Japanese Foreign Minister Taro Kono discusses disputes with South Korea, and the upcoming trade talks with the U.S.

Japan’s top diplomat says it’s up to South Korea to resolve forced labor claims looming over dozens of Japanese companies that are threatening to upend ties between the two neighbors.

Foreign Minister Taro Kono said in an interview Sunday that the South Korean Supreme Court’s decision last week ordering a Japanese company to pay compensation to people forced into its service during Japan’s 1910-45 occupation of the country posed a “serious challenge” to relations. Japan holds that such claims were settled under a 1965 treaty, which came with a $300 million payment.
“It’s obvious: they are responsible for taking care of all the claims from the Korean people. So that’s what they have to do,” Kono told Bloomberg News in Tokyo. “That’s what’s in the 1965 agreement.”

The court said Nippon Steel & Sumitomo Metal Corp. must pay 100 million won ($88,000) compensation to each of four plaintiffs who had sued over being forced to work for a forerunner of the company prior to 1945. Japanese Prime Minister Shinzo Abe told parliament last week that not all the Korean workers who came to Japan in the colonial era were conscripted, and that the four were brought over under a “recruitment” order.

The ruling is one of several disputes to emerge between the key U.S. allies since South Korea elected President Moon Jae-in last year. The two sides have also sparred over a pact to resolve disagreements over women trafficked to Japanese Imperial Army brothels before and during World War II and a spat over the “Rising Sun” flag that prompted Japan to withdraw from an international fleet review last month.

Kono described the labor case as a “totally different level of issue” from the others. There are 15 other cases pending in South Korea involving 69 companies, according to the Japanese Ministry of Foreign Affairs, which refers to the claimants as “former civilian workers from the Korean Peninsula.”

“If any country gets into an agreement with the Korean government in international law and the the Korean Supreme Court could overturn the agreement any time they wish to, it would be difficult for any country to do anything with the South Korean government,” Kono said. “So they have to take care of this issue first,” or ties cannot move forward, he added.

OTHER COMMENTS FROM JAPANESE FOREIGN MINISTER TARO KONO:

➤ On North Korea’s Kim Jong Un: “Nothing has really moved forward since the meeting in Singapore. We all know that. I think the international community needs to stand united and just wait for Chairman Kim to make the right move.”

➤ On a second Trump-Kim summit: “President Trump could make sure Kim understands what could happen to North Korea if they make the right decisions. By going to Singapore, he must have raised domestic expectations for growth. He has to deliver that some time to keep ruling the country. I think President Trump could remind him what he can do.”

➤ On Donald Trump’s absence from regional summits: “President Trump has been involved in the North Korean issue more than any previous American president. He has been very strongly supporting our position vis-a-vis North Korea or East China Sea, South China Sea. So, I think President Trump is very committed to the Asia issue.”
Separately, Kono dismissed recent suggestions by U.S. officials that Japan could be forced to go beyond the limits it has laid down for bilateral trade talks expected to start in January. He said the U.S. must provide something in return for any Japanese concessions.

Japan relented after almost two years of stalling and agreed to trade talks with the U.S. following threats of tariffs on cars. In a bid to balance out its trade deficit, the U.S. is pushing for more access for its own cars as well as for farm products, after President Donald Trump pulled out of the regional Trans-Pacific Partnership.

Abe has said the negotiations will be narrower in scope than a free-trade agreement, and the two sides agreed Japan wouldn’t be forced to offer more access to its sensitive agriculture market than it already provides under other trade agreements.

But Vice President Mike Pence said later that the U.S. would hold talks for a free-trade agreement with Japan, while Agriculture Secretary Sonny Perdue was reported as saying the U.S. should get at least as much access to Japanese markets as the EU, or members of the Trans-Pacific Partnership regional deal, which comes into force Dec. 30.

“The prime minister and the president create the framework and the negotiation will be within the framework,” Kono said. “Any trade negotiation must be mutually satisfactory, or there won’t be any agreement. If we give something to the U.S., the U.S. will need to give something to us.”

— With assistance by Takashi Hirokawa

(Updates with Abe’s comments in fourth paragraph.)