# COMFORT WOMEN: THE CAUSES OF OTHER TRADE WARS IN EAST ASIA

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#### **ABSTRACT**

Abstract: South Korea and Japan are the countries that have geographical proximity, with various values and cultural similarities. However, bilateral relations between the two countries are often discussed, while the main factor is the historical problem. In 2017 Japan and South Korea boycotted each other because each other, agreed to the Women's Comfort Agreement, which was agreed in 2015 and finally ended indisputably. This study uses descriptive qualitative research methods, to analyze how to implement economic collaboration that will result if an agreement is broken. Based on the results of the analysis, the issue of women's comfort made a 1965 normalization agreement for comfort women in the 2015 agreement which did not necessarily make the two countries make peace, which was questioned involving researchers not being involved in making the agreement. This has an impact on the economic relations between the two countries. Attacking each other through diplomatic representatives, asking for exports of semiconductor materials, exchanging up to stopping transportation services, advertising for boycotts of products from Japan, making developed countries even more inflamed and looking for new developments to foster mutual efforts to intervene with each other.

**Keywords :** Japanese and South Korean Conflict, International Treaties, Comfort Women.

 $\begin{array}{lll} \text{Submission} & : & \text{May, } 09^{\text{th}} \, 2020 \\ \text{Revision} & : & \text{June } 08^{\text{th}} \, 2020 \\ \text{Publication} & : & \text{August } 30^{\text{th}} \, 2020 \end{array}$ 

#### **INTRODUCTION**

The case of the Comfort women originated from the victims known *Wianbu* or *Jugun ianfu*, demanding justice. Jugun ianfu came from Japanese language, *Ju* means go, *gun* means army or military, *ian* means comfort or entertainment and *fu* are women. Policies of Comfort women are a policy sex slavery cruel, sadistic and systematic, created to satisfy the lust of Japanese soldiers in a brothel (Soh, 1996). Comfort women

ISSN: 2715-7539 (Online)



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in South Korea start to happen when Japan annexed the Korean Peninsula, which at that time still under the leadership of a king and is regarded as the only path that can connect the Japanese for control of China.

Policy comfort system starting from the aggression of the Japanese military in Nanjing, China. In this aggression, the Japanese managed to destroy Nanjing. This incident is known as "The Rape of Nanjing". This term is used because in addition to destroying Nanjing, the Japanese army also commits sexual crimes against girls and women in Nanjing. Many girls and women who become rape victims of the Japanese army. This event eventually became the spotlight of many international media (Argibay, 2003).

See the number of international reporting related to the issue of comfort women, Emperor Hirohito then discusses with the minister, consul, and commander of the war. This discussion aimed at finding a solution to resolve this issue and restore the honor of Japan or the "Honor of Japan". In addition, it also to stop the flow of news from the international media. For this discussion, there are two ideas that can be applied. First, by changing the code of conduct of the Japanese military. And the second, creating a system that is called by the Japanese military as "Comfort System". The Comfort Station has been built since 1932 in some places near the barracks of the Japanese military in China. The Comfort Station even has a license granted by the Empire of Japan. The emergence of policy comfort system is constituted by several reasons. The first reason is related to the "Honor of Japan". Include sexual slavery is expected no more events like "The Rape of Nanjing".

Through this facility, the government can control the behavior of the Japanese army in order not to make actions moral which would be detrimental and damaging to the honor of Japan. A further reason is to keep the image of Japan in the area of colonization of his. The presence of the immorality of the Japanese army to provoke anti-Japan sentiment in the occupied areas. Feeling this then adversely affects the image and the Japanese military. The last reason is to maintain the health of Japanese soldiers and reduce the cost of health. Many Japanese soldiers were stricken with the disease and even the need to go back to Japan before he began to fight. This is clearly detrimental to the Japanese military at that time. In addition, the spread of sexual diseases this then causes swelling of health care costs for the Japanese army.

The recruitment of the Comfort women itself is done by the recruitment veiled, that by offering young women to be workers, nurses or other occupations. The work is said as a form of "voluntary". However, in practice the women are even forced to join and then put into brothels and used as Comfort Women. Women who become the target of policy is usually still a virgin, unmarried, not from Japan and not contracted sexual diseases. The reason Japanese women cannot be the comfort women is because they become the object of the mission of the Japanese "The National Mission of Motherhood" (Soh, 1996).

