source of foreign currency income for the DPRK regime and although this may not contravene UNSCR 1718, the lack of transparency is problematic.
DPRK Human Rights

83. To date, South Korea has been hesitant to openly criticise the human rights situation in the DPRK, and has abstained from all UN DPRK human rights resolutions, with the exception of the 2006 related UNGA resolution. Our Embassy in Seoul is working hard to raise the profile of DPRK human rights issues and is sponsoring a South Korean NGO working on North Korean human rights to produce a report on children’s rights in the DPRK, based on refugee testimony. Some 10,000 refugees have settled in South Korea, as South Korea is committed by its constitution to accepting all refugees from the DPRK. These numbers are growing at a rate of around 2000 a year.

Relations with International Organisations

United Nations

84. The appointment of former South Korean Foreign Minister, Ban Ki Moon, as UN Secretary General was viewed by many as heralding South Korea’s arrival on the world stage. South Korea is fully committed to the UN reform agenda, and the need to shape a more efficient, effective and responsive UN, headed by a Secretary-General empowered to run it. South Korea was admitted to the Geneva Group (15 largest contributors to the UN Regular Budget) in 2006 in recognition of its financial contribution (2.2%, UK 6.6%) and its reform credentials.

UK/South Korea relationship

85. The UK’s bilateral relationship with South Korea goes back over a century and 2008 is the 125th Anniversary of the signing of the Treaty of Friendship, Commerce and Navigation between the UK and Korea. The UK recognised the Republic of Korea when it was founded in 1948 and was quick to support UN actions on the peninsula during the Korean War. The UK also played a full part in South Korea’s reconstruction and British know-how helped in the development of the shipbuilding and automotive industries. HM The Queen made a State Visit to South Korea in April 1999 and President Roh paid a State Visit to the UK in December 2004.

86. Cultural and education links with the UK are also thriving. The number of Korean students currently studying in the UK is approximately 20,000. The British Council has been in Seoul since 1973, and now receives over 700 visitors a day, with unprecedented interest in its services. Its English language teaching programme is one of the largest in the world and is set to expand, as the new South Korean government places greater emphasis on English skills.

Trade

87. South Korea is a significant trade and investment partner and is one of 16 countries in UKTI’s High Growth Markets Programme. But it is not an easy place to do business and there is a degree of anti-foreign business sentiment in the country. UKTI’s services are therefore highly valued by the British business community and the team in Seoul is one of UKTI’s top performers world wide.

88. In 2006 (the latest full year for which statistics are available) the UK was Korea’s eighth largest export market and Korea was the UK’s twentyfifth. UK exports to Korea were valued at US$2,976 billion and Korean exports to the UK US$5,635 billion. Major UK exports in 2006 included whisky at US$222 million (by far the most important—in value terms—export from the UK to Korea since 2003 and in the top three for the past 15 years) and medicinal products (US$162 million). In the other direction, mobile phones (US$1.2 billion); ships (ferries, cruise ships and tankers) (US$688 million); and motor vehicles (US$609 million) were the most significant contributor to Korea’s favourable balance of trade with the UK.

<table>
<thead>
<tr>
<th>Year</th>
<th>UK Exports of Services to Korea (£ million)</th>
<th>UK Exports of Goods to Korea (£ million)</th>
<th>UK Imports of Services from Korea (£ million)</th>
<th>UK Imports of Goods from Korea (£ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>784</td>
<td>1,702</td>
<td>265</td>
<td>3,116</td>
</tr>
<tr>
<td>2005</td>
<td>712</td>
<td>1,640</td>
<td>254</td>
<td>3,084</td>
</tr>
<tr>
<td>2004</td>
<td>903</td>
<td>1,451</td>
<td>248</td>
<td>3,128</td>
</tr>
<tr>
<td>2003</td>
<td>462</td>
<td>1,462</td>
<td>186</td>
<td>2,612</td>
</tr>
<tr>
<td>2002</td>
<td>495</td>
<td>1,464</td>
<td>185</td>
<td>2,869</td>
</tr>
</tbody>
</table>

Source: DTI Statistics.

[Note: In 2005 the UK accounted for about 1.2% of Korea’s import market. Biggest exporters to Korea were: Japan (16.5%); China (15.7%) and the USA (10.9%). Korea’s biggest export markets were: China (21%); USA (13.3%); and Japan (8.2%).]
89. UK companies are present in a range of sectors in Korea. We are particularly strong in banking where Standard Chartered (the largest single foreign direct investor in Korea) and HSBC (currently attempting to get a majority share in the Korea Exchange Bank valued at around US$6.3 billion), are particularly high profile. Prudential and Barclays are others in the financial services sector with a strong presence. In retail, Tesco in its collaboration with Samsung is the nation’s second largest supermarket chain and derives around 40% of its overseas profits from its Korean operation. Other notables include Diageo (Korea is the fourth largest market for Scotch Whisky by value), Burberry, Unilever, BAT, AMEC, Rolls Royce, Astra Zeneca, GSK, Shell and BP.

90. In 2006 there were a number of high level official trade-related visitors to Korea from the UK including the Lord Mayor of the City of London, John Hutton (SoS BERR) and Susan Haird (Deputy Chief Executive of UKTI). Korea also receives a large number of senior business figures with Sir David Wright, Sir Thomas Harris, Stephen Green and Sir John Rose all regular visitors.

91. On the investment side, many Korean companies are choosing the UK as the base for their high value European operations. Samsung and LG have long been major investors in the UK and during 2006, LG Electronics relocated their European Headquarters from Amsterdam to Slough. The UK is also the centre for Samsung Electronics’ European operations as well as headquarters and a large R&D facility. In addition, Samsung has a product design centre in Clerkenwell, London. At the end of 2006, Doosan Heavy Industries made a very large investment in the UK (acquiring Mitsu Babcock for USS160m and renaming it Doosan Babcock) and has over 1000 employees across Britain and is Doosan’s technology centre for boiler design and engineering.

Science and Innovation

92. Research links have become an important part of the bilateral relationship and are becoming more so. Korea’s rise from one of the poorer countries in the world to 11th or 12th largest economy in just a few decades has been brought about, in a large part, by the growth and development of a number of technology based industries—semiconductors, steel, shipbuilding, automotive, construction, electronics, nuclear energy. Korea regards further technological developments and innovation as key to future prosperity and both the government and industry invest heavily in R&D.

93. The UK stands to benefit from Korean funding for collaborative research, access to Korea state-of-the-art facilities and working with the best Korean scientists. The UK offers in-depth strengths in most areas of science and a willingness to collaborate on a mutually beneficial basis. The bilateral S&I relationship is based on a UK-Korea Science & Technology Agreement dating from 1985 and a Science & Technology Joint Commission held every two years led by Ministers. The broader umbrella of the UK-Korea Science, Technology and Innovation Partnership (first agreed in 2004) brings industry into the mix and attracts support funding from the trade Ministry (the Ministry of the Knowledge Economy).

94. Korea signed a Science & Technology Agreement with the EU in 2007 and is looking to increase its participation in EU programmes. The relationship with the US is strong and many leading Korean scientists have spent time US, either for their studies or subsequent research. Korea is keen to play a role on the global stage and has joined international projects such as ITER.

95. Korean strengths include nuclear physics, electronics, telecommunications, manufacturing processes and nanotechnology. Biotechnology is a growth area with government and industry treating it as a priority. Korea has an indigenous Space programme and is due to complete its own launch facilities this year and launch vehicle in 2009–10.

Climate Change

96. South Korea is the world’s 11th largest economy and is ranked as one of the OECD’s highest per capita emitters. It is the world’s 10th largest energy consumer—4th largest importer of oil and 2nd largest importer of LNG, and has a key role in the global debate on climate change.

97. It is in the anomalous position of being an OECD member that is non-Annex 1 to the Kyoto Protocol. Thus, it shows more ambition there is a potential role to play in bridging the gap between developed and developing countries. Whilst not a developing country in the traditional sense of the phrase, it is widely seen amongst the +5 countries as setting a benchmark for development and has a per capita GDP rate comparable to some EU member states. Some South Korean officials have expressed strong interest in carbon pricing and trading as a mechanism to reduce emissions levels globally, although widespread scepticism remains. The South Korea government and business are increasingly preparing for a potential domestic trading scheme as well as the possibility of taking on board a commitment post 2012—although concerns over negative impacts on competitiveness pose a considerable obstacle. They are strong proponents of the Clean Development Mechanism and are becoming more vocal in the formal UNFCCC processes.

98. In December 2007, South Korea unveiled a plan to increase the use of new and renewable energy to 9% of the nation’s total energy supply by 2030 (from the current level of 2%). The South Korean government also announced a plan to drastically increase its renewable energy budget in 2006 as part of an effort to adapt
to high oil prices and to encourage the use of environmentally friendly energy sources. Discussions are underway with South Korea on an MoU with the UK on benchmarking climate technologies and carbon pricing and mechanisms.

99. The new President has not yet set a specific agenda for environment and climate change issues, but both areas have been identified as a goal of the new government’s foreign policy. But the Prime Minister, Mr. Han Seung-soo, as special envoy of UN Secretary General on climate change, has voiced criticism of South Korea for failing to take efficient measures against its CO2 emissions. There are also indications that the new government may react to growing international pressure with a more constructive approach on climate change policy—although economic growth will remain the highest priority. Plans for the construction of a trans-Korea canal will also be presented as a contribution to the reduction of air pollution but it will have an enormous environmental impact and there is strong opposition in South Korea—also on grounds of cost.

Development Relations

100. South Korea is a key emerging donor with a great deal of promise. Multilaterally, Korea is stepping up engagement in all fora. Most recently, in January 2008, South Korea was granted observer status with the Multilateral Organisations Performance Assessment Network (MOPAN). Although an OECD member, South Korea is not yet a member of the Development Assistance Committee (DAC).

101. In preparation for joining DAC (planned for 2010), South Korea is substantially increasing its aid volumes and aid effectiveness. Korea’s ODA/GNI ratio is set to grow from 0.09% to 0.15% by 2010 and 0.25% by 2015, bringing volumes of $3-3.5 billion. This would easily put Korea in the top 10 DAC donors in volume terms based on present forecasts. President Lee has pledged to increase South Korea’s ODA, particularly to Africa (although as yet he has not announced any figures).

102. South Korea looks to the UK as a role model for ODA work and has established a close working relationship with the Department for International Development (DFID). Korea is particularly interested in exchanges on evaluation and effectiveness and a policy dialogue is held annually between DFID and the Ministry of Foreign Affairs and Trade (MOFAT). This is a key partnership for the UK in terms of increasing aid volumes, effectiveness and co-operation. Korea has the potential to have considerable impact on the world stage.

Human Rights

103. The death penalty is a divisive and controversial issue in South Korea. As of October 2007, there were 64 people on death row, but an execution has not been carried out since 31 December 1997. South Korea, therefore, gained “an abolitionist in practice” status from Amnesty International on 31 December 2007. A special bill to abolish the death penalty has been introduced three times into the National Assembly (NA), but it has yet to be debated in the National Assembly Legislation and Judiciary Committee. If the National Assembly doesn’t vote for this bill by May 2008, the bill will expire. President Lee, however, is a retentionist, which perhaps reduces the chances of the bill going through the National Assembly by the required deadline. Nevertheless, the UK will continue to take every opportunity to encourage the South Korean government to abolish the death penalty.

DEMOCRATIC PEOPLE’S REPUBLIC OF KOREA (DPRK)

United Nations Security Council Resolution 1718

104. Following the DPRK’s nuclear test on 9 October 2006, the UN Security Council unanimously adopted UNSCR 1718. The resulting sanctions included a ban on the export and import to/from DPRK of goods and technologies that could be used in a WMD programme. It also provided for the freezing of assets of individuals and entities supporting DPRK’s WMD programmes and a travel ban on those individuals. The UK, along with EU partners, has implemented 1718, and encourages others to do the same.

DPRK’s nuclear programmes and international efforts to end it

105. The DPRK’s nuclear weapons and ballistic missiles programmes are the most immediate threat to security in the region. Besides the potential threat to the DPRK’s neighbours (in particular Japan) and the wider risk from onward proliferation, an unchecked DPRK nuclear programme would undermine global non-proliferation norms weakening our ability to counter proliferation elsewhere.

106. The DPRK acceded to the Non Proliferation Treaty (NPT) in 1985, but in January 2003 it stated its intention to withdraw. The UK does not consider the DPRK to have met the withdrawal provisions of the NPT when announcing its departure, though we accept that others recognise that the DPRK has withdrawn. Following that announcement, we halted any bilateral activity, which might be seen to directly
support the DPRK regime, eg economic/technical assistance and trade promotion. We have made it clear to the DPRK that relaxation of these restrictions will not be considered without progress on the nuclear issue and also on human rights concerns.

107. On 10 February 2005, the DPRK publicly claimed to have manufactured nuclear weapons. In February 2007 it acknowledged having extracted plutonium from spent fuel rods (almost certainly removed from the DPRK’s 5-megawatt reactor at Yongbyon). We believe that the DPRK has also tried to develop a uranium enrichment programme for weapons purposes.

108. In addition, the DPRK is also believed to have chemical and biological weapons capabilities. It is not a party to the Chemical Weapons Convention (CWC), but has ratified the Biological and Toxin Weapons Convention (BTWC). It possesses and has tested missiles, which we believe are capable of delivering payloads to all of Japan and beyond. It has also demonstrated expertise in technologies that could, if developed successfully, give its missiles the capability to reach the UK.

109. Since 2003, the DPRK has engaged in the Six Party Talks process with South Korea, US, Russia, China and Japan. In September 2005 the parties agreed a Joint Statement in which the DPRK undertook to abandon its nuclear weapons and programmes and return at an early date to the NPT.

110. Two further agreements followed. The first was on 13 February 2007 and laid out the First Phase Initial Actions for the Implementation of the 2005 Joint Statement. The DPRK met its obligations under this agreement, albeit after a delay while a mechanism was found to release its funds from the Banco Delta Asia in Macau, which had previously been subject to financial measures imposed by the US. The Second Phase Actions were agreed on 3 October 2007. Under this, the DPRK had to disable all its existing nuclear facilities. It also undertook by the end of 2007 to provide a complete and correct declaration of all its nuclear programmes (the US has made clear that this must include any hitherto clandestine programme to produce highly-enriched uranium). In return, it will get further substantial energy assistance and the prospect of further progress on normalisation of relations with the US and Japan.

111. At the time of writing, the DPRK had still not made its nuclear declaration. The sticking points appear to be references to its uranium enrichment programme and the size of its plutonium stockpile and past proliferation activities. Resolution of these sensitive matters will delay release of the declaration. Also, the DPRK claims that it has not received all the oil and other compensation agreed under the Six Party Talks, and that the US needs to remove it from the list of state sponsors of terrorism and to cease application of the Trading with the Enemy Act to the DPRK before it delivers its declaration (the US firmly rejects this). Most of the disablement at Yongbyon has been completed, but the DPRK has slowed the unloading of the nearly 8,000 fuel rods there in response to what it claims is the slowness of other Six Party Talks partners to meet their obligations.

112. The 3 October Agreement leaves for the next (third) stage the big issue of dismantling North Korea’s existing nuclear devices and stockpile of plutonium. Until these are given up the DRPK will remain a nuclear and proliferation threat.

113. Whilst not a participant in the Six Party Talks, the UK and the EU strongly support the process, and both we and the EU have made clear our readiness to assist. The UK and EU also take every opportunity to press the DPRK to honour NPT obligations and to negotiate constructively and in good faith in the Six Party Talks. We will continue to work with the EU and the international community to try to reduce the threat of DPRK WMD proliferation.

EU/DPRK Relations

114. As already mentioned, the DPRK’s nuclear programme and the attendant risks of proliferation is a major threat facing the region. A stable region is vital to protect the EU’s economic interests in countries such as South Korea. Thus, the EU is keen to see successful progress at the Six Party Talks, leading to the denuclearisation of the Korean Peninsula.

115. Following the DPRK government’s call for an end to humanitarian aid in 2005, the EU has been winding down interim arrangements put in place to cover existing projects. The main focus of EU funding is now food security, primarily to tackle chronic malnutrition. The World Food Programme (WFP) is continuing its efforts on a reduced scale, but monitoring food distribution is difficult and concerns remain that not enough food is reaching intended targets, including vulnerable groups such as small children and the elderly.

116. In the absence of any progress following a widely supported condemnatory resolution at the 2003 UN Commission on Human Rights, the EU tabled a second resolution in April 2004. This called for the establishment of a UN Special Rapporteur on DPRK Human Rights. Professor Vitit Muntarbhorn was appointed to this position in July 2004. The DPRK government refused to acknowledge either the resolution or the appointment. The EU tabled a further resolution at the UN CHR in April 2005, which was again adopted by a significant majority. In addition, an EU-sponsored resolution was adopted by UNGA in December 2005 during the UK’s Presidency of the EU, and again in 2006 and 2007.
Relations with International Organisations

UN—Human Rights

117. The DPRK is party to four key UN human rights treaties: the International Covenant on Economic, Social and Cultural Rights (ICESCR); the International Covenant on Civil and Political Rights (ICCPR); the Convention on the Rights of the Child (CRC); and the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). Reports are however regularly submitted late. The UK continues to urge the DPRK government to fulfil its obligations under the human rights instruments to which it is party and to allow UN special representatives to visit the country, including Special Rapporteur, Vitit Muntarbhorn. The UK strongly opposed any move to drop the DPRK Rapporteur’s mandate at the Human Rights Council in June 2007, and worked closely with partners to ensure it was not weakened or abolished.

United Nations Development Program (UNDP)

118. UNDP suspended its operations in the DPRK in 2007 following suspicions that in 2006 funds in the DPRK were misspent and used to purchase “dual use” items (GIS equipment, computers and a spectrometer). These questions are still being investigated.

UK/DPRK relationship

119. Despite our strong condemnation of DPRK’s poor human rights record, we have maintained an Embassy in Pyongyang since 2001. Despite the difficult circumstances in which our staff operate, they have regularly and frankly imparted our concerns about nuclear proliferation and human rights to senior DPRK officials.

120. The UK has a policy of carefully targeted engagement with the North Koreans. It sets out to support the Six Party Talks in order to ensure early denuclearisation of the Korean peninsula, as well as considering ways to counter the wider threat that the DPRK poses to regional stability in North-East Asia. It also outlines our efforts to challenge human rights abuses in the DPRK and explores ways to improve the overall flow of information into and out of the DPRK on human rights issues. Our aim is to work for a positive change in the DPRK by exposing the country to external thinking and alternative models of economic and social organisation.

English Language Training

121. The FCO has funded a British Council-run programme to provide English language training to North Korean trainee teachers and students at three Pyongyang universities since 2003. This programme is welcomed by the DPRK government. Each year some trainee teachers are given the opportunity to visit the UK as part of their course, which provides an excellent opportunity for them to experience British culture at first hand.

122. Through the British Council, we have also arranged English Language Training courses in the UK for mid-ranking officials from various DPRK Ministries. Again, this has enabled us to expose those who may hold influential positions in the future to external thinking.

Trade

123. We have considered the possibility of expanding UK trade links with the DPRK, for example, by notifying UK business of Trade Fairs held in Pyongyang twice a year. However, UKTI ministers on advice from the FCO decided in 2002 that all trade promotion activity by HMG should be suspended until the DPRK nuclear issue was resolved. Some EU partners, on the other hand, argue that trade relations are an important part of bringing the DPRK out of its isolation. While the DPRK has certainly made some positive moves in relation to the nuclear issue, it is a long way from being resolved. We therefore continue to feel that for now we should uphold the existing trade policy, but bring this under review if there is significant progress on the nuclear issue.

