

Comfort Women Agreement

The Task Force on the 2015 Comfort Women Agreement announced its findings on Dec 27. The investigation concluded that the comfort women issue cannot be resolved through the agreement. The report also revealed that there was a side agreement which was previously undisclosed to the public.¹ The announcement prompted a nationwide response. While most media outlets agreed that the December 2015 agreement was problematic, many observers were concerned that the review could strain relations with Japan.² Others cautioned that violating the agreement could damage South Korea's credibility.³ President Moon stated that the comfort women issue cannot be resolved through the 2015 agreement and that there will be follow-up measures in the coming days. The Japanese government warned that any demand for changes in the agreement could risk ties between the two countries.⁴

Kaesong Industrial Complex

A panel of the Ministry of Unification revealed on the Dec 28 that the decision to shut down the Kaesong Industrial Complex (KIC) was made unilaterally by former-President Park Geun-hye, and not as a result of the National Security Council (NSC) meeting followed by North Korea's long-range missile test in February 2016.⁵

Progressive news media questioned the previous government's decision to shut down KIC,⁶ while conservative media stated that it was a political decision made by the head of state as a response to the North Korean threat.⁷

Economic Policy for 2018

On Dec 27, the Ministry of Strategy and Finance (MOSF) announced South Korea's economic policy for 2018. The document identifies three major areas for targeted growth: job creation, innovation, and inclusive economy.⁸

Job Creation
<ul style="list-style-type: none"> - Boost youth and female employment in private and public sectors as well as abroad through incentive and support programs - Enhance and expand social security systems - Increase support for professional education and end temporary employment in public institutions
Innovation
<ul style="list-style-type: none"> - Reducing the cost of living and making public infrastructure more accessible - Integrating ICT into different sector infrastructure - Support start-ups and R&D - Catalyze growth in fintech and integrate ICT in agriculture, production, culture
Inclusive Economy
<ul style="list-style-type: none"> - Increased consumer protection - Public investment in socioeconomic development - Increase equality in tax and regional growth

The Bank of Korea (BoK) also announced that it will continue its current policy of monetary easing while working with the Monetary Policy Committee of Korea to run stress tests on the impacts of digital innovation on financial markets.⁹

New Socioeconomic Indicators

On Dec 28, the Korea National Statistical Office (KOSTAT) announced that it will begin to produce new indicators on the quality of housing, expenditures in private education, vacant housing, and so forth. KOSTAT intends to make available 106 new categories of statistical data. One indicator that has been attracting interest has been the estimated value of housework in the form of a monthly salary.¹⁰

Legislative Bills in South Korea

Name*	Motion	Status**	Purpose	Likelihood to Pass***
Act on the Development of the Defense Industry ¹¹	2017 Dec 12	Proposed to the 355th National Assembly (Extraordinary Session)	The Defense Acquisition Program Act strengthens procurement procedures, technical R&D, and security business and trade by not only fostering these activities but also ensuring transparency. The proposed Act seeks to create a separate regulatory mechanism from the Defense Acquisition Program Act that exclusively focuses on the development of the national defense industry, which involves making domestic producers more competitive in domestic and foreign procurement markets.	High ¹²
Act on <i>In Vitro</i> Diagnostic Medical Devices ¹³	2017 Dec 22	Proposed to the 355th National Assembly (Extraordinary Session)	The rapid advance of medical technology has been responsive to trends of modern medicine that focus on preventive care, an aging population, and new infectious diseases. <i>In vitro</i> diagnostic medical devices have been central to this trend. This Act seeks to improve regulation on such devices in order to encourage its further development for not only domestic use but also export purposes.	N/A
Act on Treaties, Inter-Agency Agreements, and their Ratification Procedures ¹⁴	2017 Dec 22	Proposed to the 355th National Assembly (Extraordinary Session)	The negotiations of treaties have mainly been held between relevant agencies and ministries and their counterparts in foreign governments, limiting the powers of the National Assembly for ratification. This Act establishes a general procedure on the involvement of the National Assembly in the conclusion of treaties that are directly linked to the rights and interests of the people.	N/A
Act on the Procedures for Investigating Fair Trade Violations ¹⁵	2017 Dec 20	Proposed to the 355th National Assembly (Extraordinary Session)	This Act enables the Fair Trade Commission of Korea to commence investigations on the potential violation of fair trade regulation such as the <i>Monopoly Regulation and Fair Trade Act</i> as a separate entity or in cooperation with other relevant agencies.	Medium to High ¹⁶