Comfort women policy is supported by General Okamura Yasuji, who served as Chief of staff of the expedition tent in Shanghai. Yasuji argue that this way can avoid the rape committed by the soldiers. Yasuji claim, the army needs sexual satisfaction on the battlefield. It is common knowledge that during the War, the Japanese Soldiers treat the citizens of the Colony are not humane, especially for the victims of the comfort Women. From the point of view of Japan, women are not sex slavery. They claim that what



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happened is prostitution. Women who satisfy the sexual needs of the soldiers voluntarily, and gets paid from the army after serving them.

A brothel that used to be called by ianjo, in English, is called the comfort station (Tanaka, 2002). The existence of ianjo is actually not known exactly when it was formed the first time, because of the absence of evidence to show it. In addition, the system of recruitment of Comfort women happened to be closed so that there is no official document that contains the data of recruitment of Comfort women. Recorded in 80,000 up to 200,000 women to be comforted women during world war II with a percentage of 80% comes from Korea (Chang, 2009).

Victims of comfort women much of the affected VD (Venereal Disease), namely a sexually transmitted disease. The victim also mentioned that the woman is a sex slave should do a hysterectomy (removal of the uterus), if it does not undergo removal of the uterus they have to bear a pregnancy, forced to shed the fetus or the birth in the comfort station. In addition, if there are women who have the disease with a severity level high enough in the brothel, they will be thrown into ditches and left to die. After the corpses collected quite a lot, and the corpse burnt by the Japanese soldiers or officers of the comfort station (Tanaka, 2002).

The issue brings the sentiment of anti-Japanese for the citizens of South Korea up to the present. Whereas the East Asian region began not stable because of the increased strength of China and the threat of a nuclear North Korea (Columbia, 2020). Finally, the government of Japan and South Korea agreed to resolve the Comfort women, assisted by the United States as a mediator (Januzi, 2020). This settlement resolved through an agreement on comfort women, which was signed by the two countries on 28 December 2015. But in fact, this decision is made unilaterally by the President Park Geun Hye in handling the relief fund of Japan. This raises a lot of protest from the public related to the decision of the government combined with the status of the involvement of the President of the park with the problem of corruption that occurs.

One of the protest it as done by one of the monks in South Korea named No Sung Kang. He was willing to burn himself up critically as a form of protest related to the receipt of such assistance. In addition, there are many more actions from the community and activists to oppose the attitude of the government. They assume that the government does not ask for the approval of the Comfort women are still alive. There are 37 women survivors of Comfort women are still alive until now and the community feel that the government needs to hear their voice (BBC, 2019).

However, this deal does not get a good response from the activists and the activists of the Comfort women because it was considered not promising justice for the hundreds of thousands of other victims throughout Asia. It is feared Japan is occur the absence of although the agreement has been made irreversibly. In addition, diplomatic relations between the two countries deteriorated on December 21, 2018 after the South Korean government under President Moon Jae-in, decided to cancel the Agreement unilaterally and close the foundation to finance the victims of the war formed Japan in 2016 (Hun, 2019).

On July 1, 2019, to answer the decision, the Japanese Government decided to restrict some exports of chemicals to South Korea(Anandtech, 2019). Whereas in South Korea is the center of the large companies such as Samsung Electronics, LG Electronics and SK

Hynix, which plays a role in producing two-thirds of the production of the chip world. If this problem continues to occur, Japan and South Korea will not be able to resist the domination of the Chinese economy

# LITERATURE REVIEW

An overview of the main focus, namely the international agreement, made as peace efforts Japan and South Korea to become the main point in the concrete steps taken to resolve the issue of women's comfort. The agreement, which is set to be the compass for the bilateral relations between the two countries.

# **International Agreement**

International agreements are one of the most important elements in International Law. There are 2 Conventions that became the basis of international agreements, namely, the Vienna Convention of 1969 on the International Agreement made between countries and Vienna Convention of 1986 on International Agreements between the State and International Organizations or among International Organizations. Through international agreements, each country outlined the basis of their cooperation, arrange a variety of activities, complete a variety of problems of survival of society itself (Mauna, 2008).

