Both South Korea and Japan Accuse Each Other of Clandestinely Trading with DPRK

As we continue to follow the latest developments in the trade war between South Korea and Japan, we have noticed that both sides have been using an interesting tactic, i.e. playing the North Korea card. On the one hand, this suggests that Pyongyang is the biggest beneficiary of the animosity between Tokyo and Seoul, as they try to accuse each other of clandestine trading with the DPRK.

We have already reported earlier that Japan officially restricted export of certain materials to South Korea, as they are deemed “dual-use” goods, which could be employed for military purposes. For example, etching gas, utilized mostly in manufacturing of semiconductors, may also be used to enrich uranium and to produce sarin gas, which was deployed as a weapon during the terrorist attacks staged in Japan by the Aum Shinrikyo cult.

Distrust towards South Korea, which might be removed from the preferential “white list”, stems from the fact that Japan has learned of a possibility that the South Korean side (we would like to remind our readers that conservatives view Moon Jae-in’s regime as pro-DPRK) may clandestinely pass the materials purchased from Japan to North Korea. And the latter could use them to manufacture weapons of mass destruction.

On 8 July 2019, Shinzō Abe stated that Seoul did not fully comply with sanctions imposed against the DPRK. At the same time, Kōichi Hagiuda, the acting secretary-general of Japan’s ruling Liberal Democratic Party, expounded on this topic. He said that South Korean companies had purchased large quantities of various materials, linked to production of chemical weapons and hydrogen fluoride, and that these goods had been destined for the DPRK. However, he did not name specific companies or the means by which such operations had been carried out.
On 10 July, the Fuji Television Network ‘raised further allegations about South Korea’s handling of strategic items’, citing data ‘on cases of smuggling of those items’. However, no additional details were provided by the channel. In addition, the ROK (Republic of Korea) has been accused of exporting “strategic” materials (which can be used to produce various types of weapons of mass destruction) to certain countries in South East Asia and the Middle East.

In response, on 12 July, Kim You-geun, the Cheong Wa Dae National Security Council Secretary-General, suggested involving the U.N. Security Council or another international organization, so that it could conduct an investigation into the legitimacy of Japan’s prohibitive measures, and into the accusations that the ROK had violated sanctions against the DPRK. According to the South Korean official, if the investigation by international experts were to reveal any violations by the ROK, then its government would issue an apology and take measures to rectify the situation. On the contrary, if the ROK was to be cleared of any wrongdoing, Japan was to then apologize to Seoul and to remove the restrictions placed on its exports. The government official also added that it would be important to investigate whether Japan had violated sanctions against the DPRK.

Furthermore, the South Korean government expressed their opposition to the groundless claims made by Japanese officials against the ROK. South Korea’s Ministry of Foreign Affairs demanded that Japan provide proof in support of its accusations, but Tokyo has so far remained silent in response.

Since the best defense is a good offense, South Koreans have launched a counter-attack. On 11 July 2019, Ha Tae-keung, a lawmaker from Bareunmirae, a right-wing opposition party (i.e. the Righteous Future Political Party), stated that, on the contrary, it was Japan that illegally supplied materials to North Korea on more than 30 occasions from 1996 to 2013. And some of these goods were used in production of nuclear and chemical weapons. Parliamentarian Ha Tae-keung claimed that he had found Japanese data showing Tokyo had ‘illegally exported hydrogen fluoride to North Korea’, citing information from Japan’s Center for Information on Security Trade Control (CISTEC), a nongovernmental organization (founded in 1989) that researches and analyzes exports of ‘security-related strategic goods’.

In January 1996, a North Korean ship in the Port of Osaka was found to be transporting 50 kg of sodium fluoride, and in February of that same year, another DPRK vessel with 50 kg of hydrofluoric acid was located in the Port of Kobe. According to accompanying documentation, both ships were supposedly bringing rice to North Korea as part of a humanitarian aid response.