*Unofficial translations **As of 2017 December 29

***Likelihood to pass based on news and analytical coverage by major outlets

N/A	LOW	MEDIUM	HIGH
Insufficient coverage to make an assessment	Coverage generally tends to be negative	Coverage generally tends to be split between negative, affirmative, or neutral	Coverage generally tends to be in the affirmative

1 “외교부 위안부 TF ‘한일 합의, 공개되지 않은 내용 있다...靑, ‘불가역적 해결’ 삭제 요청 목살”, *조선일보*, 2017년 12월 27일.

2 “[사설] ‘한·일 위안부 합의’ 잘못 못지않게 의미도 컸다”, *조선일보*, 2017년 12월 28일; “[사설] 위안부 합의 裏面 공개 유감... 더 유감인 日 반응”, *동아일보*, 2017년 12월 28일; “[사설] 위안부 합의, 협상도 경위 조사도

잘못됐다”, *중앙일보*, 2017년 12월 28일.

3 “[사설] 북핵 앞에서 한·일관계 파국까지 가려 하나”, *중앙일보*, 2017년 12월 29일.

4 “아베 "1mm도 움직이지 않는다"...일본, 위안부 합의 TF 결과에 강경 자세”, *경향신문*, 2017년 12월 28일.

5 “통일부 혁신위 "朴 일방지시로 개성공단 중단...여건되면 재개 필요””, *조선일보*, 2017년 12월 28일.

6 “[한겨레 사설] 개성공단 폐쇄도 ‘박근혜 독단 결정’이었다니”, *한겨레*, 2017년 12월 28일.

7 “[사설]정치적 결정 ‘개성공단 중단’, 절차 트집은 문제있다”, *동아일보*, 2017년 12월 29일.

8 “2018년 경제정책방향” State Notice, Ministry of the Interior and Safety. Available at: [\[https://www.gov.kr/portal/ntnadmNews/1285359\]](https://www.gov.kr/portal/ntnadmNews/1285359).

9 “한은 "내년 국내경제 3% 내외 성장세" *매일경제*, 2017년 12월 28일.

10 “‘집안일, 월급으로는 얼마일까?’...가사노동가치 통계 나온다” *중앙일보*, 2017년 12월 28일.

11 “방위산업발전법안” Korea Ministry of Government Legislation. Available at: [\[http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2011027/detailRP\]](http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2011027/detailRP).

12 “文대통령 ‘소총 한 자루도 못 만들었는데, 이제 초음속항공기 수출까지 해’” *중앙일보*, 2017년 10월 17일 17.

13 “체외진단의료기기법안” Korea Ministry of Government Legislation. Available at: [\[http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2011008/detailRP\]](http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2011008/detailRP).

14 “조약 및 기관간약정 체결절차 등에 관한 법률안” Korea Ministry of Government Legislation. Available at: [\[http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2010981/detailRP\]](http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2010981/detailRP).

15 “공정거래 위반행위 조사 절차에 관한 법률안” Korea Ministry of Government Legislation. Available at: [\[http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2010930/detailRP\]](http://www.lawmaking.go.kr/lmSts/nsmLmSts/out/2010930/detailRP).

16 ““공정위 조사권 남용 막겠다"...김종석 의원 '내부거래 점검-실태조사' 제한 추진” *뉴데일리경제*, 2017년 12월 20일.

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