Boer Mauna argues that the international agreement is the juridical instruments that accommodate the will and consent of the state or subject of international law other to achieve a common goal, which is where the manufacturing is governed by international law and pose legal consequences that are binding for the parties who made it (Mauna, 2008).

#### The Concept Of Human Rights

According to the opinion of Jan Materson (from the UN Human Rights Commission), in the teaching of Human Rights, the united nations, was quoted as saying by the Baharu Lopa assert that human rights are inherent in every human being, without the human, it is impossible to live as a human being. John Locke stated that human rights are the rights given by the Creator God as a right that is not supernatural (Effendi, 1994).

Human rights exist and are inherent in every human being is universal, meaning it applies anywhere and to anyone and cannot be taken by anyone. This right is needed by human beings in addition to to protect themselves and the dignity of humanity is also used as a moral foundation in the mix or connect with fellow human beings.

#### **Bilateral Cooperation**

International relations are also known by the term global relationships, in the sense that the political aspects and aspects of the process of global relations. The political aspect can be interpreted in the form of the interests of the military, economy, culture and so on. In this regard, the legal aspects become aspects of the formal which is a form of the completion of procedures for a wide range of interests which ultimately can and should be concluded as political interests (Kusumohamidjojo, 1987).

Meanwhile, according to Holsti, "bilateral cooperation is the interaction and transactions that occur directly between two countries that face problems or a specific

thing containing common interests." Furthermore, Holsti is suggested in most cases, the government of the country concerned mutual to approach with a proposed settlement, negotiate or discuss the issue, said the technical evidence to approve the settlement or other negotiations with the agreement or understanding that particular satisfy both sides (Holsti, 1980). Bilateral cooperation is the desire or the good intentions of the countries that establish the relationship of the situation that is less good, towards a better situation through cooperation.

#### **METHOD**

To answer the given research question, qualitative methods would be most appropriate to find an answer. Literature on related topics suggests that qualitative methods are most appropriate. According to Bogdan Taylor, qualitative research is a research procedure that produces descriptive data or in the form of posts of people's behavior that has been observed (Basrowi & Suwandi, 2008). Qualitative research is research that solving the problem is done by using empirical data. Meanwhile, according to Lofland in the book, Qualitative Research Methods, Lexy. J. Moleong, the main source of data in qualitative research is words and actions, the rest is additional data such as documents and others (Moleong, 2000). In addition, descriptive research is a form of research that is shown to describe or illustrate phenomena that exist, either a natural phenomenon or human engineering.

This approach is used because this research wanted to understand more in depth about the international agreement that created the Comfort Women Deal 2015 and its application to overcome a sentiment between the two countries were hostile up to now, as well as the consequences that arise if the agreement is violated by the parties. In addition, this research is arranged in contextualization, meaning that this research can only be done on the phenomenon of comfort women only and can not be used in general as in quantitative research to assess a study that considered similar in the community. Data collection techniques used by the author using the techniques of literature (library research) to collect data. Through the study of literature, collection of data is done by referring to articles, books, journals, documents, news media, online media that are relevant. Techniques the study of literature is the data search for the paper writing with the purpose of the presentation of the facts and describe what the author carefully at the problem with this study (Moleong, 2000).

# RESULT AND DISCUSSION

In this study, South Korea and Japan are the two countries allies to build relationships to strengthen the economy after experiencing defeat in the World War. But, the relationship between the two countries should be hampered because of the issue of Comfort Women has not been finished until now. The existence of comfort women, this has actually ended in 1945 when Japan surrendered to the Allies. All records and documents related to comfort women destroyed, it is done so as not to cause problems in the future. Although it has been disclosed in 1973, but the issues this new proven and got a response from the countries of the victims and activists in the 1990s (Tanaka, 2002).