Human rights

124. The DPRK is widely considered to have one of the worst human rights records in the world. Much of the evidence for this record comes from North Korean defectors, who are also referred to as refugees, escapees or border crossers, who provide shocking reports of serious and widespread violations of basic human rights in the DPRK. The alleged abuses include: abductions and disappearances; arbitrary detention and imprisonment for up to three generations of the same family; regular use of the death penalty (including political and extra-judicial and public executions); routine use of torture and inhumane treatment; forced
abortions; political prison camps and labour rehabilitation camps; extreme religious persecution; and chemical experimentation. Foreign observers in Pyongyang have been able to confirm directly harsh restraints on freedom of information.

125. The DPRK has repeatedly invoked sovereignty, non-interference and cultural differences to avoid its human rights responsibilities. Humanitarian aid workers and diplomats in Pyongyang are subject to severe internal travel restrictions and some 20% of the counties in the DPRK remain inaccessible “for reasons of national security”. The government denies foreign diplomats access to judicial institutions, saying that it amounts to interference in the country’s internal affairs. These restrictions, coupled with the government’s self-imposed isolation and unwillingness to co-operate with the international community on human rights, make it difficult to compile evidence regarding human rights abuses.

126. We have made it clear to the DPRK government that we cannot extend the benefits of a full and normal bilateral relationship until we have evidence that it is addressing our concerns on issues such as human rights. We will continue to raise human rights issues directly with the government and voice our concern in international fora. Until the DPRK responds to international concerns, the UK will work with EU partners and others to maintain and increase pressure in the appropriate international bodies.

Broadcasting

127. Anecdotal evidence from refugees suggests that increased numbers of illegal radio sets are being smuggled in to the DPRK from China, and that more people are listening to foreign radio broadcasts. Refugees have often said that this has been a factor encouraging them to leave the DPRK.

128. The UK has explored the possibility of the BBC World Service broadcasting Korean language programmes into the DPRK, based on the assumption that such a broadcast would not be jammed. The BBC produces no Korean service at present. The World Service has concluded that it would be difficult to make a robust business case for this service in the current financial climate and given the difficulty in measuring impact. US radio services VOA and RFA already have Korean language broadcasts and do not operate under the same restrictions as the BBC in having to justify audience numbers. It is likely, therefore, that the US will continue to lead the way forward in this area.

March 2008

Submission from the Royal United Services Institute for Defence and Security Studies

JAPAN’S CONTRIBUTION TO INTERNATIONAL SECURITY AND PEACEKEEPING

I. Summary of findings

1. The primary mission of the Japanese Ministry of Defence is still the defence of the Japanese home islands.

2. Changes in Japan’s security environment since the 1990’s have caused major shifts in traditional Japanese security policies, though these shifts remain at odds with conservative elements of the Japanese population who continue to resist changes to the pacifist constitution.

3. Policy-makers now seek to normalise Japan’s military status in two different ways: as a reliable partner with its main ally the US, and as a responsible member of international society through active participation in the United Nations.

4. International Peace Cooperation Activities have become the primary mission abroad for Japanese forces.

5. Japanese peacekeeping forces are still hobbled by Diet-imposed rules related to interpretations of the pacifist constitution.

6. In addition to peacekeeping, Japanese forces are deployed in support of the US Global War on Terror (GWOT).

7. Elements of the Japanese government and LDP are trying to draft a General Law to replace the ad hoc laws on supporting missions for the GWOT.

8. Japan is playing a large role in Afghanistan, both as a provider of official development aid to the Karzai government but also as an active development partner.
9. Japan is seeking closer ties with NATO and is carrying out more joint activities with NATO.

10. Japan is developing an interest in the theory and practice of the comprehensive approach and has sent a number of observers, academics, and officials to the West to learn more about civil-military co-operation (CIMIC) activities.

11. Japan is at a crossroads. It has been shifted by events, by its main ally, and by its leaders, from its Cold War position of strong economic policies combined with passive security and foreign policies.

12. Although policy-makers display a desire to be involved in world affairs like a “normal” country, there remain significant sections of Japanese society uncomfortable with the implications of the changes.

II. Findings in more detail

1. The primary mission of Japan’s defence forces remains the defence of the home islands of Japan. According to the 2007 Defense of Japan White Paper, Japan is making efforts to develop its defence capabilities in line with the present Constitution, while abstaining from any action that causes military unease in the region. Japan will continue to follow the three main strands of military policy, including civilian control of the military, observation of the Three Non-Nuclear Principles, as well as maintaining the current Japan-US Security arrangements.

2. Changes in Japan’s security environment since the 1990’s have caused major shifts in traditional Japanese security policies. The Yoshida Doctrine, named after the post-war prime minister who formulated it, was gradually overturned by several events. This policy of focusing Japan’s foreign policy efforts into the economic sphere, while relying on a US defence and nuclear posture was eroded by a sequence of events:
   (a) US and international pressure on Japan after the first Gulf War in which Japan was severely criticized for “cheque-book diplomacy”, rather than risking its own troops in combat or peacekeeping missions.
   (b) The revelation in 1994 in a Japanese newspaper that an undetermined number of Japanese nationals had been abducted from the Japanese mainland by special teams of North Korean agents. These citizens were to be used to train North Korean spies in Japanese language and customs so that they might pass as Japanese abroad.
   (c) The first phase of the North Korean nuclear crisis 1992–95.
   (d) China’s missile-firing exercises, naval and air force live-fire drills and integrated ground, naval, and air force exercises off the strait of Formosa, indicating Chinese resolve toward the Taiwan issue.
   (f) The discovery of at least two submarine craft from North Korea in South Korean coastal waters in 1998.
   (g) The discovery in 1999 of a spy vessel off the Japanese Noto Peninsula.
   (h) The discovery of submerged Chinese submarines near Okinawa in 2006 (the Kitty Hawk incident).

3. Policy-makers now seek to normalise Japan’s military status in two different ways: as a reliable partner with its main ally the US, and as a responsible member of the United Nations. In 2004, Japan formulated the National Defense Program Guidelines (NDPG 2004), which set two objectives for Japan’s security: to prevent any threat from directly reaching Japan, and to improve the international security environment. This was to be realized by the Mid-Term Defense Program (MTDP) for fiscal 2005 to fiscal 2009. This has been the mechanism enabling Japan to build up its defence capability. As of 2007, Japanese defence doctrine has also emphasized responding to new threats and diverse contingencies, including responding to terrorist/insurgent attacks, as well as enhancing counter-missile abilities through intelligence-gathering, warning, and surveillance.

4. Peacekeeping has become the primary mission abroad for Japanese forces, although Japanese peacekeeping forces are still hobbled by Diet-imposed rules related to interpretations of the pacifist constitution. Following Japan’s first deployment of election monitors in 1992 to Angola, Japan has deployed an increasing number of peacekeeping operations (PKO), election monitoring operations (EMO) as well as disaster relief operations (DRO). The two laws passed that made these missions possible are the International Peace Cooperation Law and the Law Concerning Dispatch of International Disaster Relief Teams which both came into force in 1992.

1 Japan shall neither possess nor manufacture nuclear weapons, nor shall it permit their introduction into Japanese territory.
Country & Mission Type & Term

Angola & EMO & 1992
Cambodia & PKO & 1992–93
Mozambique & PKO & 1993–95
Rwanda & PKO/DRO & 1994
El Salvador & EMO & 1994
Golan Heights & PKO & 1996
Honduras & DRM & 1998
Bosnia & Herzegovina & EMO & 1998–2000
Turkey & DRO & 1999
East Timor & PKO/DRO & 1999
Kosovo & EMO & 2001
India & DRO & 2001
East Timor & PKO & 2002–04
Iran & DRO & 2003–04
Thailand & DRO & 2004–05
Indonesia & DRO & 2005–06
Pakistan & DRO & 2005
Russia & DRO & 2005
Syria Golan Heights & PKO & 2007–08
Nepal & PKO & 2007–08

5. Japanese peacekeeping forces are still hobbled by Diet-imposed rules, related to interpretations of the pacifist constitution. According to a Japanese government official, restrictions placed on Japanese PKO missions make them frustrating partners for other countries. When the Liberal Democratic Party (LDP) tried to push a PKO law through the Japanese Diet in 1990, it was blocked by opposition parties; the resulting 1991 law was the result of political compromises with other coalition partners, which necessitated the watering down of the law. In addition, there is a conservative anti-militarist culture in the Cabinet Legislation Bureau, which checks all draft legislation to ensure it is constitutional before it is submitted to the Diet. The International Peace Cooperation Law contains “the Five Principles”, which specify the conditions under which Japanese forces may be deployed in PKO missions:

(i) A cease-fire accord must have already been reached.
(ii) Japan’s participation must have the consent of all parties to the conflict.
(iii) The UN mission must be carried out with complete impartiality.
(iv) Japanese personnel must withdraw if the above three conditions are not met.
(v) Japanese personnel can only use firearms to defend themselves or personnel under their protection.

6. In addition to peacekeeping, Japanese forces are deployed in support of the US Global War on Terror (GWOT). These missions have been legalised in two important ad hoc laws called the Anti-Terrorism Special Measures Law and the Law Concerning the Special Measures on the Implementation of Humanitarian and Reconstruction Assistance and Support Activities for Ensuring Security in Iraq. The “Anti-terrorism Law” was passed in November 2001 in response to the events of September 11. This law provides for the deployment of Self Defense Forces (SDF) to cooperation and support activities, search and rescue activities, and disaster relief for affected people. According to the law, the SDF can operate in Japan, on the high seas, in space, and in countries which allow Japan’s involvement. The international community, led by the US, implemented Operation Enduring Freedom (OEF)- Maritime Interdiction Operation in the Indian Ocean to block terrorists from escaping using marine routes, and to prevent the proliferation of weapons, ammunition, and narcotics. Japanese supply vessels and Aegis destroyers have been involved in the delivery of water and fuel to allied vessels, the conducting of search and rescue activities, and finally, the delivery of supplies for refugees when requested by the UNHCR. In January 2008, Prime Minister Yasuo Fukuda was able to force through an extension of the Anti-Terrorism Special Measures Law despite the opposition of the Democratic Party of Japan (DPJ), which had threatened to block the law with its hold on the Upper House. In order to do this, Fukuda employed a rarely-used overriding power to push the law through, expending a lot of time, energy, and political capital in the process. Although Fukuda is a pan-Asianist in his foreign policy outlook, he has made a point of simultaneously strengthening ties with the US. The Iraq Reconstruction Law was passed in July 2003 in response to the adoption of UN Security Council Resolution 1483 in May of that same year. The first contingent of GSDF was deployed in Samawah, Iraq in January 2004 to carry out reconstruction and medical relief, while MSDF and ASDF units carried out logistical missions, bring supplies from Japan to Kuwait, and serving as in-theatre airlift component for coalition forces.

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2 The Socialist Party and the Japan Communist Party (JCP) have been instrumental in transforming an anti-military culture into a political ideology.

3 One of the LDP’s coalition partners is the Komeito party, which has as its support base the Buddhist religious organization (Souka Gakkai), which has strong pacifist leanings.
7. Elements of the Japanese government and LDP are trying to draft a new “General Law” to replace the Anti-Terrorism Special Measures Law for supporting missions for the GWOT. In January 2008, two task forces were established to draft a new General Law which will replace the current arrangements. One is within the LDP, while the other is within Government, chaired by the Cabinet Office, containing representatives from the Japanese Ministry of Defense, the Peacekeeping Operations Bureau (an adjunct to the Cabinet Office), and the Ministry of Foreign Affairs. Since the current law is due to expire by January 2009, Fukuda must try to pass this new “General Law” before then.4

8. Japan is playing a large role in Afghanistan, both as a provider of economic assistance to the Karzai government, but also as a development partner. Japan’s initial role in dealing with Afghanistan was coordinating the economic sphere so that the new Karzai government would not be starved of funds. In January 2002, Japan held the International Conference on Reconstruction Assistance to Afghanistan in Tokyo. Since then, Japanese official development aid (ODA) has totaled US$1.2 billion.5 In addition, Japan held two more fund-raising style conferences, the First and Second Tokyo Conference on the Consolidation of Peace in Afghanistan in 2003 and 2006. The costs of Japan’s assistance can be broken down in the following ways:

**PEACE PROCESS - SUPPORT FOR GOOD GOVERNANCE (APPROXIMATELY US$165 MILLION)**

*Administrative Cost Assistance*
- 2001 The Afghan Interim Administration Fund (US$1 million)
- 2002 Assistance to Emergency Loya Jirga (approximately US$2.7 million)
- 2002 The Afghanistan Reconstruction Trust Fund (approximately US$5 million)
- 2002 Supply of Office Equipment for Transitional Administration (approximately US$500,000)
- 2002 Grant Aid to Support Improvement of Economic Structure (approximately US$49 million)
- 2003 Assistance to the constitutional process (approximately US$750,000)
- 2005 Grant Aid to Support Improvement of Economic Structure (US$10 million)
- 2006 Sector Project grand aid (US$24 million)
- 2007 Sector Project grand aid (US$13 million)

*Media Assistance*
- 2002 Improvement of TV broadcast equipment in Kabul (approximately US$19 million)
- 2003 Information Communication in Vulnerable Communities (US$370,000)
- 2002 Improvement of TV broadcast facilities in Kabul (approximately US$6.5 million)

*Election Assistance*
- 2004 Afghanistan Voter Registration Project (approximately US$8.2 million)
- 2004 Assistance to the Presidential Election (approximately US$8.8 million)
- 2005 Assistance for the Lower House and Provincial Council Elections (approximately US$13 million)

**IMPROVEMENT OF SECURITY (APPROXIMATELY US$209 MILLION)**

*DDR and DIAG*
- 2003 Partnership for Peace (approximately US$34 million)
- 2004 Assistance for Afghanistan’s New Beginning’s Programme (approximately US$ 25 million)
- 2005 Assistance for Afghanistan’s New Beginning’s Programme (approximately US$ 26 million)
- 2006 Assistance to National Solidarity Programme (approximately US$ 5 million)
- 2006 Programme for Support of the Integrated Disbandment of Illegal Armed Groups Initiative (approximately US$ 29 million)

*Mine Countermeasures*
- 2002 Procurement of demining equipment (approximately US$15 million)
- 2002 Procurement of artificial legs provision and educational activities on land mines for land mine victims (approximately US$1 million)
- 2002 Necessary expense for demining activities (approximately US$2.8 million)
- 2003 Research Project for developing mechanical machines (approximately US$590,000)
- 2003 Research Project for developing mechanical machines (approximately US$5.2 million)

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4 Exchange with unnamed Japanese government official.
5 Japan’s Contribution to Afghanistan—Working on the Frontline in the War on Terrorism, Ministry of Foreign Affairs, 2007.
Ev 76  Foreign Affairs Committee: Evidence

Counter-narcotics
2002 Support for implementation of the project to reinforce drug control (US$500,000)
2004 Capacity-building for narcotic demand reduction (approximately US$1 million)
2006 Counter-narcotics Trust Fund (US$5 million)

Support for Police
2003 Improvement for Police equipment (approximately US$2.3 million)
2004 Improvement for Kandahar Police equipment (approximately US$900,000)
2005 Improvement of the equipment for Mazar-e-Sharif Police (approximately US$1 million)

RECONSTRUCTION ASSISTANCE (APPROXIMATELY US$ 668 MILLION)

Infrastructure Development
2002 Primary road rehabilitation from Kabul to Kandahar (approximately US$6.3 million)
2002 Road rehabilitation from Kandahar to Spin Boldak (approximately US$15 million)
2003 Rehabilitation of the public transportation system in Kabul city (approximately US$18 million)
2003 Construction of trunk road in northern Afghanistan (from Mazar-e-Sharif to Khulm) and international road bound for the border of Uzbekistan (from Naibabad to Hayratun) (approximately US$20 million)
2003 Improvement of equipment for Kabul International Airport (approximately US$2.7 million)
2004 Improvement of trunk road in northern Afghanistan from Kandahar to Heart (approximately US$89 million)
2005 Construction of the terminal at Kabul International Airport (approximately US$26 million)
2006 Improvement of equipment for Kabul International Airport (approximately US$20 million)
2007 Improvement of Kabul Road Engineering Center (approximately US$7.2 million)

Public health/medical assistance
2002 Medical Equipment and medicine (US$15 million)
2002 Infectious diseases prevention for children (approximately US$9.8 million)
2006 Integrated Child Survival Project (approximately US$3.8 million)

Support for Education
2002 Back-to-school campaign (US$5 million)
2004–05 Construction of basic education facilities (approximately US$22 million)

Assistance for Afghan Refugees and Displaced Persons
2002–04 Ogata Initiative (approximately US$86 million)

Agricultural/Rural Development
2004 Project for Balkh river basin integrated water resources management (US$ 10 million)
2004–05 National Solidarity Programme (NSP) (US$21 million)
2005 Regional development for sustainable peace (US$17 million)

Other Assitances
FY Grant Assistance for Grass-roots Human Security Projects (approximately US$49 million)
2002–06
2002–06 JICA’s technical assistance, training (approximately US$100 million)
2003–05 Preservation Project for Bamiyan ruins (approximately US$3 million)
2005 Improvements of the exhibition equipment of Kabul National Museum(approximately US$360,000)
2005 Support to Afghanistan National Development Strategies (approximately US$140,000)

9. Japan is seeking closer ties with NATO and is carrying out more joint activities with NATO. The growth of working relationships between NATO, South Korea, Australia, and Japan has led some Japanese policy-makers to wonder if NATO membership will be extended to Pacific states. As a small part of the larger debate on NATO’s remit and mission statement, enlargement is likely to be discussed at the Bucharest Summit6 in April. According to a Joint Press Statement made by Prime Minister Fukuda and Secretary General of NATO, Jaap de Hoop Scheffer in Tokyo on December 13, NATO and Japan have a mutual sense of responsibility towards global security challenges. They also “share common values”. Both countries recognised the vital role that each was playing in the stabilisation and reconstruction of Afghanistan, and that in working together in-theatre, the long-standing relations between the two powers have reached a new

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6 April 2008. As this summit is meant to be inclusive, high level delegations from the above-mentioned Pacific states are likely to attend.
phase. It has been argued that since the JMOD is not in Afghanistan, the Ministry of Foreign Affairs and Japan International Cooperation Agency (JICA) must work more closely with NATO. The Joint Press Statement goes on to list a number of bilateral achievements between NATO and Japan including:

- Reinforced high-level policy dialogue, including Prime Minister Abe’s January 2007 visit to Brussels, the 7th Japan-NATO High Level Consultations held in Tokyo in March, and this visit by the Secretary General, the second in two years.
- The participation of Japanese government officials in various NATO-hosted events, seminars, and conferences.
- The establishment of a framework for humanitarian assistance to Afghanistan through Japanese grant aid for grassroots projects in cooperation with NATO Provincial Reconstruction Teams (PRTs). 13 projects have been initiated under this framework.
- The appointment of a Japanese liaison officer at its Kabul Embassy, to deal with the Office of the NATO Senior Civilian Representation.

Further cooperative activities include the participation of Japanese Self-Defense Forces in courses at the NATO Defence College in Rome.

10. Japan is developing an interest in the theory and practice of the comprehensive approach and has sent a number of observers, academics, and officials to the West to learn more about CIMIC activities. RUSI has hosted a number of meetings for Japanese government officials as well as academics with official backing from the Japanese Ministry of Foreign Affairs and Ministry of Defense. In addition, the UK’s Stabilisation Unit has hosted an equally large number of Japanese officials and academics for similar reasons and high-ranking Japanese MOD officials have attended the Comprehensive Approach training course in Swindon over two days in January 2008. These visits were not restricted to the UK alone, but have included other countries in Europe that are practising various forms of CIMIC work or civil military affairs, including Sweden and Holland.