In October and November 2001, Japan illegally sent two measuring instruments, which could have been used in the development of nuclear weapons, to Malaysia via Singapore. One of these pieces of equipment was later found in a nuclear facility in Libya.

Then in 2002 and 2008, a lyophilizer and a tank trunk were illegally transported to North Korea. Such items can be used to develop nuclear weapons and to transport missiles. The vehicle was sent without an approval from Japan’s Ministry of Economy, Trade and Industry ‘by misrepresenting it as being exported to Busan’.

Furthermore, three DC power supply units were illegally exported to the DPRK via Thailand in April 2003.

Other strategic materials mentioned could also be used in biochemical weapon development and production, and include DC power supply units, frequency converters and freeze dryers.

Clearly, lawmaker Ha Tae-keung must have forgotten that all of these items had been shipped long before sanctions were imposed against the DPRK, and even prior to the start of the second stage of the nuclear crisis. This speaks volumes about the politics behind this case, and the fact that any accusations against Japan are fair game.

At the time Ha Tae-keung’s allegations were published, South Korean media outlets began writing about the fact that, from 2010 to 2019, the UN Security Council Sanctions Committee on North Korea had on multiple occasions reported on Japan shipping prohibited (under sanctions) goods to the DPRK.

For example, in February 2015, North Korea tested its new anti-ship missiles. And the radar on the ship from which these rockets were fired was manufactured in Japan. According to the 2016 report, ‘commercial radar antennas made by a Japanese firm’ were seen on photographs during DPRK’s anti-ship missile launches.

Cameras and radio equipment in unmanned aerial vehicles, which crashed on the South Korean Baengnyeong Island in March 2014 and also found in other parts of the ROK, were also made in Japan. According to experts, cranes used to transport Hwasong-12 missiles in 2017 had also most likely been produced in Japan.
In addition, between 2008 and 2009, Japan exported large quantities of prohibited luxury goods to the DPRK (as a rule, via China).

Still it remains unclear who the responsible parties were. Perhaps the Japanese government officially sanctioned these exports, or the smuggling activities were actually attempts by Japanese businessmen to make some profit, or Chongryon, a pro-DPRK association of North Korean residents in Japan, may have been behind the actions. In all fairness, we should also note that as far back as November 2018, the New York Times reported that Mitsubishi UFJ Financial Group, a bank holding and financial services company, was suspected of money-laundering activities involving proceeds of North Korean companies. But investigators lacked hard evidence for these crimes. In other words, financial operations were carried out despite existing internal restrictions that prohibited doing business with individuals or business entities on the sanction list. If we were to elaborate even further, the company did not vet Chinese firms which conducted business in regions bordering the DPRK. And it is still unclear how this story ended.

At the same time, citing documents it had received, South Korea’s Dong-A Ilbo newspaper reported that in January 2019, Republic of Korea Defense Intelligence Command (KDIC) had caught two military attaches at a Japanese embassy spying. One of them was officially deemed persona non-grata by South Korean officials, while the other was recalled to Japan in June. Two South Koreans (a former high-ranking KDIC official, and a North Korean defector who headed a DPRK-related organization) received suspended jail terms for passing on confidential information to the Japanese spies. According to the article, from 2013 to 2017, the informants managed to obtain 74 classified papers (primarily about the DPRK), and were paid 23 million 200 thousand won (approximately $20,000) for these documents.

Such incidents are typically handled without unnecessary fanfare. Resorting to making such data public (via means that include deliberate leaks) either means there is a desire to use this information as a tool to pressure the opponent, or there is a flare up in tensions between the two sides.

Hence, new scandals involving Japan and South Korea are bound to erupt, but their accusations against each other are not grounded in fact. But then again, this ‘evidence’ is not meant to be used in court, but is instead aimed at an internal audience. And as the conflict continues to evolve, anything is fair game.

Konstantin Asmolov, PhD in History, Leading Research Fellow at the Centre for Korean Studies of the Institute of Far Eastern Studies of the Russian Academy of Sciences, exclusively for the online magazine “New Eastern Outlook”.