# **ISPS**

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Policy and the treatment of the Japanese in the past turned out, leaving deep wounds of the people of South Korea and ultimately lead to sentiment or a negative perception in looking at Japan. In fact, the anti-Japan sentiment is also found among the young people of South Korea, who was not involved in the era of the colonization of Japan at that time. The four agreements of the Republic of Korea and Japan agreed, among others : the Agreement of the Normalization, the Agreement On Property Claims and Economic Cooperation, the Agreement On the Legal Status and Treatment of the People's Republic of Korea living in Japan, the Agreement Regarding the Role of Fish and Cultural Cooperation signed on June 22, 1965, by Yi Dong won, Minister of foreign Affairs of the Republic of Korea, and Shiina Etsusaburo, Minister of foreign Affairs of Japan as well as the applicable starting from December 18, 1965 (Jaejoong, 2009). Although Korea and Japan normalize their relationship by signing the Treaty of normalization, it is still criticized for failing to resolve the issue of comfort women involving the two countries. The mastermind behind the making and the driving force of this agreement is the United States (US). There are two main factors, the first is as the international strategy of the United States, the second is economic factors between South Korea and Japan. The president of the US, Franklin Roosevelt at the end of World War II has developed a strategy for northeast Asia that aims to knock out Japan completely so that Japan will never start a war again, as well as build a working relationship with the Union of Soviet Socialist Republics (USSR) and China(Jaejoong, 2009). However, this strategy is completely modified by the next president, namely, Harry S. Truman after the USSR became dominant in Eastern Europe this led to the US fear that if Japan fell under the influence of the USSR and China to lead the security of the Pacific region as well as relations with the US will be damaged.

Furthermore, president Truman did the reorientation of U.S. strategy in northeast Asia, with adopt Japan as his partner in the Cold War era. When the Korean War broke out, the Americans want to use Japan as a line of defence against communism by revitalizing the Japanese. In the middle of the state conflict, the United States suggested South Korea and Japan to normalize diplomatic bond them, so that the first negotiation to normalize relations with South Korea and Japan held in October 1951. This can be realized because of the desire of South Korea and Japan to revitalize their respective country.

Therefore, US considers the economic cooperation of South Korea and Japan is very strategic as well as allow it to continue for a period of 15 years, despite the difficult obstacles located on the historical relationship of the two countries. Finally, the two countries signed the Agreement on the normalization of the Republic of Korea and Japan in 1965. The first round of negotiations for normalization between South Korea and Japan was held on February 15, 1952, after negotiations beginning on 21 October 1951 with the help of the Director of foreign Affairs for the Allied Forces, William J. Sebald. Until June 22, 1965, the agreement of the normalization of Korea - Japan signed at the residence of Minister of Japan.

In Japan, left-wing groups strongly opposed the negotiations. They think that the alliance of anti - communists, including the United States, Japan and South Korea, will involve Japan in the conflict, and if the capital of the monopolistic Japan entered South Korea, it will lower the wages of Japanese to a low level. However, no one in Japan who was responsible for the colonial occupation of Japan in Korea, and no one criticized the

revival of South Korea by the capital monopolistic Japan. The agreement that applies when the two countries exchange agreement that has been fixed on December 18, 1965. The main contents of the agreement are as follows:

Tabel.1
Agreement Of Normalization 1965

Agreement Of Normalization 1965	
Agreement Of Normalization Of The Republic Of Korea – Japan	The Contents Of The Agreement
Article I	Diplomatic relations and consular affairs should be made stable between The High Contracting Parties. The High Contracting Parties will exchange diplomatic envoys with the rank of Ambassador without delay. The High Contracting Parties will also establish consulates at locations to be agreed upon by both the Government.
Article II	Ensured that all negotiations or agreements made between the Empire of Japan and the Empire of Korea on or before August 22, 1910, is null and void.
Article III	Ascertained that the Government of the Republic of Korea is the only lawful government in Korea as specified in the Resolution 195 (III) of the General Assembly of the united nations.
Article IV	The High Contracting Parties will be guided by the principles of the Charter of the united nations in the relationship of reciprocity that exists.
Article V	The High Contracting Parties will hold negotiations on the date that can be practiced the earliest to the conclusion of negotiations or agreement to put the trade of each country, maritime and other commercial relationship with a base of stable and friendly
Article VI	The High Contracting Parties will conduct negotiations on the date of which can be practiced most start to find the conclusion of the agreement relating to air transport for a civilian.
Article VII	This agreement will be ratified. The instruments of ratification shall be exchanged at Seoul as soon as possible. This agreement shall take effect from the date on which instruments of ratification are exchanged.