According to an unnamed Japanese Ministry of Defense official, “CIMIC work has Japanese characteristics, since it incorporates defence work with civilian planning and diplomacy.” One does not rely on military strength alone.” The Japanese MOD has not yet begun to work closely with the Japanese development agency JICA, but a MOD report published in 2007 on lessons learnt in Iraq is bound to have an impact. At the moment, JICA is not a ministry, but merely a part of MOFA, which initiates the planning with JICA carrying it out. However, according to an unnamed Japanese diplomat, there is a movement towards JICA control. What level of control remains unclear; it could range from JICA becoming a Ministry, to JICA merely getting more of a say in planning operations.

There are two training centers dedicated to developing PKO and CIMIC skills in Japan: the Lessons Learned Unit and the Central Readiness Force.

III. Analysis of Findings

11. Japan is at a crossroads. It has been shifted by events, by its main ally the United States and by its leaders from its Cold War position of strong economic policies combined with passive security and foreign policies. The expression of this shift has been a dramatic growth in active peacekeeping missions with the UN from the 1990s and participation in the US Global War on Terrorism since 2001. Japan’s development agency JICA is also playing an extremely active development role in Afghanistan through the distribution of ODA and support operations. The Ministry of Foreign Affairs probably has the most consistent and highest profile on human security, going back to 1997–98 when Prime Minister made a speech on it. The Japanese Ministry of Defence has a host of different reasons for supporting the expansion of Japanese CIMIC and peacekeeping. Part of this support from within the JMOD comes from old-style nationalism, some of it comes from defence nerds, who think that if the job is to be done correctly, it should be done by the JMOD, some want value for money, the Japanese taxpayer pays for the SDF (“let them earn their pay”), and some of it is based on the Japanese desire for international recognition, the desire to do the right thing, and a Permanent UN Security Council seat.

12. Although Japanese policy-makers display a desire to be involved in world affairs like a “normal” country, there remain significant sections of Japanese society uncomfortable with the implications of the changes. Critics of these changes say that the fall of the Abe administration is proof of this electoral disapproval, though there is a strong case that Abe fell because a large number of scandals involving his cabinet and for putting foreign policy concerns ahead of domestic ones, rather than for the content of his foreign policy. The relationship with the US remains a strong, but complicated factor in Japanese politics. As always, the alliance has its domestic critics, but the alliance experiences waves of strong electoral support (particularly after regional crises concerning China or North Korea). Although support for UN-backed missions is higher than support for US-backed missions, there is a lack of widespread knowledge or

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7 This is taken to mean combined planning of diplomacy, development, and defence in hot stabilisation regions like Afghanistan.
8 Source: unnamed UK official.
9 Paraphrased.
10 Anti-Japanese riots in 2005 took place in several major Chinese cities when Japan announced it had joined a group on UN Reform of the Security Council membership.
11 North Korea’s nuclear ambitions and missile technology have often been implicitly or explicitly aimed at Japan.
concern with UN activities in Japan. Japanese political elites, LDP think tanks, and government officials support Japan maintaining a strong relationship with the United States, while opening Japan up to activities and membership within multilateral organisations. Japan has moved closer to NATO recently for a number of reasons which reveal the political context in which Japan moves. The first reason is to counterbalance the military rise of China, which Japan views with real consternation. China’s growing naval strength concerns Japan as it is heavily dependent on open sea routes for trade and natural resources.\footnote{This is despite strong trade links and growing ties.} The second reason is that a more formal relationship with NATO would change the nature of Japan’s relationship with the United States to something more akin to what the United Kingdom has developed with the US: a multilateral partner, rather than a bilateral partner. The third reason is that Japan wishes to gain prestige for acting as a good global citizen, both as a security provider and as a security consumer. Despite the tone of this report, real change in Japanese security thinking is likely to be gradual compared to Western political standards, and if these changes are to be carried out successfully, they will need to be more closely linked to public sentiment in Japan. Policy-makers in Japan who try to move too quickly before gaining the support of the electorate are bound to provoke a backlash.

March 2008

Submission from Dr J E Hoare

I am J E Hoare. I received my PhD in Japanese history at the School of Oriental and African Studies in 1971. By then, I was a member of what is now Research Analysts of the Foreign and Commonwealth Office, which I joined in 1969. For most of the following 33 years in the Diplomatic Service, I worked on matters relating to East Asia, apart from a spell between 1977–81, when I worked on South and South East Asia. I served as HM Consul and Head of Chancery in Seoul, Republic of Korea 1981–85, and did a short spell there as Head of the Political Section in 1997; HM Consul-General and Head of Chancery in Beijing, People’s Republic of China 1988–91, and I was Chargé d’Affaires and HM Consul-General in Pyongyang, Democratic People’s Republic of Korea 2001–02. I spent a year at the International Institute for Strategic Studies 1992–93. Since I retired in January 2003, I have been engaged in occasional teaching, broadcasting and writing about East Asia—mainly but not exclusively about the DPRK. I have authored or edited numerous books on the area, including several with my wife, Susan Pares, who is also a former member of the Research Analysts, and who served in the Beijing Embassy in 1975–76. We last visited the ROK in 2003, and the DPRK and the PRC in 2004.

THE EFFECTIVENESS OF BRITISH DIPLOMACY IN EAST ASIA

So all my adult life I have worked on East Asia both professionally and as a hobby. My original work for my PhD was on Japan in the nineteenth century. At that point and up until the mid-1930s, Britain was still the main Western power in East Asia, with extensive economic and security interests in China and Japan, although not in Korea, which had always been something of a backwater as far as Britain was concerned. Even in the 1930s, however, Britain’s position as the leading Western country in East Asia was steadily giving way to the US, while Japan, with Korea as a colony, was increasingly dominating the China. Post World War II, Britain’s influence waned. Japan and South Korea were firmly in the US orbit. Although the absence of US diplomatic relations with China until the 1970s, and the British presence in Hong Kong, appeared to make Britain important in East Asia, this was largely illusory. Britain never had more than a subordinate role in Japan or Korea. Even in Hong Kong, British firms lost ground to their US counterparts and agencies of the US government ignored British rules about not using Hong Kong as a base for operations against China. Well-qualified diplomats and active British Council programmes could not compensate for the lack of political or, relatively speaking, economic power. In Britain itself, East Asia generally faded from view, except at times of crisis such as the Korean War and the Cultural Revolution in China, and from the 1970s onwards, the issue of prisoners of war of the Japanese. Academic coverage was limited. Reasonable on China and Japan, especially after the Scarborough and Hayter reports, it was limited to one post on Korea at SOAS until the late 1980s.

In East Asia, Britain was seen as close to the US politically, not very successful as a trading nation and not very interested in Asia—the closure of university departments of East Asian Studies and the decline of resident journalists in recent years have tended to confirm this lack of interest. There was—and often still is—a sentimental picture of a country shrouded in Dickensian fog, populated by gentlemen (ladies rarely featured) who maintained high standards of dress and were always courteous; North Korean school and university students were still repeating such views four years ago.

Efforts are of course were and are made to counter these somewhat old-fashioned perspectives. British culture in all its aspects is promoted by the FCO and the British Council, as well as by enterprising entrepreneurs. Strenuous efforts are made to promote Britain as a trading partner and as a source of innovation and design.
At the same time, “British imperialism”, rapidly forgotten at home, was still remembered in Asia. Hong Kong was one reminder, and the Chinese had not forgotten how Hong Kong was acquired—as late as 1990 a young Chinese official in Beijing, on whom I had called seeking support for a British initiative on drugs, responded to my presentation “Ah yes, Dr Hoare, the Chinese and the British have long had a special relationship over drugs!”, at which we both grinned. In the 1960s, South Korea’s then president, Park Chung Hee, made speeches in which he blamed the Anglo-Japanese Alliance and the British for Japan’s takeover of Korea. That alliance was remembered with more affection in Japan but even there, the manner of its ending in the early 1920s was remembered with distaste. Yet in Britain I would be surprised if, outside of specialist circles, any of these events are remembered at all.

Efforts are of course were and are made to counter these somewhat old-fashioned and mistaken perspectives. British culture in all its aspects is promoted by the FCO and the British Council, as well as by enterprising entrepreneurs. Strenuous efforts are made to promote Britain as a trading partner and as a source of innovation and design. World Service radio and television broadcasts are beamed to East Asia, although the only vernacular broadcasts are in Chinese. I do not think that I met one person, outside the expatriate community, in South Korea who admitted listening to the BBC, though things may have changed since the 1980s. The impact was greater in China, probably because of the vernacular broadcasts; few seemed to listen to the English-language broadcasts, although there may have been a small audience among those who studied abroad. In North Korea, only those with a very strict need to know clearance could have official access to foreign broadcasts. Several of the officials that I dealt with in the Ministry of Foreign Affairs and the Ministry of Foreign Trade clearly could listen but few seemed to choose the BBC. As one MFA vice minister put it—despite the hostility between North Korea and the US—“Voice of America has so much more about Korea”. In North Korea, British newspapers and journals, especially technical papers, were willingly taken. We gave The Times to the European Division of MFA, and The Guardian to the Association for Friendship with Foreign Countries. The MFA asked us to send the paper wrapped not because they should not be receiving it but because if other officials saw it, they would take it for their own use. We even gave the MFA Private Eye, but nobody ever commented on that. In both Koreas, British films, videos and DVDs could also be used to good effect. In North Korea, of course, audiences were carefully chosen, but the effect was still there.

The most successful of all ways of combating old-fashioned views of Britain is scholarships and training in the UK. Here one is always up against the greater financial power of the US, and the fact that generally US institutions are better known that British ones—Oxford and Cambridge excepted. There was also in both South Korea and China a lingering negative effect from the heavy increases in student fees in the early 1980s, an effect which persisted despite scholarship schemes and other forms of assistance. Nevertheless, schemes like the Chevening scholarships have had a very strong impact.

Generally, Britain is now thought of as part of the European Union. Some realise that in certain areas, EU members act independently but others are confused by this. I think, for example, that the North Koreans have been confused by the strange mix of unity and diversity that has marked policy towards the DPRK. Some countries, including Britain, established relations in 2000 and others soon after, but Ireland not until 2003, and France not yet—where is the Common Foreign and Security Policy? Both Koreas thought that these diplomatic moves were the sign of a policy developing policy on Korea independently of that of the US, and both had been disappointed that this has not proved the case as far as supporting the developing rapport between the two on the Korean peninsula.

**Japan and South Korea’s contribution to international security and peacekeeping**

Japan’s constitution has been regarded as inhibiting any action that went beyond strict self-defence, and this was used until very recently to justify not sending Japanese forces overseas to protect international security and peacekeeping. While some politicians have wished to see changes, arguing that the 1947 Constitution which contains Article 9 limiting Japanese forces to self defence was imposed by the US and is inappropriate in the contemporary world, there seems to be still a popular groundswell of support for maintaining the constitution—in the words of one mother at a proposal to send SDF forces abroad in the early 1990s, “My son did not join the Self-Defence Forces to get killed”. There is also considerable regional objection to Japan becoming a “normal country”, with regular armed forces. However Japan has moved towards involvement in peace keeping while trying to avoid combat involvement, resenting the assumption that Japan would pay rather than fight. This trend will continue.

South Korea has sent forces overseas on several occasions, including the Vietnam War—it was a common, if inaccurate, comment that both President Chun Doo Hwan (1980-88) and President Roh Tae Woo (1988–1993) had made most of their foreign contacts down the barrels of guns in Vietnam. Such involvement has had less to do to a commitment to internationalism than a desire to keep in with US wishes and those increase the US commitment to South Korea. Thus the immediate past president, Roh Moo Hyun, has indicated that while he did not really want to send South Korean forces to Iraq, he felt that he should do so because of the ROK-US alliance. One argument against the overseas deployment of ROK forces has been
that they are needed because of the immediate threat to posed by the DPRK. However, as relations between North and South have improved, this argument in less and less prominent. That said, in South Korea there remains among many people a sense of obligation towards the United Nations because of the role that the United Nations played in saving the country from defeat during the Korean War. While the role of the US has perhaps been blurred by the problems arising from the continued presence of US forces in South Korea and the attendant problems, the broader UN role has not been forgotten, and South Koreans were pleased when the country finally entered the UN in 1992. This sense of obligation towards the UN perhaps influences South Koreans positively towards involvement in peacekeeping and related projects.

**Relations between the two Koreas**

I have already submitted a short paper that appears in the March 2008 issue of Asian Affairs, the journal of the Royal Society of Asian Affairs, in which I argue that, despite the recent change of presidents in South Korea, the engagement policy which is now some 10 years old will continue, although the rhetoric may change. Despite the more strident claims of some South Korean and international media as well as some in the academic world, the policy has been a success. It has of course been unequal in some ways; the South’s economic contributions can be measured, but some of what has come back is inevitably intangible. Yet South Korea has gained over family contacts—still limited but once non-existent; knows far more about the North now than it ever did—books and other materials about North Korea, once locked away, are now freely available—people visit the North, and so on. The North is viewed far more realistically now than it was in the 1980s. By insisting on keeping open some channels to the North even after the missile and nuclear tests of 2006, South Korea helped create a climate which allowed the Six Party Talks to resume. The wish to engage the North is not a policy alien to South Korean conservatives; it can be traced back to Park Chung Hee and the 1972 Joint Communiqué. The new president and his team can build on this, and have already given signs of doing so.

The North has obviously gained by the supply of food and other commodities, but the engagement policy has created groups within North Korea who wish such benefits to continue—ie there is now, I believe, though I cannot prove it, a pro-South Korean constituency in the North, which will not willingly see the benefits it receives thrown away. There will be a period of watching and assessing the new South Korean government—and also of course the US presidential election—but I expect that contacts will continue somewhat below the parapet.

**The North Korean nuclear programme**

We are now reaping the harvest of wishful thinking and a dogmatic approach which destroyed the 1994 US-North Korea Agreed Framework and pushed North Korea into testing—probably not very successfully—a nuclear device in 2006. North Korea feels and is threatened by nuclear weapons, and believes that the only way to counter that threat is to make it costly for any attacker. The 1994 Agreement was not perfect—neither is any agreement—but it provided a process whereby both US and North Korean concerns could be addressed as well as meeting North Korean needs for energy. The decision to abandon the agreement awakened all North Korean fears about hostility and at the same time allowed them the breathing space to work on the development of a nuclear device. Attempts to get back to where we were in 2002 before the present crisis was created have been hampered by the wish to bring in other issues such as human rights, conventional forces, the Japanese abductees and allegations of counterfeiting and money laundering; all matter but they have distracted from what we are told is the main issue.

The decision by the US administration to engage in direct talks with North Korea got the process of negotiations moving again in 2007. However, the wish for a speedy settlement and attempts to be as comprehensive as possible have hampered the success of the negotiations. The unwillingness to settle for less than total demands could well mean no settlement at all, especially as the North Koreans may not be able to deliver what is demanded. If they do not have—or no longer have—a highly enriched uranium programme, how can they prove that they do not? If the US administration is sure that no treaty guaranteeing not to attack North Korea would get through Congress, what is the value of presidential assurances that, as was shown in 2001, can be torn up as soon as the next president is in office?

We may therefore have to live with the fact that North Korea has some sort of nuclear device. This should not lead to panic. Other countries have more sophisticated devices which do not seem to have caused the same worry or the claims that such a development is bound to lead to others following their lead. Indeed, the US treatment of India after it acquired a nuclear capability may have been a factor in the North Korean decision. Whatever was tested in October 2006 was hardly a resounding success. The North Korean may continue working on the project but they are clearly not as advanced as sometimes claimed. They also lack the ability to deliver a nuclear weapon except in their immediate neighbourhood, where they already have plenty of conventional military capability. The tests of a long range rocket carried out in 1998 and 2006 appear to show a regression rather than an advance.
If we are to continue to press for an end to the North Korean nuclear programme, we must accept that North Korea has genuine worries about the threat that it faces and about the wish by some to oust the present regime. Imposing sanctions is unlikely to have much effect on a country that does relatively little international trade. The way to change North Korea is that followed by South Korea in recent years—engage and continue to engage even when it there are difficulties.

7 March 2008

Submission from Professor Hazel Smith, University of Warwick

Hazel Smith is Professor of International Relations at the University of Warwick, UK and Director of Graduate Studies in the Politics and International Studies department. She received her PhD from the London School of Economics in International Relations in 1993 and was a Fulbright visiting scholar at Stanford University in 1994-95. While on secondment from the University of Warwick, Dr Smith was a visiting Jennings Randolph Senior Fellow at the United States Institute of Peace, Washington DC (2001-02) and between 2003 and 2004, worked at the UN University in Tokyo. Professor Smith has worked on the DPRK for nearly two decades, where she has been a regular visitor since 1990. Dr Smith worked for nearly two years in North Korea between 1998 and 2001, for the UN World Food Programme, UNICEF and UNDP. She regularly briefs officials in the US Department of State on the DPRK (most recently in February 2008) and has been called on to advise a number of governments, international organisations NGOs, business and the international media on North Korea. Professor Smith was invited to provide evidence to the UK House of Commons Select committee on East Asia in Spring 2006 on the subject of Korean security. Professor Smith’s recent work includes the research and completion of a report on DPRK shipping for the Japanese foreign ministry and a context analysis for development programming in the DPRK for the Swiss Development and Cooperation Agency (SDC). Between 1999 and 2002 she directed a FCO funded project that supported academic exchange between DPRK economists in the Ministry of foreign Trade and the University of Warwick. Professor Smith has published extensively worldwide on North Korea and other topics in international relations. Her most recent books are European Union Foreign Policy: What it is and what it Does (London: Pluto, 2002); Hungry for Peace: International Security, Humanitarian assistance and Social Change in North Korea (Washington DC: United States Institute of Peace, 2005); Humanitarian Diplomacy edited with Larry Minear (Tokyo: United Nation University press, 2007); Diasporas in Conflict edited with Paul Staes (Tokyo: United Nation University press, 2007); Reconstituting Korean Security (Tokyo: United Nation University press, 2007). Professor Smith has been interviewed frequently by the international media, including the BBC, KBS, and, among others, CNN, CBS 60 Minutes, ABC’s Nightline, Fareed Zakaria's PBS series Foreign Exchange, KBS, Japan Times, Straits Times, South China Morning Post. Professor Smith is the owner of a North Korean driving license (after taking her driving test in Pyongyang in 2001).

Evidence presented is drawn from Professor Smith’s publications which include:

— Caritas and the DPRK—Building on 10 years of experience, (Hong Kong and Rome: CARITAS-Hong Kong, 2006), pp 72.
1. Evidence from Professor Hazel Smith

1.1 Given my expertise is on the DPRK, North-South Korea relations and the international aspects of East Asian security, I will focus my evidence on items 3-6 of the issues under investigation.

Summary of recommendations

1. I recommend that the UK government consider ways to play a supportive role in facilitating trust and confidence building between the major protagonists in the 6 party talks.

2. The UK government should fund DPRK students to attend degree courses in the UK.

3. The UK government should work with its European partners in the EU to establish a contingency framework of support to regional partners in the event of a major public order and or humanitarian crisis in the Korean peninsula.

4. Given the central security problem for north East Asia is instability in North Korea the UK government should set out a comprehensive strategy to respond to this continuing security dilemma. Developing such a strategy does not mean taking on a lead role in every area of concern but it would help identify the comparative advantage of the UK government in the various networks of partnerships in which it operates.

5. Funding should be increased to DFID, the British Council, BBC World Service and the FCO to enable these agencies to play a more active and a more sustained part in helping to bring about stability in the region and a more secure future for North Korea’s population.

2. North Korea’s nuclear programme and international efforts to bring it to an end

2.1 North Korea has two core domestic and foreign policy aims: the first is regime maintenance and the second is economic development. The government’s objectives in establishing a nuclear programme should be considered in the context of core government aims. The nuclear programme has two parts: nuclear energy for peaceful purposes and nuclear weapons development.

2.2 The nuclear energy programme is an effort to develop alternative energy sources to the coal and hydro power sources currently available. The country has no discovered oil reserves and is reliant on coal and oil subsidies from China and elsewhere to maintain minimal economic functions (transport, electricity supply, heating, pumped water supplies and sewage systems, etc). This is a regime maintenance issue for the government in that there is continuing dissatisfaction (and distress) in the population as a whole because of insufficient and inadequate energy supplies, including in the capital city of Pyongyang, for now over a decade.

2.3 The DPRK’s nuclear weapons development programme was designed to offer a deterrent capacity against the perceived threat of United States attack. The programme was given impetus in the early 1990s when the Soviet Union, then Russia, made it clear to the DPRK leadership that there could be no automatic military support for the DPRK in the event of hostilities breaking out on the Korean peninsula. The first nuclear crisis of 1993–94 reflected international concerns that the DPRK was attempting to develop its own nuclear weapons. The 1994 international agreement that established the Korean Peninsula Energy Development Organisation (KEDO) put North Korean nuclear weapons development on a precarious hold until 2002. In 2002, the North Koreans were charged by the US administration with engaging in clandestine weapons development through a process involving “highly enriched uranium” (HEU). This was the start of the so-called “second” nuclear crisis. The six party talks that began in 2003 and involved the US, the DPRK, South Korea, Japan, Russia and China resulted in a stalemate up until 2005. It was not until after the DPRK implemented a nuclear weapons test in October 2006 however that the talks received significant new impetus under the aegis of a revived United States diplomacy, sanctioned by Secretary of State Condoleezza Rice and President George Bush and implemented by experienced US diplomat Assistant Secretary of State Christopher Hill.
2.4 According to the US State Department “On 13 February 2007, the parties reached an agreement on ‘Initial Actions for the Implementation of the Joint Statement’ in which North Korea agreed to shut down and seal its Yongbyon nuclear facility, including the reprocessing facility and to invite back IAEA personnel to conduct all necessary monitoring and verification of these actions as agreed between the IAEA and the DPRK.” The Yongbyon facilities were to be dismantled by 31 December 2007.

2.5 By February 2008 the Yongbyon facilities were being dismantled under the terms of the agreement but the outstanding issue for the United States was that the DPRK had not provided a “complete and correct declaration of all its nuclear programs” as required. The DPRK for its part complained that the parts of the agreement that guaranteed shipments of fuel oil to the DPRK were not being implemented expeditiously. The agreement also specified that by 31 December 2007 the United States and North Korea would begin to negotiate a process of removal of North Korea from the terrorism list. The DPRK argues there was little sign of the United States making progress towards fulfilling that commitment and therefore it was being asked to declare all its nuclear facilities while the US did not comply with its side of the bargain.

2.6 Negotiations remain ongoing between the United States and the DPRK with the former consulting with the remaining four parties but continuing with a de facto leadership of the process.

The role of the UK government

2.7 The UK is not a member of the six party talks. It has thus far been content to play a backseat role, offering support to the general principles of nuclear disarmament on the Korean peninsula. The UK does however have some comparative advantage in terms of being both close to the US as a valued ally and at the same time having diplomatic relations with the DPRK. It has therefore some potential to play a part in confidence building between the two key protagonists, the US and the UK. For this to happen however the UK would probably have to consider a strategic recalibration of its approach to the DPRK such that it adopted a similar approach to the US in terms of the various different issues in the negotiating agenda with the DPRK. During the period of the 6 party talks (2003-ongoing) the United States has had a number of priorities in its policies towards the DPRK; denuclearisation, human rights and humanitarian issues being just three. It has however adopted a de facto policy of de-linkage however such that progress in any one issue has not been made contingent on another. It has also made difficult decisions to prioritise some issues for negotiation over others with denuclearisation being given top priority since 2006.

2.8 The six party talks has set up five working groups to which middle level officials in the respective governments are appointed and the UK could provide a useful neutral venue for some lateral thinking to take place on the subjects covered by these working groups. These are:

(i) denuclearization of the Korean Peninsula,
(ii) normalization of DPRK-US relations,
(iii) normalization of DPRK-Japan relations,
(iv) economic and energy cooperation, and
(v) a Northeast Asia peace and security mechanism.

2.10 Up until a couple of years ago the UK government paid an annual contribution to the Conference on Security and Cooperation in the Asia Pacific (of which the US and the DPRK, among others, are members) (CSCAP), of around £2,000. CSCAP provides a track two fora in which government officials, ex officials and academics from Asia, the Americas and Australasia meet regularly in working groups to discuss WMD, transnational crime, maritime security in the region and Asia-Pacific security. Because of the rather frequent movement in Asia and in the Americas between government and academia policy discussions in these fora have fairly straightforward feedback channels into government policy thinking in Asia and the US. As the European co-Chair of CSCAP I am sorry to see that, although other European governments, such as the French and German government, are able to take advantage of these channels, unfortunately the UK cut the funding in 2007 so that the UK no longer has a voice in CSCAP and therefore has lost access to the most established and most respected multilateral track two mechanism available in Asia-Pacific security. Should CSCAP funding be renewed, the UK could use this forum to provide frameworks for trust-building discussion involving US and DPRK officials, along with any other participants as appropriate. Supporting confidence-building between the two major protagonists is in my view is the single most important thing that the UK government could do in the short term to facilitate denuclearisation in the Korean peninsula.
Recommendation one

1. I recommend that the UK government consider ways to play a supportive role in facilitating trust and confidence building between the major protagonists in the six party talks.

3. RELATIONS BETWEEN NORTH AND SOUTH KOREA

3.1 North-South Korean relations are best understood in terms of the changing configuration of East Asian economic and political relations since the rise of China as an economic power over the last decade or so. Both South Korea and Japan have become closer to China as their economies have received boosts from China’s new spending power. All three states prioritise stability in the region as a fundamental part of their plans for continuing economic growth and all three therefore have a common interest in ensuring an end to the debilitating and long drawn out crises that have occurred in respect to North Korea’s nuclear, humanitarian and human rights records since the early 1990s. South Korea has support from neighbouring powers in its efforts to engage with North Korea as China, Japan and Russia all consider South Korea’s role as dialogue partner with North Korea preferable to that of non-communication and hostility that characterised the highly militarised Cold war based North-South relations prior to 1999.

3.3 China is North Korea’s major ally in the region, but this does not mean that China has not been uncritical of the DPRK. It did not veto the United Nations resolution of late 2006 that imposed sanctions on the DPRK after its nuclear weapons test. It would not be an exaggeration to state that Communist China and capitalist South Korea have probably more in common today than China and North Korea because of their joint commitment to sustaining stability in the region to promote economic growth and their concern that North Korean government is a major cause of instability in the region. In the early 2000s both countries had chided the US for not taking a more pro-active diplomatic role in resolving the Korean security crises but since the advent of Ambassador Chris Hill’s diplomatic efforts to secure an agreement, both have tried to facilitate US diplomatic overtures.

3.4 New South Korean president Lee Myung-bak has therefore come to power in the context of a generally supportive regional and international environment oriented towards continued dialogue with the North Korea. Regional partners also share a perspective that can be understood as at best irritation at worst and outright hostility to Pyongyang for its perceived failures to denuclearise and reform internally.

3.5 President Lee has pledged to carry on with North-South cooperation, albeit on different terms than the previous government. President Lee largely ran his campaign on the basis of his successful career in business (working for Hyundai) and his achievements as Mayor of Seoul. He has promised to pursue more “reciprocity” in relations with the DPRK and, as well, to promote economic development in the North.

3.6 In the few weeks of his new administration President Lee has made a start to his “efficiency” reforms in foreign policy by abolishing the National Security Council and replacing it with a Cabinet-level Foreign Affairs and Security Council led by the Foreign Minister. The Unification Ministry has thus been deposed as the lead ministry responsible for North-South relations—signalling the new president’s intention to treat North Korean relations as international issues to be resolved in close collaboration with allies including the United States.

3.7 The DPRK on the other hand will likely take its time in its response to the new South Korean presidency. The DPRK government has been pragmatic in its relations with South Korea and will likely continue to be so. Its priority will remain to improve or “normalise” relations with the United States and it is not likely that it will change its attitude to give relations with the South a political priority over and above relations with the US.

3.8 In the meantime the South’s policy of engagement with the North should be supported by the UK government in practical ways. In 2002 the government stopped funding development projects to the DPRK including support for universities (including the University of Warwick) to engage in academic training and exchange. The government should reconsider this policy as all concerned parties in the efforts to encourage North Korea to normalise its relations with the rest of the world have considered education and training to be a fundamental prerequisite to equip the next generation of North Korean leaders with the foundation for interaction with the rest of the world. The North Korean government has also agreed to permit students to attend UK universities if funding can be found for them.

Recommendation two

2. The UK government should fund DPRK students to attend degree courses in the UK.

3.9 The above account of North-South relations is based on an “all things being equal” scenario. There are signs however of instability in North Korea whose outcomes are not at all clear. The majority of the population continues to live in abject poverty. Chronic food shortages underlie continuing malnutrition in all parts of the country. Unemployment and underemployment is prevalent. The economic and social
infrastructure remains degraded with basic services of running water, sewage systems, electricity and heating availability unpredictable and inadequate even for those living in the capital city. There is little evidence that the population has confidence in the government’s ability to rescue them from the economic mess in which the country has been enmired for nearly 20 years.

3.10 There has been some discussion in the United States and South Korea of contingency planning should for instance public order collapse from any one of a number of potential triggers; perhaps a coup from within the military; succession complications; sections of the army and the security forces refusing to continue to serve.

Recommendation three

3. The UK government should work with its European partners in the EU to establish a contingency framework of support to regional partners in the event of a major public order and or humanitarian crisis in the Korean peninsula.

4. THE THREE COUNTRIES’ RELATIONS WITH THE EU AND OTHER INTERNATIONAL ORGANISATIONS (PARTICULARLY IN THE LIGHT OF JAPAN’S CURRENT PRESIDENCY OF THE G8)

4.1 Both the DPRK and the ROK have good relations with the EU. The Seoul based European Commission representatives visit Pyongyang regularly and the Commission continues to provide a limited amount of humanitarian and economic aid to the DPRK. British based NGO Save the Children works in Pyongyang under the aegis of the European Commission under a deal worked out with the Pyongyang authorities in which resident European NGOs were retitled as agents of the Commission.

4.2 If the working groups spawned by the six party talks become institutionalised as a means to help keep the peace on the Korean peninsula it seems likely that the EU will play some form of support role in whatever multilateral economic mechanisms emerge.

4.3 Other IOs with a potential interest in the Korean peninsula include the IMF and the World Bank. Given the scale of development funding that will be necessary in a post conflict North Korea both institutions, though not formally involved in any of the current talks, are maintaining a watching brief on North Korea developments. The major UN humanitarian organisations of UN World Food Programme and UNICEF maintain a presence in the DPRK as does the ICRC and the IFRC.


5.1 The central security problem in the region is to gain resolution to the continued Korean nuclear crisess and to create a peace and security mechanism in the Korean peninsula. In terms of human security a humanitarian crisis continues in the DPRK with most of the population at risk of malnutrition and premature death from insufficient and inadequate food, poor health and medical provision, degraded waters supplies and the sheer difficulties of keeping warm in extreme winter temperatures without adequate heating, shelter and clothing. The government’s national security priorities and preoccupations are used as to provide a rationale for curtailing freedoms and it seems unlikely that these polices will change quickly.

5.2 In this context there needs to be a clear strategy for engaging with the DPRK at different levels and in different sectors. The UK government should continue to work in partnership with allies but it should also use its diplomatic relations with the DPRK to pursue openings for dialogue at every level possible. Budgets for work in the DPRK should be increased and clear goals set for what is hoped to be achieved over a period of three to five years in the security; economic and humanitarian; human rights; and cultural and education areas. The government should work with those in the UK that have experience of working over the long terms with the DPRK and should set itself realistic targets.

5.3 It is unrealistic for instance to set a goal that would envisage either significant UK direct involvement in the resolution of security dilemmas in Korea nor is it realistic to envisage significant British investment in the DPRK because of the lack of profitable investment opportunities in a short or long term perspective. Humanitarian programmes however could be enhanced and DFID could play a more substantial role in supporting IOs and NGOs operating in the DPRK but this would depend on increased funding for that role.

5.4 The DPRK understands “Human rights” talk as a synonym for “regime change” talk and so a serious effort to support the North Korean population on human rights issues requires thinking about how to engage the DPRK government in a human rights dialogue that is not conceived of by them as a way of promoting regime change. The EU had some success in the past in engaging in human rights dialogues with the DPRK government. The UK is again well placed because of its diplomatic relations with the DPRK to
enter into human rights discussions with the DPRK government. Such discussion should be accompanied by offers of technical support to investigate how change could take place (eg on instituting the rule of law, an independent judiciary, etc).

5.5 The UK government should also play a more enhanced role in confidence building (see recommendation one above) in the context of the continuing Korean security crises. In terms of playing a part in long term building for stability the UK could also play a larger role in cultural diplomacy and educational and training development. Both the BBC World Service and the British Council need to be funded appropriately as a systematic programme of cooperation is not possible without the funding to carry out such a programme.

Recommendation four

4. Given the central security problem for north East Asia is instability in North Korea the UK government should set out a comprehensive strategy to respond to this continuing security dilemma. Developing such a strategy does not mean taking on a lead role in every area of concern but it would help identify the comparative advantage of the UK government in the various networks of partnerships in which it operates.

Recommendation five

5. Funding should be increased to DFID, the British Council, BBC World Service and the FCO to enable these agencies to play a more active and a more sustained part in helping to bring about stability in the region and a more secure future for North Korea’s population

7 March 2008

Submission from the British Council

1. Summary

1.1 This evidence addresses the element of the inquiry’s terms of reference which refers to “the effectiveness of the Foreign and Commonwealth Office’s work in pursuing UK policy priorities—such as action against climate change and the upholding of human rights—with these countries, and in promoting diplomatic, economic and cultural links between these countries and the UK (including through the work of UK Trade and Investment, the British Council and the BBC World Service).”

1.2 This evidence sets out the key issues as seen by the British Council as we seek to develop mutually beneficial relationships between people in UK and Japan.

2. Strategic Context

2.1 Despite weak growth in recent years, Japan remains the second largest economy in the world, and one of the UK’s most important trading partners. It is inevitably a major contributor to greenhouse gas emissions given the size of its economy, but Japan is one of the most energy-efficient of the major economies, mitigating this effect to some extent. Given that the Kyoto protocol was originally agreed in Japan, and that climate security is one of the focuses of the G8 meetings in Japan this year, Japan plays an additional symbolic role in this particular debate.

2.2 The relationship between Japan and the UK is a healthy one, particularly at higher levels. For obvious reasons, the Japanese imperial family prefers the UK’s monarchical model to the US republican one, while the two countries’ mature democracies, operating with bicameral parliamentary systems, have resulted in broadly similar policy priorities and a great deal of common ground. At grass-roots level, on the other hand, the sheer physical distance between the two countries limits interaction, and perceptions of the UK tend to be outdated.

2.3 Japanese education outcomes score well in standardised tests, but in recent years there have been growing concerns that the education system fails to promote creativity and innovation, and that in higher education in particular Japan is losing ground in a rapidly internationalising market. With the shift of much of Japan’s manufacturing base to cheaper locations such as China, the need to move into higher valued-added areas, and into high-value services such as the financial business, is becoming ever more pressing, and education has a crucial role to play here.

2.4 The English language is of growing importance as the economy internationalises and shifts towards higher value-added services, but here divisions of opinion among policy-makers have been hampering progress. One problem is the time-consuming nature of learning the Japanese language itself, and it is understandable that Japanese policy-makers place a higher priority on this than on English. However
despite this, English language education is likely to be made compulsory in primary schools in a few years’ time, and depending on the exact shape of policy, there is great potential for the UK to establish itself as the leader in quality English language teaching and linked areas such as exams and teaching materials.

2.5 Another factor is that Japan’s strict immigration laws mean that the proportion of non-Japanese living in the country is very low. As a result, the level of English, especially spoken English, is generally poor, and this is particularly true outside Tokyo. Given that English is the language of international research as well as of business this is a contributory factor to the poor performance of Japanese universities in international rankings. Policy in this area has been inconsistent, with the government offering subsidies to language school students a few years ago, only to slash them later. As a result, the private sector English teaching industry is in disarray, with student numbers falling by around 30% yoy in recent months, widespread complaints about poor quality, and the bankruptcy of the largest company in the industry (Nova) last autumn.

2.6 In the arts, and particularly in the visual arts, Japan is a world leader. Perhaps partly because the Japanese language requires strong visual memory skills, the average standard of drawing is extremely high among young Japanese children, and this translates into a world leading position in manga (comic books), anime (animated films) and computer games, as well as enormous strengths in design and architecture. The size and wealth of Japan’s major cities (both Tokyo and Osaka are substantially larger urban conglomerations than any city in Europe) supports an enormous variety of cultural activity, on a par with other major international cities like London and New York.

2.7 In international relations, Japan focuses very heavily on the US. Japan was in effect occupied by the US after the Second World War, and the continued presence of US bases in the country has been another factor leading to close high-level engagement. The rise of China in recent years is a major concern to Japan, which likes to see itself as the natural leader in Asia. Japan would dearly like a permanent seat on the UN Security Council, and is increasingly concerned about the perception that politically speaking, it punches below its weight.

2.8 Despite weaknesses in its universities, Japan remains a world leader in technology. This is partly because the best of its universities are still extremely good, and partly because of the enormous spending in this area of its leading manufacturing companies. The extremely demanding nature of Japanese consumers, as well as certain societal differences, lead to many innovations being rolled out in Japan first before reaching other countries. Recently, for instance, this shows up in the use of mobile technology. Given limited space in Japanese homes, and long commuting times, younger people are increasingly not bothered with computers at homes, and mobile devices are increasingly the standard for e-mail and web browsing, with enormous markets having developed specifically in this area.

3. THE BRITISH COUNCIL IN JAPAN

3.1 The British Council in Japan meets the aspirations of young Japanese by creating opportunities in education, English language learning and cultural exchange. The British Council opened in Japan in 1953. A Cultural Agreement between Japan and Britain was signed in 1960, designating the British Council as the UK’s official agency for cultural relations.

3.2 The British Council has offices in Tokyo and Osaka, and currently employs 90 full-time staff in Japan, including 37 English teachers. Total turnover for 2006–07 was £7.0 million, consisting of £2.8 million in grant in aid from the FCO and £4.2 million in contract and customer income. Our teaching staff teach English to over 10,000 learners a year, while we also administer exams for over 8,000 candidates a year. Our websites in Japan attract 60,000 visitors a month, and overall, we reach nearly 2.5 million Japanese people a year in some way or other.

3.3 We work with our partners, both Japanese and British, to showcase British excellence, innovation and creativity. We are a major channel for the UK’s public diplomacy in Japan—putting Japanese people in touch with people in the UK. We work for the benefit of the individual and for the mutual benefit of Britain and Japan. The British Council also promotes UK creative endeavours and industries and encourages links in the arts, science and technology between practitioners and wider publics in UK and Japan.

3.4 The British Council seeks to influence policy in education, and particularly English language learning, and enhance the UK’s reputation as the leading source of good ideas and innovation in the sector. We work to present the UK as a strong competitor in the international education market, both as a value-for-money destination for those wishing to study abroad and as source of high quality education services. We have over 13,000 visitors a month to our sites promoting UK education, and there are currently around 8,500 Japanese Higher and Further Education students studying in the UK (as well as around 85,000 language students).