Source: Foreseen And Unforeseen In Historical Relations Between Korea And Japan

The agreement above has become the basis for Japan's claim that every bilateral issue between the two governments, including the issue of "comfort women", has been resolved. On the other hand, Korea continued to claim that the clause does not cover the

ISSN: 2715-7539 (Online)



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issue of "comfort women" and another has not been resolved. The agreement between Korea and Japan, which was signed in 1965 has been the target of widespread criticism of activists and observers of the issue of comfort women, although the agreement approved formally by the two countries. There is a saying that the agreement was "embarrassing" and "in haste, without carefully." Others said that the agreement should be amended or even the two governments have signed a new agreement (Iou-chung, 2019).

Up to the activists and citizens of Korea asked for the option to change and even make a new covenant that can not be accepted by the Japanese. This is done because of the agreement of 1965 is considered not to fully reflect public opinion in both countries and is written using the expression or understanding that is not clear. Up to both countries to interpret the phrase "already null and void" with a rather different. While South Korea interpret this expression as meaning that all of the covenants and agreements made earlier between the two countries since the "beginning" null and void, whereas Japanese interpret this expression means that they become null and void since "August 15, 1945, in which Korea was liberated." (Jaejong, 2019).

The two countries have a different interpretation on the agreement until the cause of the problem until now. According to the interpretation of South Korea, South Korea has the right to ask for the responsibility of Japan for damage caused during the colonial occupation of Japan in accordance with international law. However, the Japanese want to deny the colonization of Korea to justify the annexation of Korea as a legal agreement, created between the two countries. In this case, the two countries have not reached an agreement.

Bilateral talks about the agreement effectively regulated by the US for the reason that South Korea would not demand war indemnities (Tselichtchev, 2019). At that time, Washington had already bet on Tokyo to become a key ally new in the region, which is expected to withstand the threat of communism. Simultaneously with the agreement on the normalization, Japan and South Korea signed the agreement on claim and economic cooperation, where Japan gives economic aid large-scale to South Korea, which is considered to pay for the losses received in South Korea in the colonial period. Generations of the Korean people that still survive after going through the colonial period has been hating Japan more and grow revenge after knowing fully the problem of comfort women in the late 1980s (Youn, 2008). Although the Japanese colonial government has ended, both countries require 20 years to normalize their bilateral relations.

Then both countries are negotiating the return provided by the US to reach an agreement which is final and cannot be disproved, that the Covenant of comfortable women 2015. Bilateral cooperation is the desire or good intentions of the countries that established a relationship situation that is less good, against a better situation through cooperation. But in fact, the agreement that created precisely without the intervention of the victim as well as forget about the principle of accountability for war to make the South Koreans upset and doing a demonstration which makes the Japanese Government would not accept because it considers that the agreement has been agreed.

#### **DISCUSSION**

Through the findings of the previous findings, the impact caused by the issue of comfort women is enough to make the economy of South Korea shaken. Economy of South Korea (ROK) was developing a little slower than forecast in the third quarter and in line with the previous quarter because of the decline in investment in Korea. Construction investment shrank 6.4 percent, this decline is the loss of the largest since the Asian financial crisis of 1997-1998. Due to restrictions of the investors in South Korea are reluctant to increase investment because of the worry with global demand. In the property sector, the contractors have cut their spending because the government restricts the residential market, while the prospect of workers the level of weak forced to be reduced.

From a year earlier, the economy of South Korea rose 2%. The figure was much lower compared with the second quarter, namely 2.8% and the amount of the assessment is missed, namely 2.2 percent, largely due to the expansion on top of the trends seen in the year-ago period. Furthermore, the data growth predicted by the central bank reached 2.9% it only reached 2.7%. For more details, the following will be described what areas of the course that are experiencing shocks:

# The Withdrawal Diplomatic Representatives of Japan in Busan

The government of Japan draws while Ambassador to South Korea. The withdrawal is related to the problem of the statue of comfort women, which was established near the Consulate of Japan in Busan city, South Korea. Bronze sculpture as high as 1.5 meters is a picture of a young woman sitting on a bench barefoot. The statue commonly known as with Pyeonghwabi. Pyeonghwabi built as a symbol of the injustice experienced by the victims of the comfort women from Korea and became a symbol of the struggle of the victims to obtain a formal apology and compensation from Japan.