3.5 Given that English Language teaching is likely to be made compulsory in Primary schools, the British Council is working closely with Ministry of Education, Culture, Sports, Science and Technology, Japanese Government (MEXT) to influence the agenda here, with the aim of influencing the syllabus and getting involved in teacher training. We are also building links between UK and Japanese schools through which they can work together on specific projects, learning about each others’ cultures in the process.
3.6 In higher education, there is enormous scope for partnerships between Japanese and UK universities as the former try to internationalise. Japanese universities are also increasingly building in an overseas module to courses, which increases their attraction to potential students looking to gain language skills. We have used funding from the second phase of the Prime Minister’s Initiative to internationalise higher education (PMI2) to hold symposia on relevant issues, giving opportunities for university leaders in Japan to forge links with their opposite numbers in the UK. In education, we have brought together over 100 UK and Japanese universities each year. At a recent symposium we held, 31 of 33 universities participating said they expected to forge new partnerships as a result. Given the importance of the English language, the UK has clear opportunities here. Japanese universities also have growing interest in the direct English teaching the British Council offers on a full-cost recovery basis, and we are currently working on models for “implant” centres in Japanese universities, offering potential for high impact at low cost. Meanwhile our school links programme created new links between 82 schools in Japan and the UK last year, as well as two links at local Board of Education level, and of course supporting existing links.

3.7 The British Council is working actively to stimulate the debate on climate security in order to increase pressure on policy-makers to act. In the climate change area, we recently ran a competition to identify 10 articulate schoolchildren from across Japan who are passionate about climate issues. In the short term, the focus for these young people will be on the G8 + 5 Environment Ministers’ summit in Kobe, when they will be working with their counterparts from across the world to raise awareness of the issues, and to add pressure on the Ministers to work towards a meaningful agreement. But we aim to continue to support these “Environmental Climate Champions” in a wide range of networking and media opportunities over the coming years, while the planned introduction of the regional Climate Cool project in Japan this year will further add to the mobilisation of young people in support of action for measures to halt climate change.

3.8 In the arts, our main focus will be on the regional “Creative Cities” project, which focuses on the importance of art and design in raising the quality of life in urban areas, and draws attention to the UK’s leadership in this area. We will also be continuing to showcase the best of UK contemporary art in Japan, helping to bring a more accurate and up-to-date view of the UK to Japanese audiences. In this area, the British Council increasingly operates as a broker, bringing together artists, venues and funding sources, and minimising direct use of our FCO grant.

3.9 There are several other areas where we are currently looking at projects to increase UK-Japan engagement. One obvious contender is sport, given the approach of the 2012 London Olympics. The fact that Tokyo is bidding for the 2016 Olympics means that there is huge interest in London’s experience, and its use of the Olympics to revitalise an economically depressed part of London.

4. THE BRITISH COUNCIL WORKING IN PARTNERSHIP

4.1 Japan is a rich country, and offers scope to work with partners who can help with project delivery and/or funding, allowing us to achieve more impact for our money. We are now actively working to both identify partners interested in funding our work and bring them into our planning cycle at an earlier stage and ensure long-term engagement.

4.2 Similarly, in English teaching, we are developing partnership models to reduce our costs and increase our leverage. We are actively looking at ways to share teaching facilities with, in particular, universities. These represent an important target audience for our work, and their pressing need to internationalise offers opportunities for us to work with them in offering high-quality language training, not just for students but also for faculty members. On the cost side, there are clear potential savings from using the same classrooms for university teaching during the day, and for British Council English teaching in the evenings and on Saturdays.

4.3 We maintain close contacts with other UK stakeholders in Japan, including the British Chamber of Commerce and Visit Britain, and the British Embassy. We are working particularly closely with the Embassy this year on the UK-Japan 2008 programme to celebrate 150 years of diplomatic relations between the two countries. We also believe we dovetail well with the Embassy in our climate change work. The British Council focuses on mobilising public opinion, while keeping an open mind about what sorts of government action are appropriate.

5 THE REPUBLIC OF KOREA

1. Brief introduction

1.1 This evidence addresses the element of the inquiry’s terms of reference which refers to “the effectiveness of the Foreign and Commonwealth Office’s work in pursuing UK policy priorities—such as action against climate change and the upholding of human rights—with these countries, and in promoting diplomatic, economic and cultural links between these countries and the UK (including through the work of UK Trade and Investment, the British Council and the BBC World Service)”.

1.2 This component of the evidence sets out the key issues, as seen by the British Council, as we seek to develop mutually beneficial relationships between people in UK and the Republic of Korea.
2. Strategic analysis

2.1 The Republic of Korea ("South Korea") is a major economic power in East Asia, with a growth rate of about 5% per annum, and trade relations with the UK are important to FCO. As a major manufacturing base, and with a growing transport sector, it is also a major and growing contributor to greenhouse gas emissions and therefore a priority country for UK in terms of climate security.

2.2 Strong relations within the Korean peninsula, and with Japan and China, are crucial to Korea and of considerable concern to HMG. South Korea is seen as largely a supportive partner in international affairs and there are very few problems in the bilateral relationship.

2.3 Despite its apparently robust economic performance, internally there is much dissatisfaction with the economic situation; youth unemployment is a serious issue, and—of particular relevance to the British Council—there is a wide perception that the public education system is failing to prepare young people effectively for employment.

2.4 Education is therefore a major political pre-occupation for the incoming government of President-elect Lee Myung-bak, and particular attention is being paid to the role of English in improving South Korea's competitive position. Meanwhile, Koreans spend more per capita on private education, and send proportionally more students abroad for study, than any other nation in OECD.

2.5 There is a lively arts scene in Seoul in particular, with the current Mayor seeking to re-define the city as a centre of creativity. Seoul will be the International Capital of Design in 2010. Other urban centres see the arts as an area of opportunity to promote themselves, with festivals and biennales being a regular feature of urban life in Korea, together with competition to hold major international events and meetings. There is a strong feeling that Korea is not well enough known in the international arena.

2.6 In international relations, and especially in education, South Korea looks largely to its interest in relations with the EU, which is now Korea's second largest trading partner after China. As an English speaking country, the UK is seen as a potential gateway to Europe, and an alternative to the USA for overseas education.

2.7 South Koreans are increasingly conscious of their relative inability to communicate effectively in English and enormous sums are spent on evening language tuition in a huge number of private institutes, known as hagwon. In the run up to the inauguration of the new government Lee Myung-bak’s team has made frequent reference to its plans to improve the public education system’s performance in English language teaching, as a means to reduce the expenditure on private language tuition as well as to raise English standards across the board. The incoming government has formulated an 8-point plan to build English competence through investment in training and development in the public education system.

2.8 South Korea is a leading centre of technological innovation, with major electronic and IT companies constantly pushing back the boundaries of technology in their sector. Use of IT is widespread and broadband provision at a very high level by international standards. Mobile and wireless applications are moving forward at high speed. The biotechnology sector is also advanced and active, with stem cell work continuing at international standards despite the scandal in 2006 over faked cloning work by an internationally reputed team under Hwang Woo-suk.

3. The British Council in the Republic of Korea

3.1 The British Council in the Republic of Korea was established in 1973. Our aim is to achieve recognition of the UK as the source of the highest quality English language learning opportunities and the latest techniques in language teaching, and to increase the market share of the UK as a study destination for young Koreans.

3.2 The British Council has one office in Seoul and employs 29 country-appointed staff and three UK-appointed staff. We employ 43 teachers, all of whom are on global contracts. We administer 50 Chevening awards on behalf of the Foreign and Commonwealth Office (FCO).

3.3 Total turnover for last year was £4,590,000. This was made up of £990,000 in grant in aid from the FCO and £3,600,000 in contract and customer income and other UK funding.

3.4 In 2006–07:
   — 583,137 people visited our website;
   — 6,944 people studied at our teaching centre;
   — 3,814 candidates took UK examinations with us;
   — 51 visitors were sent from here to the UK through the British Council; and
   — 4,500 students from Republic of Korea studied in the UK.

3.5 The British Council is also focusing on climate security as an area to promote. We work to promote UK creative endeavours and industries and encourage links in the arts, science and technology between practitioners and wider publics in UK and South Korea.
4. Future work

4.1 There is a clear window of opportunity for British Council to establish ourselves as a principal source of support and advice to the new South Korean government in the area of English education, and we intend to invest significant resources in demonstrating the UK's leading position in this area.

4.2 The British Council has already begun to leverage the reputation of our own English teaching operation for quality and effectiveness and to build a range of networks of influence. We plan to step up the pace of this activity significantly in the coming year. This will give us opportunities further to develop English teaching activities on a full cost recovery basis, not only in our existing Seoul teaching centre but with new partners and models of delivery.

4.3 The British Council, in partnership with Seoul National University of Education, will shortly begin teaching at a new centre in South Korea's leading teacher training university. We are also working in partnership with Woongjin Thinkbig, a local education consultancy, in provision of teacher training. We have also brokered an agreement between Woongjin and Promethean, a UK manufacturer of interactive white boards for teaching.

4.4 There is much concern about assessment of English language ability in South Korea, with a strong reliance on US benchmark tests such as TOEFL (Teaching of English as a Foreign Language). We are working with research institutes to develop local assessment tools as well as seeking to raise the profile of the UK's IELTS (International English Language Testing System) as the most reliable, internationally recognised, test of English language communication.

4.5 In education, we have engaged the interest of senior policy makers and influencers in through Connecting Classrooms, a global British Council programme linking local schools with schools in the UK. The result has been that Korean educators have a renewed awareness and understanding of the importance of a strong international dimension to the curriculum. This has been reinforced by work with local education authorities on the development of international links for Korean schools, and the Ministry of Education has recently joined the DCSF/British Council global internet portal for international education, Global Gateway.

4.6 South Korean Universities are increasingly concerned with establishing themselves as globally competitive, and are realising the importance of international contacts in achieving this status. As part of the second phase of the Prime Minister's Initiative to internationalise higher education (PMI2) we have been working with UK and Korean institutions to develop closer and more productive links. An example of this is a series of symposia on relevant issues which are giving opportunities to senior Korean educationists to forge links with their opposite numbers in the UK. The British Council will continue to promote the value of developing links with UK and build awareness of the strengths of UK education for overseas study and trans-national education.

4.7 Building on the British Council initiatives in climate security we shall work with young Koreans and those who influence them to raise awareness of the crucial importance of reducing greenhouse gas emissions. Our objective is to establish networks of young people committed to acting and advocating action to limit climate change. We shall work closely with the British Embassy in Seoul and with Korean partners to ensure that the UK is seen as a world leader in our approach to the climate security.

4.8 No cultural relations strategy for South Korea would be complete without a strong focus on creative endeavour in the arts and related areas. We shall participate actively “Creative Cities” a British Council's initiative that focuses on the contribution of creative industries, entrepreneurship, the arts and education to improving urban life.

This will capitalise on Seoul and other cities' interests in creative arts to develop sustainable links with UK artists, designers, architects and urban planners.

5. The British Council working with partners

5.1 The very successful Seoul English teaching centre allows us to deploy a high level English language professional expertise which we can use in work with local partners and to influence policy and practice in Korea. There are constraints on how far we can re-deploy these people from their main duty of teaching.

5.2 We have engaged with private and public sector partners, particularly in English language work, to extend the scope of our activity. An example is the English Adventure Bus project, which delivers direct teaching and teacher training in schools around Korea, which is largely funded by PCA Life Korea. There is scope for further partnership arrangements in this sector, and in education, and will seek to develop this model of working.

5.3 In all our grant-funded activity, the British Council seeks opportunities to involve corporate partners in support, thus delivering higher profile for their interests as well as extended impact for the British Council. In promoting UK education, we rely on the funding generated through the Education UK Partnership and the large number of institutions which sign up for special additional support specifically in Korea. The Prime Minister’s Initiative affords some scope for developing further work with Korean and UK educational institutions in partnership building.
5.4 We also seek to ensure that our activity effectively complements that of the British Embassy and other UK interests in Korea. In Climate Security, for example, our regional project aims to secure the active engagement of wider publics in combating climate change, while the Embassy is working on influencing policy and engagement with marketable technologies. There is an effective Public Diplomacy Committee which brings together stakeholders from the British Embassy, British Chamber of Commerce, Visit Britain and the British Council.

NORTH KOREA

1. **Brief introduction**

   1.1 This component of the evidence sets out the key issues as seen by the British Council that we seek to address to develop mutually beneficial relationships between people in UK and North Korea (DPRK).

   1.2 Despite the many issues, particularly around nuclear proliferation and DPRK’s human rights record, the UK has a policy of carefully targeted engagement; particularly to improve the overall flow of information into and out of the DPRK—working for positive change by introducing the country to new ideas and models of society.

2. **The British Council in North Korea**

   2.1 The British Council supports UK engagement in DPRK from its Beijing office through its work in English language teaching with the aim of building capacity in English to foster future international engagement.

   2.2 A successful example of this is the British Council/Foreign Office jointly-funded teacher development project which delivers programmes of teacher training and English in three of Pyongyang’s key universities. This programme, welcomed by North Koreans, offers the opportunity for trainee teachers to visit the UK and experience the UK first hand. This project has the opportunity to extend its reach beyond Pyongyang and to also focus on curriculum development, assessment and forms of English for Specific Purposes.

   2.3 The British Council arranges English language training in the UK for mid-ranking DPRK officials from a number of ministries giving future leaders and influencers exposure to new ideas. The British Council is overall project manager for both of these activities.

   2.4 The British Council also manages the Chevening Scholarship Programme on behalf of the FCO which currently has one award in North Korea.

   2.5 Currently the British Council’s work in the area of cultural exchange in North Korea has been limited to providing advice on request. However over the last few months there has been a growing interest by the DPRK with proposals for tours of the UK by the DPRK symphony orchestra, and performances in DPRK of British rock music.

   *12 March 2008*

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**Submission from BBC Global News in Japan and Korea**

**Summary**

- The media market in Japan and South Korea is highly developed—these countries have led the way in TV and new media technology.
- Development of the media market in North Korea has been stifled as radio and TV sets are pre-tuned to the state-controlled broadcasters and listening to/watching foreign radio and TV is illegal.
- Television and new media platforms are the prime means for the BBC to reach audiences in Japan and South Korea. Very few people listen to short wave radio in these countries.
- **Japan:** BBC World television is available in 2.1 million households and 70,000 hotel rooms. BBC World Service in English is available on cable throughout Japan 24/7, and on FM in western Japan.
- Additionally, 128 hours each week of BBC television news and documentaries are translated into Japanese and are available in voiceover on BBC World television.
- **South Korea:** BBC World television is available in 3.6 million households and 13,000 hotel rooms. BBC World Service in English is available on FM in Seoul and via mobile devices and digital TV 24/7 nationally.
- **North Korea:** There are currently no opportunities for BBC World or BBC World Service in this country, and consequently no plans for BBC World Service to start up a Korean Service.
— BBC World Service and BBC World report regularly from the region and produce a variety of special programmes on Japan and Korea.

— North Korea is a high priority for BBC Monitoring who translate items from the state-controlled radio and TV channels and produce some 4,000 reports on the country each year, with particular focus on the ongoing nuclear issue, inter-Korean and foreign relations. Coverage of Japan and South Korea focuses on foreign and defence policy, taken mainly from English-language news agencies in the region.

MEDIA MARKET OVERVIEW

Japan

Japan’s broadcasting scene is advanced and vibrant, with established public and commercial outlets competing for audiences. There are five national terrestrial TV companies, including the public broadcaster NHK which also runs national radio networks. Most of NHK’s funding comes from the licence fees paid by viewers.

Japanese broadcasting is diversifying rapidly. Many millions of viewers now watch satellite and cable pay-TV services, including those provided by NHK.

The country has spearheaded high-definition TV (HDTV), and an NHK channel is dedicated to such transmissions. Digital terrestrial TV broadcasting is being rolled out.

South Korea

Television is influential and the major terrestrial networks command the lion’s share of viewing and advertising. Many South Koreans subscribe to digital cable and satellite TV services.

Since 2000, and Kim Dae-jung’s summit in North Korea, the media have adopted a warmer tone towards the North. But there have been cases of South Korean journalists being intimidated for giving favourable coverage to North Korea’s communist leadership.

South Korea is at the leading edge of the digital revolution. It is a trailblazer for high-speed and wireless internet services and has pioneered the distribution of TV via mobile devices.

North Korea

Radio and TV sets in North Korea are pre-tuned to government stations that pump out a steady stream of propaganda. The state has been dubbed the world’s worst violator of press freedom by the media rights body Reporters Without Frontiers.

Ordinary North Koreans caught listening to foreign broadcasts risk harsh punishments, such as forced labour.

Press outlets and broadcasters—all of them under direct state control—serve up a menu of flattering reports about Kim Jong-il and his daily agenda. North Korea’s economic hardships or famines are not reported. However, after the historic Korean summit in 2000, media outlets toned down their fierce denunciations of the Seoul government.

North Korea has a minimal presence on the internet. The web pages of North Korea’s official news agency, KCNA, are hosted by the agency’s bureau in Japan.

BBC Output in Japan and Korea

BBC News has offices in Tokyo and Seoul, with one correspondent based at each office—Chris Hogg in Tokyo and John Sudworth in Seoul. The newsgathering operation for the region is co-ordinated by the Asia Pacific hub bureau in Beijing, a multimedia broadcast and newsgathering unit.

BBC output is available in English across a number of media platforms, television being the primary method of reaching audiences in the region. BBC World television also offers a Japanese translation service.

As described earlier, the broadcasting scene in Japan and South Korea is highly developed. Although its short wave broadcasts cover the Far East, including Japan and Korea, the World Service’s short wave audience in these countries is negligible. BBC World Service has responded to this by creating local partnerships and making use of new technology opportunities—BBC World Service in English is delivered via FM, cable, satellite, digital TV and mobile phones.

As part of the BBC’s Global News Division, BBC World, the BBC’s commercial international television news channel, is able to complement the World Service’s offer to Japan and South Korea with extensive distribution of the TV channel via satellite and cable.
Full details of BBC output are as follows:

— Japan:

  **BBC World Service**—FM Cocolo, a multilingual FM radio station based in the World Trade Center in Osaka, carries BBC World Service programmes *The World Today*, *World Briefing* and *Top of the Pops*. The station broadcasts to the Kansai area which includes Osaka, Kyoto, Hyogo, Nara, Shiga, and Wakayama prefectures. As part of the Megalopolis Radio Network, it covers more than 65% of Japan’s population.

  A national cable operator, Usen Corporation, in Tokyo relays BBC World Service in English 24/7. It is the leading company in the Japanese domestic cable broadcasting market, boasting the largest market share.

  BBC World Service has no measured audience in Japan.

  **Internet**—The BBC website in English, www.bbc.com is available throughout Japan. Data from February 2008 reveals 183,074 unique users in Japan. BBC World Service radio is available online throughout Japan.

  **BBC World** is available in 2.1 million households and 70,000 hotel rooms in Japan. Distribution is as follows:

  — 740,000 households via Sky PerfecTV (direct-to-home satellite);
  — 1.1 million households via 120 cable platforms;
  — 220,000 households via CS One-Ten Company (DTH Satellite);
  — 12 million households on a part-time basis through an arrangement with Chiba TV; and
  — 70,000 hotel rooms (265 hotels).

  The BBC is keeping abreast of developments in new modes of multi channel consumption such as mobile, live streaming and IPTV (Internet Protocol Television) throughout Asia. In Japan BBC World is streamed 24/7 to the DoCoMo mobile network in Japan.

  BBC World is also working closely with clients in Japan such as Nissan, Mitsubishi Motors, Honda, Subaru, Sanyo and Toyota to develop online advertising campaign activities to meet the diversified needs of the regional/global audiences.