The statue was first installed in 2011 in a demonstration activist to mark the anniversary of 1000 years of colonization carried out by the Japanese. The action was held to gather an apology and compensation from Japan, which is conducted every Wednesday. This action is known as the Wednesday demonstration. Activists of South Korea put the statue in Busan on December 28, 2017 as a form of protest against the deal comfort women deal have been made without involving the victims, in which Japan apologized and promised to provide 1 billion yen or equivalent to IDR 114 trillion as compensation for the victims of the "sex slaves" from Korea (BBC, 2019). The statue of comfort women was built to commemorate the victims, they were forced to work in brothels by the Japanese military in World War II era. However this action is only considered as the wind past by the Japanese.

Japan argues that the statue built in front of the office of the embassy of Japan has violated the treaties between the two countries in the process of completing the issue of women even in the era of the Second World War (.Christiastuti , 2019). Japan claim that the statue that was erected outside the embassy in Seoul was illegal because it violated the Vienna Convention 1961, which states that the host country must protect the premises of diplomatic missions. Therefore Japan decided to withdraw its representative for a few months from South Korea.

# Japanese Restrictions on Export of Commodity Semiconductors in South Korea

Great anxiety that other will be facing South Korea is a shortage of components manufacture of electronic equipment. The problem is, most of the components and material required is very dependent on Japan. On the contrary, South Korean Products imported to Japan is not so have added value or is important. The impact is also believed to be spread to other industrial sectors. The tension and hostility the Two Countries started on 1 July, when Japan announced the export ban 3 chemicals to South Korea, namely, fluorinated polimides, fotoresist and hydrogen fluoride. The third of these chemicals is an important commodity for South Korea to manufacture semiconductor products.

Based on data from UN Comtrade, commodity semiconduktor used for the purpose of production of electronic equipment is inserted into the HS code 8486 and 8541. In 2018, total exports products HS 8486 is obtained to us\$ 79,48 billion, of which around 12% are exported to Japan, and about 8% are exported from South Korea. Then total exports products HS 8541 valued at US\$ 74,57 billion, about 31% were sent from Japan and 11% are exported from South Korea.

The two companies, the technology giant of South Korea's Samsung Electronics Co. and SK Hynix Inc., bear the burden of the restrictions Japan. Shares of Samsung fell 2%, while SK Hynix 3%. Semiconductors made in Korea have a panic attack. According to the data of Customs Service of Korea, the export of the South during the first 20 days down to 14% from a year earlier. Semiconductor sales fall 30%, when exports to China, the largest buyer for the goods South Korea, slumping 19% compared with June.

South Korea not only distressed sanctions from Japan, but is also affected by the trade war between the U.S. and China. The South Korean economy relies on exports of electronics declined during the last eight months which resulted in a decrease in demand for chips global. The cause is because the offer from China declined sharply to cause the price to fall obliquely. South Korea is home to semiconductor products giant companies as suppliers 61% of the components used in the manufacture of the chip global.

Therefore, if the two countries do not cooperate with each other well, it's not possible the east asian region will experience the shock of a feud the two countries, which benefitted is China that will be the only great power that is stable in the region. In addition, both countries will also seek the help of other parties that will make the U.S. fires to see the two countries allies actually arguing.

## The Rescission of Currency Swap

In 2011, the Constitutional Court of South Korea calling for accountability for the crimes of the military carried out by Japanese related "comfort women" (Hiromichi, 2019). However, Japan and South Korea resulted in an impasse in finding a solution to this problem. This issue occurs because the South Korean President, Lee Myung-bak, visited the Island dispute, namely the Island of Takeshima / Dokdo to invite the anger of the Japanese government who feel the island is its sovereign territory in 2012.