  **Japanese**—Live Japanese translation services (128 hours per week of the programming on the channel) are provided in London and Tokyo, available in voiceover on BBC World television to over two million households and 70,000 hotel rooms throughout Japan. Japan is the only market where BBC World is dubbed into the local language.

  BBC World Service radio broadcast in Japanese between 1943 and 1991. The service was closed down as short wave audiences in Japan dwindled, and access to free and independent news and information was readily available. BBC World television picked up where BBC World Service left off, and has operated its translation service in Japanese ever since.

— South Korea

  **BBC World Service**—Arirang FM in Seoul takes World Service news programmes and documentaries. The station is Korea’s premier English-language radio station. Targeting both domestic and international listeners, Arirang Radio provides useful information on life and culture, weather, traffic and travel, as well as up-to-the minute domestic and international news.

  TU Media in Seoul relays WS in English 24/7 via mobile phones and other portable devices. The Tu Media Corporation led the way in providing the world’s first S-DMB (Satellite Digital Multimedia Broadcasting) service in May 2005. TU Media provides its contents through cell phones, car televisions, PDA’s (Personal Digital Assistants), and more recently, launched a car navigation service, which offers both the latest traffic information and TV broadcasts along with audio channels. Total subscribers to TU Media stood at over 1,130,000 throughout South Korea by the end of March 2007.

  In September last year BBC WS in English secured another 24/7 relay with one of the world’s leading digital pay-TV operators, Skylife, in Seoul. Skylife is the only digital satellite broadcasting company in Korea. Its nationwide coverage includes the entire Korean peninsula (including North Korea) with more than two million subscribers. Subscribers can also access SkyLife channels through their mobile phones. Skylife leads the way in media convergence with its interactive broadcasting services.

  BBC World Service has no measured audience in South Korea.

  **Internet**—The BBC website in English is available throughout South Korea. Data from February 2008 reveals 56,204 unique users in South Korea. BBC World Service radio is available online.

  **BBC World** is available in 3.6 million households and 13,000 hotel rooms in South Korea. It is carried by more than 40 Pay-TV operators across the country.

  In February 2006, BBC World began broadcasting through Skylife (as described above) in Korea. KT (Korea Telecom) are major owners (25.4%) of SkyLife and BBC World is also carried 24/7 on their 3G Mobile service (KTF), which has 1.5 million subscribers.
Skylife and BBC World have also established the BBC World English Scholarship which allows students to come to the UK to study English for one month.

The BBC considers KBS (Korea Broadcasting System—the main public broadcaster in South Korea) a firm friend in the news market place and has two long-term relationships on a news level with the broadcaster. The first is via BBC Worldwide (the commercial arm of the BBC) which sells domestic BBC news bulletins (6 and 10 o’clock) to KBS. The second is a direct broadcaster-to-broadcaster relationship with the KBS London bureau for sound material in BBC domestic network news programmes.

North Korea

BBC World Service is not available in North Korea as all radios and TVs are only able to receive the state broadcaster, and it is illegal to listen to or watch any other channel.

For the same reason, there are currently no opportunities for BBC World in this country. Recent research suggests there are 55 TV sets per 1,000 people, all of which are fixed tuned to the state broadcaster. According to N Korean refugees, the penalty for watching foreign TV or listening to foreign radio is “very high”.

No data is available for use of the internet in North Korea. Internet usage is restricted to a limited number of individuals who are judged to have strong ideological credentials and on a need to know basis.

Korean—The BBC does not, and never has, broadcast in Korean. The main reason for this is that the options for reaching audiences through radio or TV are extremely limited. It is also very rare for journalists to get visas for North Korea.

Although most households own a radio, this is not a straightforward business; a set must be registered with the local police and the tuning is sealed and regularly checked. Rumours suggest that cheap unregistered radios are smuggled in from China and used to receive foreign broadcasts, but this is extremely risky and a serious “crime against the state”.

Mobile phones have also been banned in recent years—with reports of severe punishments for just owning a mobile phone, although recent reports have suggested that the ban is to be lifted shortly.

BBC World Service and BBC World programming on Japan and Korea

BBC World Service and BBC World provide coverage of the region across their news programmes. Most recently there has been extensive coverage of the South Korean elections, the ongoing nuclear issue in North Korea, the New York Philharmonic Orchestra’s visit to North Korea and the Japanese whaling issue.

BBC World Service’s main news and current affairs programmes include Newshour, The World Today, World Briefing, Have Your Say and Global Business. BBC World’s news and information programmes include: HARDtalk with Stephen Sackur, Asia Business Report, World Business Report, Have Your Say (where listeners, viewers and internet users join up to share views on key international topics), Click and fast:track.

As well as coverage in these regular programmes, some examples of recent special packages and programmes on the region include:

Japan

BBC World Service: In August Tokyo correspondent, Chris Hogg, investigated energy efficiency in Japanese industries in Japan Environment. Japan has an impressive record in this area, and yet a recent report said the country will struggle to meet its obligations under the Kyoto agreement to reduce greenhouse gas emissions. The report asked what kind of initiatives the Japanese were putting in place, and what the rest of the world could learn from them.

In Japan Earthquakes, another package from Chris Hogg in October, he described how the Japanese have introduced a warning system to help predict when or where an earthquake will strike—the first time a whole country has been protected in this way.

As part of the Culture Shock strand in November, Virtual Worlds & Collaborative Gaming reported from Tokyo where the latest collaborative game for the Playstation was revealed. Sony claim that this is the future of gaming. Players create the video game from scratch and then hook up with other players online to create levels, characters and challenges together.

Coming up, a season entitled Made in Japan for the Culture Shock strand has been commissioned and will be broadcast shortly on BBC World Service.

BBC World: The Real . . . travelogue series visited Tokyo as one of five keynote destinations: New York, Tokyo, Paris, Sydney and London, where prominent locals took viewers to their haunts—and revealed the secrets of each city behind the bright lights and tourism.

Around The World In 80 Treasures also visited Japan. It featured the sword of the Samurai warriors and a Japanese temple and meditation garden.
Korea

**BBC World Service:** In an Assignment programme in January entitled *South Korea Computer Addiction*, Julian Pettifer investigated the extent of this addiction in Korea, and asked how the Korean government was persuading young people to turn off their computer screens. South Korea is the world’s most “wired” country with around 70% of the population hooked up to a high speed internet connection. Ten people have actually died after exceptionally long stints in front of the computer screen.

A news package from John Sudworth on South Korea Corruption is due to go out in March. Police believe thousands of people accepted cash to vote for a candidate in the local elections. The candidate won but is now in jail and those who accepted the bribe have been asked to turn themselves in. The case shows how wide scale corruption can flourish in even modern, economically vibrant Korea. It is also making Korean people ask about democracy.

**BBC World:** Coming up in May *Cooking In The Danger Zone* visits South Korea. The presenter visits a farm where over 2,000 dogs are raised for their meat. He also meets “Dr Dogmeat” and hears allegations that dogs are tortured to death.

**Future Plans**

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- BBC World Service in English will continue to explore new media opportunities in Japan and South Korea.
- BBC World aims to increase distribution in this growing television news market place.
- There is little potential for BBC World Service or BBC World distribution in North Korea at present.
- The World Service has discussed the possibilities of a Korean Service with the FCO a number of times, but feels that there is currently no prospect of being able to make any impact. The lack of an adequate delivery platform is the main reason.
- Short wave is currently the only feasible option—such a service might reach a few hundred senior officials (who are likely to understand English and have access both to satellite TV and the internet anyway) and a small number of North Korean civilians who are prepared to risk extremely severe punishment in order to listen to the service. BBC World Service believes that this represents a poor investment as it would not be able to make a significant impact.
- There have been some rumours that a limited mobile network is about to be re-established in North Korea, but nothing definite has been announced yet. Even if there were a mobile network, BBC World Service would not have access to it under the current restraints imposed by the Government.
- BBC World Service will continue to monitor the situation in North Korea.

**BBC Monitoring’s coverage of Japan and the Koreas**

BBC Monitoring’s Asia-Pacific team, in conjunction with Monitoring’s US partner, the Open Source Centre (OSC), provides daily coverage of news and current affairs on North and South Korea and Japan. Drawing on translated material supplied by OSC bureaux in the region, BBCM selects, edits and publishes reports online from a wide range of vernacular and English-language media, including radio and TV, news agencies and print and internet sources.

**North Korea**

Coverage of North Korea is given high priority with particular focus on the ongoing nuclear issue, inter-Korean and foreign relations, and domestic political and economic affairs. The main sources for news and information are the country’s state-run media in both Korean and English: Korean Central News Agency (KCNA), Korean Central Broadcasting Station (KCBS) radio and Korean Central Television via Satellite, while reports from South Korean, Japanese and Chinese sources provide valuable insight and analysis of North Korean affairs.

In addition, the OSC bureau in the region produces daily radio and TV programme summaries from North Korean state-run TV and radio and BBC Monitoring produces a weekly digest of regional reports and reaction to the latest developments in North Korea (North Korea Briefing). In 2007, BBCM published a total of 4,409 reports on North Korea.

**Japan and South Korea**

Coverage of Japan and South Korea consists mainly of daily reports from English-language news agencies Kyodo and Yonhap as well as a mixture of vernacular and English-language print and internet media. Monitoring of the countries’ main TV broadcasters, Japan’s NHK TV and South Korea’s KBS TV1, is also carried out by OSC regional bureaux on an ad hoc basis. In addition, both bureaux produce regular press highlights from Japanese and South Korean periodicals.
BBC Monitoring’s coverage of South Korea and Japan focuses mainly on foreign and defence policy with particular emphasis given to relations with China, the US, North Korea and Europe. Economic policy and political reform are also covered. In 2007, BBC Monitoring published a total of 2,734 reports on Japan and 1,693 reports on South Korea.

In addition to the daily online selection of news highlights for all three countries (Monitoring Select), BBCM also produces election guides, media behaviour notes and backgrounders on major news events on an ad hoc basis.

March 2008

Submission from Dr Christopher Hughes, University of Warwick

INTRODUCTION: WHERE ARE UK-JAPAN SECURITY RELATIONS HEADING?

1. The UK and Japan have long enjoyed strong economic relations, especially since the influx of Japanese investment into the UK in the 1980s, and have increasingly developed a complementary set of bilateral political relations. Since the end of the Cold War, and accelerated by post-11 September events, the UK and Japan have also begun to develop a more diverse set of security relations. Japan first assisted the UK in security terms through its large-scale financial and more limited human contribution to the stabilisation of the Balkans. UK-Japan security cooperation has now taken on a harder edge with the JSDF’s provision of non-combat logistical support for UK and other coalition forces in Indian Ocean since 2001 as part of OEF, and with the JSDF’s despatch on non-combat reconstruction missions to work alongside the UK in Iraq and Kuwait since 2004. For Japan, the UK in many ways has been the long-term European partner of choice in the EU, G-7/8 and the UN.

2. The UK and Japanese governments, as indicated by the January 2007 UK-Japan Joint Statement, are now seeking to further expand security cooperation in their respective regions and globally. Many Japanese policy-makers have seen the UK as future model to be emulated in terms of gradually integrating their nation into international security cooperation, and for managing the opportunities and risks of a strengthening bilateral security relationship with the US. Japan for some has even been identified (admittedly often overly hopefully; disingenuously, or in ignorance) as the new “Great Britain of the Far East” (see Hughes 2007). Similarly, for the UK, an expanding security relationship offers opportunities to engage Japan’s still very considerable “soft” economic power and qualitatively upgraded “military” power in the service of shared international security goals, and to leverage UK influence in East Asia and globally. It might indeed be argued that 2008 is another opportune year for pushing forward UK-Japan security cooperation, as Japan renews its refuelling mission in the Indian Ocean; mulls the passing of a new National Security Law which may routinise JSDF participation in various “international peace cooperation” activities; and prepares to host the G-8 summit in Toyako, Hokkaido.

3. The purpose of this short memorandum is to consider the areas of emerging opportunity for substantive and meaningful security cooperation between the UK and Japan, but also to point out areas of existing and new possible difficulties that will continue to hamper the security relationship. Essentially, it argues that the UK and Japan certainly have good reason to propel their security cooperation forward, and this will be facilitated by the ongoing process of Japan’s self-disentanglement from many of the past restrictions on its international security role; but that the UK will also need to be conscious of the fact that forging a new security relationship with Japan also means forging a relationship with by definition a new Japan itself. This new Japan may prove a more unpredictable security partner than previously imagined.

UK-JAPAN OPPORTUNITIES FOR COOPERATION

4. Despite some recent signs of retrenchment in Japanese security policy with the fall from power of Prime Minister Abe Shinzo and succession of Fukuda Takeo at the end of 2007, it is probable that there will be little divergence on Japan’s part from its overall trajectory over the past decade of assuming the position of a so-called more “normal” military power. Fukuda was forced to temporarily withdraw the MSDF from the Indian Ocean in November 2007 due opposition from the main opposition Democratic Party of Japan (DPJ) in the National Diet’s Upper House to the renewal of legislation enabling despatch. However, Fukuda was eventually able to use the governing Liberal Democratic Party’s (LDP) “super-majority” in the Lower House to force through new legislation enabling re-despatch, even if with a contracted mandate to concentrate on refuelling and with the same time bound limit of one year for operations. Fukuda is undoubtedly more cautious than Abe on issues of national security, and preoccupied with attempting to maintain his hold on power domestically. However, there are a number of long-term factors which will continue to drive Japanese security policy forward.

— External threats: Japan will of course seek to maintain engagement with North Korea and China. Nevertheless, the threat from North Korea’s nuclear and ballistic missile programmes short-term, and the long-term concerns over the rise of China mean that Japan will have to continue to steel its deterrent capabilities and regional security role.
US-Japan alliance pressures: Japan is aware that the US since the mid-1990s has essentially changed the terms of their grand strategic bargain first forged at the start of the Cold War. The US is no longer content with providing security guarantees for Japan in return simply for regional bases. US global strategy now dictates that Japan and other regional allies should make their bases and national military capabilities available for supporting US regional and global deployments, and for participation in “coalitions of the willing”. Japan’s facing of this relentless alliance pressure is unlikely to abate regardless of who enters the White House in 2009.

Domestic changes: Japan is experiencing a state of relatively unprecedented domestic political fluidity, the result of long-term structural change now coming to a head. The old-style, politics of redistribution, conciliation and cooptation, practiced by the previously dominant pragmatist wing of the LDP hit the buffers with the Heisei Recession of the 1990s. It has now been replaced by a new form of hybrid neo-liberal, neo-conservative, confrontational, revisionist form of politics practiced to varying degrees by the Machimura faction of the LDP, which has produced the last four prime ministers, including the incumbent Fukuda. The corollary of this domestic political change has been a change in Japan’s external foreign policy posture. The low-profile, low risk posture of the LDP pragmatists in foreign policy, has been replaced by the acceptance in Japan of the need for expanded security commitments, in part to meet external threats and satisfy US expectations, but also in large part to restore Japan’s perceived rightful place as a great power. The LDP revisionists now refuse for Japan to be weighed down by history and consequently argue for constitutional revision, a more equal less dependent relationship with the US, and a relationship free of the burden of historical apologies with Japan’s neighbours. Fukuda is the most moderate of the revisionists, as shown by his non-confrontational stance on visits to Yasukuni Shrine and emphasis on good ties with China and South Korea. But arguably Fukuda is now the aberration within the LDP, and if/once he falls from power, then the forces arguing for a more assertive Japan will once again be in a position to seize power.

Oppositional politics: The DPJ under Ozawa Ichiro’s leadership has certainly been more intent on forcing the LDP from power, and has attempted to articulate a vision of security more UN and Asian-centred in nature. However, even if the DPJ were to secure victory in probable Lower House elections in the summer of 2008, or to enter into coalition with the LDP, this would not be the end of Japan’s security normalisation. For sure, Ozawa would focus more on strengthening Japanese international security cooperation via the UN, and seek stronger international mandates for cooperation in US-led operations outside Japan’s own region. But Ozawa is certainly not advocating the abrogation of the US-Japan alliance (and indeed arguably much of his opposition to the Indian Ocean mission can be interpreted as simply his desire to force an election for domestic political gain, rather than to deny Japan’s expanding international security role), and in certain instances Ozawa may even advocate more radical options for Japan’s external security role. If Ozawa’s more UN-centred security option were realised, then he has argued this should mandate the JSDF to be despatched to Afghanistan with the necessary legitimacy to use force if necessary. Ozawa will certainly have to struggle to maintain the unity of his diverse party, but the bulk of the party is generally in accord with this more radical vision of Japanese security.

5. Hence, for these long-term, structural, reasons it is certain that Japan will continue to expand its role in international security, even if at times this expansion remains incremental or stop-start. In terms of the UK relationship with Japan, there are thus a number of opportunities that might be exploited.

UN PKO: Japan will continue to look to the UK as an important partner from which it can gain experience and training in peacekeeping operations. Although Japan’s participation in UN PKO has been strictly limited up until now to operations that involve the non-use of force, there may be scope in the future for an incremental expansion of the JSDF into more hazardous operations. Japan’s consideration of JSDF despatch to Darfur is one instance of this.

NATO and Afghanistan: Prime Minister Abe raised NATO hopes in January 2007 when he addressed the North Atlantic Council and indicated that Japan would prepared to make an expanded commitment to international security cooperation, including possible JSDF despatch as part of PRTs in Afghanistan. In many ways, JSDF despatch to Afghanistan would itself represent a more visible and useful contribution to post-war reconstruction than the “floating gasoline stand” operation in the Indian Ocean. Abe’s government then disappointed NATO by its failure to follow up on the proposal. As noted above, though, the DPJ has some appetite for JSDF despatch to Afghanistan, and it might become a reality if a National Security Law were passed. Prime Minister Fukuda has talked up this possibility in 2008, following his political ordeal in attempting to pass the legislation for the re-despatch of the MSDF to the Indian Ocean. If a National Security Law were passed, then it would provide a non-time bound set of legislation, enabled by clearer standards of international mandates, which would allow for the routine and fast despatch of the JSDF overseas, and obviating the current need for separate laws for each JSDF mission. The LDP and DPJ may have sufficient consensus between them to pass such legislation. Hence, if the UN mandates were deemed strong enough, the JSDF could indeed be despatched on certain types of missions to Afghanistan, and to work alongside UK forces (although expecting despatch to southern Afghanistan and combat zones would be a step too far to expect).
— Non-Proliferation: Japan’s expanding maritime capabilities and ambitions would match those of the UK in seeking to halt exports of nuclear materials or ballistic missiles. Japan and the UK are already partners in the Proliferation Security Initiative.

— Arms manufacture: Japan’s defence industry is beset by the twin problems of limited demand in Japan itself (with stagnant defence budgets) and the lack of export markets and co-development partners for increasingly expensive weapons systems (a result of the 1967 and 1976 prohibitions on the export of weapons technology). Japan’s defence production sector, however, is seeking to erode the ban on arms exports to attempt to exploit the benefits of global markets and co-production with partners from other developed states. Inevitably, the prime target for Japanese defence industrial collaboration is the US as Japan’s alliance partner. Nevertheless, Japanese concerns at over-dependence on US military technology means that there is an interest in expanding defence production cooperation longer term with European partners and especially the UK, which is seen as a safe partner due to its own close links with the US. Japan’s recent interest in the possible procurement of the Eurofighter Typhoon, for which BAE Systems holds the export rights, is one example of this potential new type of military-industrial cooperation.

UK-JAPAN OBSTACLES

6. Japan’s long term trajectory as a more active partner in the US-Japan alliance and its related search for additional partners in Europe and NATO should thus serve to elevate UK-Japan relations to a more central role in Japan’s future security calculations.

7. At the same time, though, any deepening UK-Japan security relationship is likely to experience some limitations or tensions over the following types of issues:

— US comes first: Although Japan is constantly seeking to hedge against over-dependence on the alliance with the US by seeking new security partners, its final allegiance remains to its security ties with the US. As long as UK-US ties remain convergent on many security issues, then there will be no likely tension between UK-Japan ties. All the same, the UK will need to remember that there may be issues or regions where its perceived vital security interests may diverge with those of the US, and in this event Japan may not be willing to provide support to the UK. Such examples may include European-centred humanitarian intervention missions.

— China: Japan’s optimum policy approach to China is to seek economic and political engagement, and thus has many similarities to UK policy. However, Japan continues to view China as the greatest threat to its national security and much of its military transformation and the strengthening of the US-Japan alliance is designed to counter-balance China. In this sense, the EU’s, and concomitantly the UK’s, active engagement of China, with what is often seen from the Japanese perspective as an unduly soft touch on security issues, is a potential stumbling block in UK-Japan cooperation. Japan remains implacably opposed to any lifting of the EU arms embargo on China, and would react with great disappointment at any UK move to supporting the selling of weapons to China in the future.

— North Korea: Japan has certainly been thankful for the UK’s professed support for the Japanese position on the abductions of its citizens. However, Japan’s insistence on a resolution to the abductions issue as the entry point for bilateral normalisation with North Korea and for the provision of significant Japanese economic support for the Six Party Talks denuclearisation process has meant that Japan has threatened to fall out of step with the international community on the North Korean issue. In this way, Japan and the UK might find themselves diverging if North Korea moves ahead with its denuclearisation and this triggers calls for wider support from the international community, but Japan is left isolated. The UK government also needs to be conscious of the fact that the abductions issue has very much been the property of the nationalist right-wing in Japan over past years, and that its support on this issue needs to be carefully calibrated so as to not stimulate an overly hard-line position on North Korea from Japan.

— Reciprocity: The UK is certainly faced with a more active Japan as a potential international security partner. But the flipside of this is that the UK will also be faced with a more quixotic and demanding partner. As Japan is encouraged to do more in the international security arena, in order to live up to its status as a major developed power, so will it naturally expect greater reciprocation from its partners on issues of vital importance to itself. Japan may lose its image as an ATM providing cash when kicked for supporting international security cooperation, and instead, now that it is making a human contribution to security, expect others to bear the costs with it. Abe’s visit to NATO in 2007 was a portent of this type of Japanese thinking. He offered expanded supported for international security, but also demanded (if in oblique Japanese fashion) reciprocation on issues such as China and North Korea. Japan has even made this clear in dealings with the US, expecting expanded alliance commitments to make for greater US support for its permanent UNSC bid. The fact that this support was not substantially forthcoming only served to injure Japanese national pride. Hence, the UK must avoid similar possible tensions. If it expects more from Japan, then the price will be to give more back diplomatically and politically, and to actively and even materially support Japanese security concerns in East Asia.
CONCLUSION: TAKING THE NEW JAPAN SERIOUSLY

8. If the UK wishes to investigate an expanded security relationship with Japan, then it needs to continue to recognise the deep-seated domestic and international changes affecting Japan’s orientation on the world. Japan is emerging long-term as a more active security partner for the US and other developed states, including most especially the UK. The current impasse and retrenchment in security policy under Fukuda is only likely to be short-term. The consequent terms of Japan’s relationship with the US and other partners are changing. Japan may be a more reliable alliance partner of the US, but this has already been accompanied by greater Japanese intransigence over policy towards North Korea, China, and issues of the colonial past (see Hughes and Krauss 2007). The UK needs to recognise that in reaching out to the newly emerging Japan, it will have to wrestle with similar problems. Japan, although it will not lose entirely its traditional reticence in international relations, will do more potentially for the UK, but the UK will also have to do much more for Japan; that is if they want to have a truly substantial security relationship and move beyond the niceties of much of past security cooperation and the nostalgia for the Anglo-Japanese alliance. Japan and the UK can do much together in their respective regions, and in the Middle East and Africa. But closer cooperation also brings risks of placing the relationship at loggerheads over issues that are closest and most essential to Japan’s national security.

26 March 2008

Submission from Dr Tat Yan Kong, Senior Lecturer in Politics, School of Oriental and African Studies, University of London

NORTH KOREA’S NUCLEAR CAPACITY AND THE PATH OF REFORM

1. BACKGROUND

1.1 The North Korean nuclear crisis dates back to the 1993, when IAEA inspections concluded that weapons grade plutonium had been extracted from spent fuel at North Korea’s nuclear facility at Yongbyon. Failure of on-off negotiations between North Korea and the US resulted in a tense stand-off. Military conflict was averted in July 1994 through the conclusion of a deal between the two sides. Formalized as the Geneva Framework Agreement (GFA) of October 1994, the deal provided for energy assistance to North Korea (oil and the eventual supply of two light water nuclear reactors) in exchange for the disablement and eventual dismantling of existing nuclear facilities at Yongbyon and other locations.

1.2 By the end of 2002, the GFA had collapsed. The ostensible trigger was the alleged confirmation of a uranium-based nuclear programme by North Korean negotiators to their US counterparts in October 2002. This prompted US cessation of the supply of oil (500,000 tons annually) to North Korea. Food aid and support for the light water reactors were also suspended. In response to US sanctions and UN condemnation, North Korea expelled IAEA inspectors and restarted its Yongbyon reactor (including the reprocessing of 800 spent fuel rods) and declared its right to possess nuclear weapons.

1.3 Even without the alleged October 2002 disclosures, the GFA was problematic given the loopholes of the agreement (especially over disclosure and verification), slow implementation of the light water project, and North Korean attempts to extract further concessions (eg by ballistic missile testing in 1998). The most decisive factor of all, however, was the ideological hostility towards North Korea by the new George W. Bush administration. In the post-September 11 climate, compromise with a nuclear-proliferating, anti-democratic state like North Korea (that had been linked to terrorism) was unacceptable to the neo-conservative Bush administration.

1.4 To resolve the crisis, both North Korea and the US agreed to participate in the Chinese-sponsored six-party talks (North Korea, US, China, South Korea, Russia, Japan) which begun in Beijing in August 2003. After four rounds lasting two years, an agreement of principle was signed in September 2005. The agreed declaration contained the following provisions:

— North Korean will denuclearize on a verifiable basis.
— US will refrain from attacking North Korea.
— US will refrain from reintroduction of nuclear weapons to South Korea.
— North Korea had the right to use civil nuclear energy.
— North Korea and US and Japan should seek to normalize diplomatic relations.
— North Korea will receive energy assistance from the five powers.

Implementation was to be based on the principle of “commitment for commitment, action for action”.

1.5 The September Agreement soon ran into difficulties, especially over the modalities of implementation. For example, North Korea insisted on the delivery of a light water reactor (a process that would take years) before any denuclearization. In the same month, the US treasury imposed sanctions on Banco Delta Asia, a Macau-based banks allegedly involved with North Korean counterfeiting, resulting in the freezing of $25 million of North Korean funds. The six-party process was halted and the situation
deteriorated in 2006 as North Korea conducted a series of missile tests on 4 July and tested a nuclear weapon on 9 October. While the US was unable to secure support for comprehensive sanctions against North Korea, the tests did not go unpunished. South Korea suspended fertilizer and food aid for one year in response to the July missile tests, while China reduced its aid (by two-thirds) and supported the UN (Resolution 1718) condemnation of the nuclear test and sent a high level envoy to North Korea.

2. The February 2007 Agreement

Against the background of international isolation, and economic pressure from its principal aid providers, North Korea returned to the six-party talks in December 2006. Under Congressional pressure to re-engage and in the absence of progress in the Middle East, the Bush administration decided to re-focus its efforts on settling the North Korea issue. Progress was surprisingly quick, and agreement was reached at the six-party talks in February 2007. The February Agreement is divided into two phases.

2.1 Phase 1 provisions:
— North Korea will freeze its nuclear installations at Yongbyon and invite back the IAEA inspectors.
— North Korea will discuss with the six parties its nuclear programmes, including plutonium extracted from the operation of its Yongbyon reactor.
— North Korea and the US will begin bilateral talks aimed at establishing full diplomatic relations.
— The US will begin the process of removing North Korea from its list of terror-sponsoring states, and advance the dismantling of economic sanctions under the Trading with the Enemy Act.
— North Korea and Japan will start bilateral talks aimed at resolving “outstanding issues”.
— The US will resolve the issue of sanctions against Banco Delta Asia (within 30 days of the agreement).
— North Korea will receive 50,000 tons of heavy oil.

2.2 Phase 2 provisions:
— North Korea will declare all its nuclear programmes and disable all nuclear facilities.
— North Korea will receive one million tons of heavy fuel oil (including the initial shipment of 50,000 tons).

2.3 North Korea received its frozen funds in Banco Delta Asia in June 2007. In July, IAEA inspectors returned to Yongbyon and confirmed that the nuclear installations were shut down. South Korea delivered 50,000 tons of heavy oil to North Korea. High-level US-North Korean in September opened the way for the arrival of US technicians to Yongbyon. A 31 December 2007 deadline for declaration of North Korean programmes was ostensibly agreed. After initial progress, the 31 December deadline was not adhered to. The US demanded that North Korea complete disablement of Yongbyon and provide a full account of past and existing nuclear activities. North Korea responded by insisting that it had declared all its programmes and called on the US to comply with its obligations on energy aid, economic sanctions and the terrorism blacklist.

3. Complicating Factors

The current impasse (as of April 2008) is not surprising from the past history of denuclearization agreements with North Korea. Apart from the intrinsic problems of the February Agreement arising from the mechanics of denuclearization, and the sequencing of concessions (who gives up what, how much, and when?), the recent leadership change in South Korea and the impending one in the US present additional complicating factors.

3.1 Predictably, “denuclearization” is difficult to implement given the absence of trust and divergence of understanding between the US and North Korea. Implementation of the principle of denuclearization is likely to be subject to disagreements over full disclosure of the extent of North Korea’s nuclear capacity, the meaning of “denuclearization” verification, and the reciprocal concessions that North Korea expects.

3.1.1 To denuclelarize, North Korea first needs to give a full account of its capacities and that account needs to be acceptable to the other parties. Full disclosure of North Korea’s nuclear programme includes not only the amount of weapons grade plutonium extracted from the 8,000 spent fuel rods after the reopening of the Yongbyon plant in 2003, but also the total amount of plutonium accumulated (since the opening of the Yongbyon plant in 1985), the number of nuclear weapons it possesses, and the any programmes outside of Yongbyon. All of these issues are problematic as the US estimates are likely to diverge from those given by North Korea. For example, the US claims that there is a nuclear programme based on highly enriched uranium, a claim denied by North Korea.
3.1.2 What does “denuclearization” mean? The US insists on the “disablement” of nuclear facilities to the extent that operation cannot easily be restarted. Does “denuclearization” apply to the capacity to make nuclear weapons or to North Korean possession of any nuclear capability, including civil? Here the North Koreans have indicated that they expect to have to be supplied with light water reactors (LWRs) as compensation for the closure of their existing reactors (the 1994 GFA also committed to providing North Korea with LWRs).

3.1.3 The verification regime under the February Agreement is limited. The role of the IAEA is confined to monitoring the freezing of the Yongbyon facility. The September 2007 discussions allowed for the arrival of US technicians at Yongbyon. Thus the system of inspection and verification for any installations beyond Yongbyon will need to be negotiated with the North Koreans (who deny the existence of such facilities). Even if agreement can be reached on the existence of nuclear facilities, the mode of verification is likely to be contentious given North Korea’s history of opposition to intrusive inspection.

3.1.4 What reciprocal concessions do the North Koreans expect? The February Agreement commits the other signatories to the provision of heavy oil (one million tons), US removal of North Korea from the terror blacklist and the ending of US economic sanctions. Statements from North Korea, however, point to expectations for more extensive concessions as the price for full denuclearization. These include oil shipments beyond the specified amount, the (longstanding) demand for the construction of LWRs, and the concomitant reduction of US military forces on the Korean peninsula. Even if these demands could be agreed in principle, their implementation will extend the denuclearization schedule for an indefinite period into the future. There is also strong US (and South Korean) expectation that aid and diplomatic normalization will also be accompanied by conventional force reduction on the North Korean side.

3.2 The US electoral cycle introduces an element of uncertainty. The prospect of improved relations at the end of the Clinton administration was halted by the new Bush administration in 2001. Therefore North Korea is watching and waiting for the outcome of the 2008 presidential contest (just as it did in 2004, when the six-party process stalled). North Korea is unlikely to commit fully to denuclearization unless it can be sure that the guarantees made by one administration will be maintained by its successor. North Korea is likely to be most apprehensive about a McCain victory. Senator McCain was a critic of the 1994 GFA and had advocated a more robust approach to “rogue states” (including North Korea) during the 1990s. It is worth quoting his recent comments on the subject of North Korea, which hint at a widening of the list of concessions expected by the US:

North Korea’s totalitarian regime and impoverished society buck these trends [towards democracy]. It is unclear today whether North Korea is truly committed to verifiable denuclearization and a full accounting of all its nuclear materials and facilities, two steps that are necessary before any lasting diplomatic agreement can be reached. Future talks must take into account North Korea’s ballistic missile programs, its abduction of Japanese citizens, and its support for terrorism and proliferation. (Source: Foreign Affairs, Volume 86 (6) November/December 2007, section 3 paragraph 3, html version)

3.3 The administration of newly inaugurated South Korean President Lee Myung-Bak has stated that it intends to take a less indulgent attitude towards North Korea than its predecessors. While the previous Roh administration reduced food aid in 2006 in response to North Korea testing of missiles and a nuclear device, it did not support US calls for comprehensive sanctions or the forceful interdiction of North Korean shipping under the Proliferation Security Initiative. Indeed, it maintained and expanded key projects (notably the Mount Kumgang Tourism Project and the Kaesong Special Economic Zone) that provide North Korea with much needed foreign exchange. Roh’s approach reflects the belief that a generous approach towards North Korea ultimately yields more benefit (in softening the North’s attitude, promoting the development of civil society) than either confrontation or strict insistence on quid pro pro quos. By contrast, President Lee has indicated that he will take a more conditional approach towards North Korea meaning that economic aid will depend upon tangible results in the areas of denuclearization, demilitarization and human rights. Of course, President Lee’s scope for manoeuvre will also depend on the result of the forthcoming April 2008 national assembly elections.

4. DENUCLEARIZATION AND NORTH KOREA’S REFORM PATH

Whether these complicating factors can be overcome depends on the North Korean leadership’s vision of systemic change. A secure external environment (centred on improving relations with the US and the opportunities for aid and investment that flow from normalization) is a necessary but insufficient condition for the introduction of substantive market reform in North Korea. Equally important will be the acceptance of the principle of reform amongst North Korean leaders. Readiness for substantive reform will reinforce denuclearization and demilitarization. By contrast, a leadership preference for “muddling through” will have the opposite effect.
4.1 North Korea’s leaders seek to remain in power indefinitely and will maintain a level of social control consistent with that objective. Any future post-Kim Jong-Il non-dynastic leadership will also aspire to power retention using social control. Given the status accorded to the military as part of Kim Jong-Il’s post-1994 power consolidation and as a response to the 1990s economic crisis, it is likely that military leaders will play a leading role in any post-Kim leadership. Successful reform will depend on high status military leaders recognizing the priority of achieving a successful civilian economy.

4.2 The small size of North Korea and its weak position vis-à-vis South Korea means that the North Korean leadership feels more vulnerable than its counterparts in China or Vietnam. Accordingly, its approach to economic reform is likely to be more cautious.

4.3 Historically Kim Il-Sung and Kim Jong-Il have been lukewarm about Chinese-style market reforms. Apart from ideological hostility, concerns about loss of economic control and social challenges to the regime always outweighed concerns about productivity. However, North Korean leaders seem to have reappraised the Chinese experience. There are grounds for expecting North Korea to increasingly copy aspects of Chinese reform.

4.3.1 China’s initial agricultural reforms of 1978 (de-collectivization) simply sanctioned what was already taking place at the local level in response to food shortages. Similarly, North Korea’s economic collapse of the 1990s led to the spontaneous rise of non-state economic activities (especially private farming, light manufacturing and primitive markets) as the state could no longer provide employment and goods for the desperate population. Other reforms include the 2002 wage-price reform (to reflect scarcities more accurately), accelerated development of special economic zones (notably Kaesong) and greater managerial autonomy.

4.3.2 The impressive results of China’s modernization demonstrate to North Korean leaders a route for long term regime survival by promoting economic growth without surrendering the monopoly of power. This shift in attitude is reflected in Kim Jong-Il’s praise for the Chinese model (especially the special economic zones), the dispatch of economics students to China, and in the enticement of Chinese entrepreneurs by the North Korean authorities.

4.3.3 Over the last decade, China’s influence over the North Korean economy has greatly enhanced through its leading role as aid provider, trade partner (from 28–43% between 2001 and 2005) and foreign investor.

4.4 On the other hand, the North Korean government has also attempted to assert its control over the fledgling private economy (over foreign exchange, over cross-border trade) as the economic crisis has eased. It continues to stress the relevance of state owned industries and central economic management. This approach to economic reform is likely to be more cautious.

4.4.1 The North Korean leaders may seek to maintain a substantial but revamped state industrial sector while inducing foreign participation in foreign exchange generating activities (working with state agencies via special economic zones, tourism projects, and mineral sector). This way, the state can retain control of the lead industrial sectors, minimize the spread of independent local entrepreneurs, keep cultural contacts with foreigners strictly regulated, and ease its foreign exchange constraints. Apart from employment rationalization (which will need to be severe), foreign expertise and investment (eg from South Korean conglomerates) will also be needed for the revamping of worthwhile state industries. Such a reform strategy represents the “development dictatorship” model, that it, North Korea’s approximation of South Korea’s centralized, state-directed capitalism of the 1960s–80s. Such a strategy is more consistent with North Korea’s history of economic centralization (whereas Chinese provinces enjoyed a high degree of economic autonomy). Kim Jong-Il has also expressed admiration of the South Korean model.

4.4.2 North Korean leaders may be politically too sensitive, and unwilling to risk any kind of substantive economic reform. Instead they may seek to “muddle through” by making the minimal adjustments necessary to maintain the current levels of foreign exchange receipts and aid flows. Keeping the nuclear threat alive as a bargaining counter, would be consistent with muddling through. Such behaviour would deepen North Korea’s isolation and reinforce its dependence on nuclear diplomacy. This is the scenario least conducive to denuclearization and least attractive to the region as a whole. Given their desperate need for economic regeneration (eg GDP growth in 2006 turned negative for the first time since 1999, a grain shortfall of one million tons by the end of 2007) to sustain power, even the most conservative North Korean leaders are likely to be aware of the limits of muddling through. Scenarios of a permanent gangster regime eking out a basic existence through aid extorted by nuclear diplomacy and the receipts of criminal activities (drug production and counterfeiting of goods and currency) are unrealistic.
4.5 Thus the choice between substantive reform/denuclearization versus muddling through/brinkmanship depends in large part on the readiness of North Korea’s leaders to accept substantive reform. That readiness arises from their calculations about internal political risks and external security. Their perceptions about the intentions of the US will be crucial to shaping the latter calculation. By the signals it conveys, the US will be able to shape those perceptions in the direction of substantive reform/denuclearization.

4.5.1 The US should accept the North Korean political system as it stands and instead prioritize denuclearization and economic reform. It should look to the social transformation of North Korea over a long time frame driven by improved living standards, spread of the profit motive and generational change (ie North Korea as a slow motion replay of China or Vietnam). This means stepping away from the moral absolutism that has dominated much of the Bush administration (with few positive results).