This resulted in the desire of Japan to decide on a bilateral agreement related to the foreign exchange (currency swap) with South Korea in 2012. A bilateral agreement has been carried out since 2001 under the agreement the multilateral Chiang Mai Initiative.



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Japan agreed to provide \$ 10 billion U.S. to South Korea and increased to \$ 70 billion US in 2011 (Mukoyama, 2019). However, since the issue of territorial conflict Dokdo/Takeshima back in 2012, relations between Japan and South Korea are getting worse and evidenced by the decline in the number of currency swap amounted to \$54 billion us to \$13 billion. In the end, Japan decided to let this agreement be the expiry as a form of economic sanctions against South Korea in the year 2015.

Currency swap is the exchange of foreign currency as the currency of reference performed by 2 or more countries. Currency swap is usually done to avoid any risk or loss of trade or economic activity of international (Das, 1994). Since 2007, the central bank began to initiate to do the swap both bilaterally and multilaterally. Currency swap is expected to protect the central bank or the activities of the international economics, such as international trade from the risk of uncertainty or fluctuations in the value of the currency.

Japan and South Korea are also conducting bilateral swaps against the *yen* (Japan's currency) and the *won* (South Korea). It is going to see increasing foreign investment and make the investor do the agreement currency swap to avoid foreign exchange risk. Foreign exchange risk means the losses obtained by the company due to the difference in damages against the depreciation of a foreign currency values. In addition, the agreement of currency swap can happen because the parties who made the agreement have the need to borrow foreign currency in order not to experience a currency loss when the domestic currency experienced a devaluation.

## **Boycott Flight Service and Tourism to Japan**

Korean Air Lines Co., Ltd. (KAL) is one of the few airlines with a four-star rating from Skytrax with 1,150 destinations of the flight in more than 175 countries specific 12 destination city towards Japan (Korean air, 2020). However, KAL will now suspend flights to Busan, South Korea to Sapporo, Japan. These steps have been carried out from 3 December 2019. A decrease in demand occurs due to the tapering of his dissension between Japan and South Korea. This feud has been pushing a boycott that extends to the products and services of Japan. A spokesman for Korean Air said it is considering to reduce the number of flights and advises users to switch to a smaller plane starting in mid-August 2019. Whereas tourists from Korea is the second biggest visitors to Japan after China.

Not only KAL, the airline that has the predicate affordable cost, i.e., T'way Water will stop the flights regular from South Korea to the 3 airports on the Island of Kyushu, Japan. Even the city government of Busan has issued a statement that will terminate the exchange program with Japan (Hasugian, 2020).

According to data from the Japan National Tourism Organization (JNTO), last year the number of visit reach of 24.2% (Respati, 2020). Now, South Korean tourists visiting Japan have fallen by about 58% in September on an annual basis. Data last month showed the picture is more bleak because of the number of overseas visitors fell for the second time in the last 6 years, pulled down by a decline of 48% of the tourists from South Korea. When Tokyo will host the 2020 Olympics, but it seems like the number of visitors will not be according to the target of 40 million visitors expected by Prime Minister Shinzo Abe. In addition to the airlines, the owners of the business environment



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also felt a great loss. The island of Kyushu, is a popular destination weekend in between pick Korea because of easy access only by ferry or airline of low cost. As a result, the tourism business has now decreased to 80% from the previous year.

# **Boycott Products from Japan**

Japan refused to recognize the export restrictions that it does is a result of South Korea that ask for compensation of Japan for his war crimes. Unfortunately Koreans do not fully believe and participate in reply to boycott Japanese products in Korea. Anti - Japan sentiment in South Korea encourages the boycott movement broadly against products and services originating from Japan products such as beer, clothing and services, travel agency, Korean people, both consumers and business owners agreed not to use it.

The owner of a supermarket in South Korea start boycotting Japanese products after relations between the two countries is increasingly tenuous (Saputra, 2020). One of the owners of the supermarket named Cho Min-Hyuk began to withdraw Japanese products from the shelves of his store after Tokyo imposed restrictions on exports to South Korea. Chou, who manages Purunemart supermarket with an area of 1,500 sq. m in Seoul with more than 200 supermarkets and grocery stores in other states voluntary action against the Japanese.