4.5.2 The North Koreans will not denuclearize until they can be sure that deals will not become hostages to fluctuations in domestic US politics as in 2000. This raises the wider issue of how guarantees of aid and security can be carried across US administrations. Given the six party support of the current agreement, it has a more binding effect than the 1994 GFA. Progress on negotiation of a separate peace regime between the US, North Korea, China and South Korea (as called for under the February Agreement) will offer further reassurance to North Korea. These layers of multilateral reassurance will also make North Korean non-compliance with denuclearization difficult.

4.5.3 The new US administration should rapidly indicate that it is committed to the implementation of the February Agreement. While the Middle East and Afghanistan will remain higher priorities for US, a US policy of deliberate neglect towards North Korea will only induce the North Koreans to force the issue back onto the international agenda (eg through further nuclear and missile testing, transfer of nuclear and missile technology).

4.5.4 The US fears that North Korea’s real agenda is to gain diplomatic normalization and other benefits without full denuclearization. What tends to be overlooked is the high value that North Korea places on developing friendly relations with the US. Beyond immediate economic benefits, North Korea seeks a relationship with the US in order to counter-balance China’s growing influence on the Korean peninsula. As with Vietnam, there is potential for shared strategic interest between North Korea and the US. The dramatic improvements in US-China relations during the 1970s show how historical hostilities and divergence of political values can be put aside when there is sufficient political will motivated by shared interests.

31 March 2008

Submission from Norma Kang Muico, Amnesty International

I am following up on the request made by one of the Foreign Affairs Committee’s Members during my oral evidence session at the House of Commons on “Global Security: Japan and Korea” held on 2 April 2008.

Although I was not able to find statistics on the number of people who are or have been held in the daiyo kango ku or substitute prison system for 23 days without access to a lawyer, I found relevant data, which the Committee may find equally useful.

Please find attached data on the average number of days prisoners in Japan are incarcerated in the daiyo kango ku system. The figures indicate that the average number of days of pre-trial detention from 1998–2004 exceeds 23 days. Makoto Teranaka, Director of Amnesty International Japan, explained that if after 23 days, there is still no available space at a detention centre, then a detainee could continue to be held at the substitute prison. He said that this is more likely to happen in rural areas where the space at detention centres is quite limited.

I hope the Foreign Affairs Committee’s mission to Japan and South Korea in May will be a successful one.

14 April 2008

13 The information is in Japanese and from the Japanese National Policy Agency’s Department of Statistics on 6 December 2005. The English translation has been done by Amnesty International.
RE: FAMILIES OF JAPANESE ABDUCTEES

During a recent visit of the Foreign Affairs Committee to Japan, a meeting was arranged between ourselves and the relatives of Japanese nationals who have been kidnapped and taken to North Korea. You will be aware that over the last thirty years 17 individuals have been abducted in this way.

The relatives of the victims have formed support groups and continue to campaign for the return of their family members. They have received widespread publicity and although many years have passed since the last abduction, this remains a very high profile issue in Japan. Indeed, our meeting was reported on Japanese national television. It has also generated attention in the Japanese national press and the Japanese language press overseas.

We understand that the relatives wished to meet us in order to raise awareness of the abductions. Some of the incidents have been acknowledged by North Korea and the fate of the victims made known but sadly, information is not available on the plight of many abductees leaving relatives without knowledge as to whether their loved ones are even living or dead.

It must be said that we were greatly struck by the dignity and determination shown by these families in the face of their loss and ongoing distress. As a consequence, we undertook to write to you and our ambassador in North Korea on our return to inform you of our meeting and to ask that HM Government bear in mind the plight of the abductees during our contacts with North Korea. In particular, the families hope that the current talks with North Korea on nuclear issues will not be resolved without some concession on information regarding the remaining abductees.

I enclose herewith some information on the 17 abductees of whom only 5 have been returned to Japan to date.\textsuperscript{14}

June 2008

\textsuperscript{14} Not printed
Letter to the Parliamentary Relations Team, Foreign and Commonwealth Office from the Committee Specialist

When he gave evidence to the Foreign Affairs Committee for its inquiry into Global Security: Japan and Korea—on 2 July, Lord Malloch-Brown agreed to provide further information on two points. You and I agreed that I would write to clarify the information required. As the Committee’s inquiry draws to a close, I would also like to take the opportunity to request further information on two additional points arising from Lord Malloch-Brown’s evidence. The Committee would be grateful for a reply by 1 September.

The issues on which the Committee would like further information are as follows:

1. China’s human rights obligations regarding North Korean emigrants. In his evidence, Lord Malloch-Brown acknowledged that China treated North Koreans discovered in China as illegal economic migrants, and habitually returned them to North Korea without consideration of individual cases. Lord Malloch-Brown said that it was for the UN High Commissioner for Refugees to determine whether China’s practice in this respect represented a breach of its obligations under the 1951 UN Refugee Convention and 1967 Protocol, but that he was “happy to go back and look at this again” (Q 125) and would “find out where the UNHCR is on this” (Q 126). Please could the FCO set out: the mechanism whereby the UNHCR would make any determination that a State Party was in breach of the Refugee Convention or its Protocol; the mechanisms available to the UNHCR or other UN bodies for enforcing observance of the Convention and its Protocol; whether the UNHCR or any other UN body has publicly expressed a view on China’s practice regarding North Korean emigrants; and what action the UK has taken on this issue in UN forums. It would also be helpful if the FCO could confirm whether the Government considers that China is obliged to observe the principle of “non-refoulement” with respect only to persons it has recognised as refugees, or to all non-nationals on its territory.

2. UN Command (Korea). In Qq 127–30, the Minister and his official discussed with Members the future of UN Command (Korea) and the UK’s role in it. Ms Gisela Stuart MP said that she was happy for the Minister to write to the Committee with further information on this issue. In particular, the Committee would like information on whether and how the US and South Korea are informing or consulting with the UK, as a member of UN Command (Korea) and UNCMAC, on the reconfiguration of the US-South Korea Combined Forces Command in the run-up to its planned disbandment in 2012. In addition:

— The Committee understands that the UK has on occasion provided junior officers to the UNCMAC Joint Duty Office in the Joint Security Area. What is the Government’s policy on the future provision of such officers?

— The Committee understands that until December 2007 the UK provided the international officer whom UN Command (Korea) is obliged to have stationed at its rear headquarters in Japan, but that the UK officer has now been withdrawn and that members of the Command are now providing the officer for one year at a time in rotation. What is the Government’s policy on the future provision of the Command’s international officer at the Command’s rear headquarters in Japan? Has a commitment been secured from a UN Command member state to provide the officer in 2009?

3. South Korea-EU Free Trade Agreement negotiations. In his evidence, Head of Eastern Group Stephen Lillie confirmed that the negotiations on the South Korea-EU free trade agreement had not yet reached a point where the UK or the EU had been required to take a view on the treatment which the agreement should extend to goods produced at the Kaesong Industrial Complex. Lord Malloch-Brown invited the Committee to express a view on this issue (Qq 150, 151). It would be helpful if the FCO could indicate its anticipated timetable for the further negotiations on the agreement, within the EU and with South Korea. When does the Government expect to have to reach a firm view on this question for the purposes of agreeing the EU’s negotiating position?

4. Japanese inward investment and the points-based immigration system. In his evidence, Lord Malloch-Brown said that he “personally spend[s] an awful lot of time lobbying the Home Office” so as to prevent the UK’s introduction of a point-based immigration system from having a negative impact on Japanese inward investment (Q 143). Please supply more detailed information about the potential problem, and about the FCO’s work with the Home Office on this issue. What representations has the Government received from third parties, in either the UK or Japan, about this matter? Is the FCO confident that the issue has been or is being resolved to its satisfaction?

Thank you in advance for your assistance.

31 July 2008
Ev 106  Foreign Affairs Committee: Evidence

Letter to Mr Eric Illsley MP and Mr Greg Pope MP from the Prime Minister

Thank you for your letter of 11 June regarding relatives of Japanese nationals abducted by North Korea.

I am aware that the issue of abductees remains extremely emotive in Japan and is very distressing for the abductees and their families to whom I extend my heartfelt sympathy and respect. We continue to support Japanese efforts to resolve the issue and welcome the outcome of recent talks in Beijing when the Democratic People’s Republic of Korea agreed to reopen the investigation into the matter. The issue of abductees is referred to in the UK-Japan Joint Statement of January 2007 which Prime Minister Fukuda and I reaffirmed during our meeting on 2 June 2008.

Your letter states that the families you met were concerned that the Six Party Talks on nuclear issues would move forward without progress on the abductees issue. The UK is not a member of the Six Party Talks process although we follow developments closely. We support the process as the principle mechanism for denuclearising the Korean Peninsula, however we also attach importance to Japanese concerns over abductees. We support recent US statements by President Bush and Secretary of State Rice that the abductees issue will not be forgotten.

The EU, including the UK, will continue to press hard for an improvement in the human rights situation in North Korea. The abduction of Japanese citizens by North Korea represents a particularly terrible abuse of human rights. I assure you that we shall continue to press the North Korean regime on this and other aspects of its human rights record.

11 August 2008

Letter to the Committee Specialist from the Head, Parliamentary Relations Team, Foreign and Commonwealth Office

Thank you for your letter of 31 July asking for further clarification on some of the points made by Lord Malloch-Brown at his evidence session on 2nd July. Please find our responses below.

China’s Human Rights Obligations towards DPRK Emigrants

The UN High Commission for Refugees (UNHCR) has publicly stated, including in documents on its website, that China should not return refugees to the DPRK. The UNHCR in Beijing has regularly raised this issue with the Chinese authorities in relation to individuals who have registered with the UNHCR as refugees (around 180 DPRK citizens at the time of writing). It has also consistently, but unsuccessfully, sought access to the areas along the DPRK border where most emigrants are to be found. This would help it to gain a better picture of the circumstances surrounding such emigrants’ move to China.

Either the receiving state (i.e., China) or the UNHCR can determine if an individual is a refugee. If the authorities then return that person to their country of origin, the receiving state is in breach of the refugee conventions. There is no enforcement mechanism for the convention, but member states and the UNHCR can call on a member state to comply with the terms of the conventions if they believe a breach has taken place. The UK has not yet done so in this case, judging that it was more effective to raise this bilaterally and through the EU. However, we are considering raising the issue at the next Executive Committee meeting in October. If the Chinese authorities were to return someone they, or the UNHCR, have recognised as a refugee, the UK would consider that a violation of the principle of non-refoulement.

UN Command (UNC)

The UNC has kept participating states informed of arrangements for reconfiguration of the Combined Forces Command (CFC) in the run-up to 2012 through monthly meetings with the relevant Ambassadors in Seoul. The new Commander of the CFC has also publicly committed to continue this process as plans develop. Furthermore, the Deputy Chief of Staff at the UNC, Major General Weida, will visit the capitals of all participating states in the next 12 months to discuss the issue with officials. He will visit London on 8 and 9 September, when he will meet the Chairman of the Foreign Affairs Committee, Mike Gapes MP, as well as senior officials from FCO and MoD.

In the past, the UK has provided junior officers on an ad hoc basis to the UNC Military Armistice Commission (UNCMAC) Joint Duty Office, using officers who were temporarily available between tours of duty. In practice, commitments elsewhere have meant that we have not had officers available for the attachment since January 2008. Nevertheless, the UK Government remains willing to continue this arrangement when capacity allows.

Regarding the provision of an officer to UNC (Rear) in Japan, General Bell, the last Commander UNC, wrote to capitals last year, seeking commitment from participating states to fill this post on an annual
rotational basis, following the decision by the UK to withdraw our permanent post there. Under this agreement, Thailand has an officer in post now until 2009, when he will be replaced by Turkey and then France. The UK will participate in this rota, and is committed to providing an officer in 2015.

EU—REPUBLIC OF KOREA FREE TRADE AGREEMENT (FTA)

We still do not have a formal timetable from the European Commission regarding a decision on whether goods from the Kaesong Industrial Complex should be included in the terms of the FTA. However, we anticipate that a decision will probably be taken before the ASEM Summit on 25 October, as the next round of formal negotiations are due to take place in the margins of that meeting. We are currently in the process of preparing the ground for a decision in London and Brussels.

JAPANESE INWARD INVESTMENT AND THE POINTS-BASED IMMIGRATION SYSTEM

As the Committee will be aware, the Government’s new Points Based System is designed to streamline the process of legal migration to the UK and ensure that only those who benefit the UK are able to come here to work or study.

The issue Lord Malloch-Brown was referring to in his evidence related to an English language requirement under “Tier 2” of the new system, which applies to skilled workers with a job offer to fill gaps in the UK labour force. Under the original proposal, all employees transferring within an organisation to a skilled job under Tier 2 would have been required to meet an English language requirement at Council of Europe level B2 (“independent user”).

The Japanese Government and Japanese investors were concerned that this language requirement would have severely limited their ability to bring skilled workers from Japan to the UK. Many Japanese manufacturers in the UK transfer technical experts from their Japanese operations to pass on knowledge of production processes to the UK workforce. Many of these workers would not meet the language requirement originally proposed. Yet they come to the UK for strictly limited periods and assimilation into the UK population is not a serious issue. In the run-up to the publication of the Statement of Intent on Tier 2 in May 2008, the UK Government received a number of expressions of concern from the Japanese Government and major Japanese investors, including from the major Japanese car makers, the Japan Automobile Manufacturers Association and the Japan Auto Parts Industries Association.

During this period the Home Office, as lead department, worked closely with partners across Whitehall, including the Foreign Office, UKTI and BERR, to reach a solution that preserved the UK’s attractiveness as an investment location without compromising the integrity and objectives of the Points Based System. As a result, a solution was reached whereby intra-company transfers will not be required to demonstrate English language ability if they stay in the UK less than three years. Beyond three years the required level is closest to Council of Europe level A1 (“basic user”).

The FCO is confident that this outcome maintains the competitiveness of the UK as an investment location for Japanese and other international companies without undermining the objectives of the Points Based System. The Japanese Embassy in London has expressed itself satisfied with this outcome and a number of major Japanese investors have expressed their appreciation for HMG efforts over the issue.

29 August 2008

DPRK HUMAN RIGHTS BRIEF

The Democratic People’s Republic of Korea (DPRK) has one of the worst human rights records in the world. Basic freedoms are severely restricted, including the freedom of speech, movement, assembly, and the media. Punishments for speaking out against the regime are harsh and include imprisonment in labour camps for several generations of the offender’s family, torture, and execution.

The DPRK normally responds to criticism by either denying that abuses take place, claiming that the reports are fabricated by the West for political reasons, or invoking sovereignty, non-interference, and cultural differences to avoid its responsibilities.

The DPRK, as a member of the UN, has a duty to promote and encourage respect for human rights. It is a party to four key UN human rights treaties and has commitments under these treaties. These include, notably, the International Convention on Civil and Political Rights, which provides inter alia for freedom of expression and association, of assembly, and of religion. These commitments were made without reservation or qualification, but there is no real evidence that the DPRK respects the concept and principles contained in them.
In March 2008, the UN Human Rights Council passed a resolution extending the mandate of the Special Rapporteur on DPRK Human Rights, which condemned the DPRK’s “widespread and systematic” human rights abuses. Significantly, the Republic of Korea voted for this resolution, the first time for two years that it has not abstained on the subject of DPRK human rights. This is a reflection of the new President Lee Myung-bak’s election promise to take a tougher line with the government in Pyongyang, and was one of the catalysts for the chill in inter-Korean relations.

NORTH KOREANS IN SOUTH KOREA

Under the South Korean constitution, the whole of the Korean Peninsula is South Korean territory. This means that North Koreans have an automatic right to claim South Korean citizenship. South Korea has set up a receiving centre for defectors (known as New Settlers), and made provisions for them to receive financial and educational support to integrate into South Korean society. Despite this assistance, many New Settlers have difficulties integrating and in finding work other than in minimum wage jobs.

There are procedures in place to ensure that any North Koreans who cross directly into South Korea (usually drifting across the maritime boundary by accident or design) are asked individually whether they wish to defect or be returned. South Korea’s policy is to only return those that ask to go back. It also actively assists those who defect via a third country—usually China or Thailand—to get to South Korea. The policy of collective punishment means that those who remain in the DPRK are often punished when a relative defects. North Koreans who travel abroad officially—diplomats for example—are generally required to leave a family member, usually a child, behind in the DPRK.

HOW IS CHINA DEALING WITH DPRK REFUGEES?

The Chinese do not recognise emigrants from DPRK as refugees, but as economic migrants. This means that they do not have to apply the principle of non-refoulement, and can return these individuals to the DPRK. It is illegal for DPRK citizens to leave the country without permission, and those who are caught or returned are often imprisoned, and sometimes tortured or executed. The UK continues to urge China to observe its obligations under the 1951 Convention on the Status of Refugees, and allow the UN High Commission for Refugees access to the China/DPRK border region. This issue has been raised as part of the UK-China and EU-China Human Rights Dialogues.

JAPANESE ABDUCTEES

In 2002 the DPRK confirmed Japan’s long-held suspicions and admitted abducting 13 Japanese citizens in the 1970s and 80s. Five abductees were subsequently returned to Japan along with the supposed ashes of the other 8, who Pyongyang claimed had died. Following forensic tests, Tokyo is not satisfied that these were in fact the remains of the individuals in question. It also maintains that there were more than 13 abductees (the Japanese government has identified 17 individuals). After bilateral discussions over the summer, the DPRK agreed to re-open the investigation into the fate of the abductees in return for the lifting of some Japanese sanctions. However, it then put the issue on hold again following the resignation of Japanese Prime Minister Yasuo Fukuda. Talks have not yet re-started under new Prime Minister Taro Aso. The UK sympathises with Japan’s concerns, and hopes that further progress can be made now that the new government is in place.

October 2008

Letter to the Head, Parliamentary Relations Team, Foreign and Commonwealth Office from the Committee Specialist

In your letter of 29 August in follow-up to the evidence which Lord Malloch-Brown gave on 2 July to the Committee’s inquiry on “Global Security: Japan and Korea”, you referred to the forthcoming October 2008 meeting of the Executive Committee of the Programme of the High Commissioner for Refugees (ExCom). You said that the Government was “considering raising the issue” of China’s compliance with the Refugee Convention, with respect to its treatment of North Korean emigrants in China, at the ExCom meeting.

The ExCom meeting took place between 6 and 10 October. The Committee would like to know whether or not the Government did raise the issue at the meeting; if it did not, why not; and if it did, with what expected results.

As the Committee is now finalising its Report, it would appreciate a response by 3 November.

Thank you in advance.

23 October 2008
Letter to the Committee Specialist from the Parliamentary Relations Team, Foreign and Commonwealth Office

GLOBAL SECURITY: JAPAN AND KOREA—DPRK REFUGEES

Thank you for your letter of 23rd October asking whether China’s treatment of refugees from the DPRK had been raised at the Executive Committee of the Programme of the High Commissioner for Refugees. We did not raise the matter on this occasion because we felt that it would be more effective to concentrate our efforts on the resolution on DPRK human rights which the EU is currently sponsoring at the UN General Assembly (UNGA). However, we will discuss this matter at working level with the UNHCR.

The text of the UNGA resolution is still being finalised, but it includes a reference to the harsh penalties imposed upon returnees to the DPRK and calls on all States to respect the principle of non-refoulement (i.e. not returning refugees to their country of origin). The UK also specifically raised the question of UNHCR involvement in its statement at the interactive dialogue with the UN Special Rapporteur on DPRK Human Rights, which was held on 23rd October. We have also raised this matter as part of the UK-China and EU-China Human Rights Dialogues.

3 November 2008