Two department Store Top CU and GS25 in South Korea run by BGF Retail GS, said sales of Japanese beer each fall 21.5% and 24.2%, in the first two weeks of the month November from the previous month. The foundation Culture of Hongcheon, organizers of the beer festival even cancel the order of 1.2 tons of Kirin Beer(Saputra, 2020). Whereas, the brand accounted for one-tenth the revenue from the event. According to Euromonitor, South Korea buy the 61 percent of Japanese beer, spend 7.9 billion yen (\$1 trillion) in 2018(Saputra, 2020). Asahi Super dry is a brand of Japanese beer most popular in South Korea, with sales three-fold in the last five years. Shopping center Lotte said they stop airing a TV ad for a tour package to Japan because they expect bad results. Fashion brand "fast retailing" Japan, Uniqlo, which sells clothes with a value of approximately 140 billion yen (6.6% of revenues) in the 186 store South Korea also participated in the boycott(Saputra, 2020).

Not only pemboikot products of daily needs, residents of South Korea also agreed to reduce the use of automotive products from Japan. Data about association of suppliers and distributors automotive Korea (KAIDA) release Toyota Motor Sales falling 32% compared with a year ago. Meanwhile, Honda's sales decreased by 34%. South Korea boycott of Japanese cars like Toyota, Honda, and Nissan. Data released KAIDA, sales of Japanese cars in August, down 57% and can only sell 1,400 units. This condition is proportional inversely with European cars, where sales actually increased significantly. While the original brand from South Korea, such as Hyundai holds a 70% share of the market (CNN, 2020).

#### **CONCLUSION**

The relationship of South Korea with Japan has been established for more than 70 years, but the relationship of the two countries is not good. The problem of comfort women continues to haunt the two countries makes each country is reluctant to make peace. Comfort women who were victims of the second world war are still demanding the rights that they deserve.

Japan continues to try to apologize, but continue to do things contrary to the wishes of the victim. Japan also has the two great powers in the country, the strength of the right who agree – just agree to apologize and the stronghold of the opposition is vehemently opposed to the idea of making the Japanese government also can not act with certainty. The United States as the country of the allies of both countries also contribute to help the peace of the two countries by making it as a mediator's negotiation settlement of the issue of comfort women is. Here are some of the impacts caused by the breach of the agreement in the field of economics to lead to a second trade war:

- a. Japan drew representatives of the country of South Korea as the Ambassador and other officials because it considers South Korea has made the situation not safe and convenient for the representatives of his country.
- b. Japanese Restrictions on Export Commodities Semiconductors towards the South Korea, although Japan says the policy is taken not because of the issue of comfort women, but the decision taken coincides with the situation after the Japanese got demands redress. South Korea is furious because the Japanese mix up the political and economic problems did not stay silent and come to remove Japan from the list of white within the boundaries of the compromise of import and export transactions international business other.
- c. Japan and South Korea decided to postpone the cooperation of currency swap which was originally to be built reset to the second state in the face of global competition in the East Asian region.
- d. South Koreans do a boycott of Japanese products, although the government already tries to control the tense situation, but the majority of South Koreans doing the movement itself. The boycott carried out, among others, is to not use products from Japan such as UNIQLO, Pens, vehicle, and all goods of daily needs. Now South Koreans prefer the domestic product. Even the Alliance of Supermarkets in South Korea to come as well as not to trade buy Japanese products.
- e. Citizens of South Korea do boycott the services of tourism services. Korean Airlines along with several other airlines decided to limit the flight to Japan, there are even airlines which closes the regular flight to Japan. Business Tourism is also doing the same thing, the citizens of South Korea who reduce the attractions in Japan make a lot of hassle and provider of travel services in Japan suffered losses, especially in the regions of Kyushu, Japan. Various ways have been done, including the promotion to other regions, but South Korea precisely Busan is the closest to Kyushu and most of the visitors are from Busan. So the owners of the inn suffered a loss that is quite severe up to 80% if compared to the previous year. However deadlocked to produce a new agreement.

The two countries finally decided to suspend the matter for the sake of the face of a global threat that is currently happening due to the problems of nuclear and the threat of the corona virus that spread globally to weaken the world economy.

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