

Grim Outlook for Abe

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Life is getting very tough for the cabinet of Shinzo Abe. Things were bad enough with an upper house election looming and the key issue likely to be the government's incredible admission that it had lost a colossal amount of data relating to public pensions. Then defense minister Fumio Kyuma made things a whole lot worse with his bizarre statement that the atomic bombings of Hiroshima and Nagasaki "couldn't be helped" – a comment that eventually forced him to resign. He could end up taking Abe and his cabinet down with him.

History admits no ifs and buts. However, let us imagine for a moment the situation if Abe had dismissed Kyuma the moment he made his bizarre comment, calling a press conference to admit his own responsibility as the man who appointed Kyuma and offering a sincere-sounding apology to the Japanese people. That would have gone quite some way to limiting the damage – but he didn't do it. Nor did he take decisive action when his health, labor and welfare minister, Hakuo Yanagisawa, became a media whipping boy for describing women as 'child-bearing machines,' nor indeed when his former agriculture minister, Toshikatsu Matsuoka, came under fire for his scandalous financial behavior. Yanagisawa is still in office and Matsuoka committed suicide before Abe could get round to disciplining him. Matsuoka's successor, Norihiko Akagi, plunged straight into a fresh financial scandal of his own making, giving the opposition yet more mud to fling at Abe. All these cases have betrayed serious lapses of judgment by Abe. They also show that Abe and his aides have no conception of risk management.

We are now in the midst of campaigning for the upper house election that will be held on July 29. Perhaps Abe will take inspiration from his grandfather, the late Nobusuke Kishi, and rise to the occasion as Kishi did in 1960. In June of that year the campaign against the revision and extension of the US-Japan Security Treaty reached its climax, with some 5.6 million students and workers engaged in strikes [and demonstrations.] Some militant protestors succeeded in getting into the Diet building, and at one point Kishi himself was effectively holed up in the Kantei (the prime minister's official residence), surrounded by hoards of demonstrators.

At this critical juncture, Kishi famously proclaimed that he was "supported by the voices that have no voices" (the silent majority), mobilized police units in the Diet, and steamrolled the revised Security Treaty through the

Diet in the absence of the boycotting opposition parties. Kishi got terrible press at the time – he was branded a lackey of the Americans, a right-wing reactionary, etc. Nowadays, however, the prevailing opinion among Japanese political scientists favors a re-evaluation of Kishi. Many believe that without his principled decision to take the tough measures needed at the time, the US-Japan alliance as we know it would not exist today. Abe is now trying to emulate his grandfather's gutsy determination, taking all the flak from public opinion without flinching and trying to lead the LDP's election campaign toward higher ground by stressing his pet theme of "getting away from the post-war regime."

At this point I would like to discuss the background to Abe's move to extend the ordinary Diet session by 12 days, in the face of powerful opposition from within his own party and its upper-house members in particular. This was a controversial decision because it meant postponing the upper house election – admittedly only by one week, from July 22 to July 29 – which is something the LDP hates to do. In the last twenty years there have been six upper house elections, and only on two occasions did the LDP extend the Diet session [and thereby delay the election]. The first time was in 1989, under the very brief administration of Sosuke Uno. The second time was in 1998, under Ryutaro Hashimoto. On both occasions the LDP took a hammering at the polls and the prime minister was forced to resign. In 1989 the trouble was caused by the triple whammy of the Recruit scandal, the introduction of the consumption tax, and rice liberalization. And of course Uno's sex scandal did not help either. In 1998 the public were upset by Hashimoto's ultra-deflationary budget, with permanent tax-cuts that increased the burden on the national debt by 9 trillion yen while cutting spending on public works projects by 3 trillion yen. These two cases show how difficult it is to change the flow of public opinion in a short period of time before an election when there are difficult policy themes in the spotlight that directly affect the people's livelihood. On top of that Abe now has to deal with a string of scandals, although the ill-advised comments of his ministers may not be quite as disastrous as the revelations about Uno's private geisha girl.

To cap it all, this coming election looks all set to fall into a nine-year jinx for the LDP, following the debacles of 1989 and 1998. To some extent Abe may be trapped in a structural cycle of LDP defeat. All the bad omens look to be firmly in place.

Around the time that Abe decided to extend the Diet session, talk in the coffee shops and bars around Nagatacho started to turn to Abe's responsibility in the event of a big defeat for the LDP. Even Hidenao Nakagawa, who is supposed to show loyal support for the premier in his position as secretary-general of the LDP, has been making comments that suggest he is already resigned to seeing the LDP lose its upper house majority, and possibly fare even worse than that. "Just

losing our majority wouldn't in itself be grounds for resignation," he said recently. Asked what would happen if the LDP suffered a really heavy defeat, he replied: "We're pulling out all the stops now, so there's no need to talk about that kind of stuff." [Nakagawa never sounds very confident when asked about the election.]

Having closely examined the events leading up to Abe's move to extend the Diet session, I am convinced that there was a back-stage power struggle going on between Abe on the one hand and a team composed of upper house strongman Mikio Aoki and former prime minister Junichiro Koizumi on the other. Abe's biggest policy concern at present is reform of the public official system – reform which he has repeatedly said will bring some fresh air and sunlight into the closed world of the Kasumigaseki bureaucracy. He has told those close to him that he will stake his political career on this reform, and it was in order to get his bill revising the Public Official System Law passed that Abe went for the Diet extension. I know for a fact that on the night of June 15 he summoned to the Kotei (the prime minister's residence) Aoki and the LDP's upper house secretary-general, Toranosuke Katayama. Both men had been strongly and consistently opposed to the Diet session extension, but with Nakagawa also present he informed them of his decision to go for a twelve-day extension.

This is significant, because Aoki and Katayama both enjoy the intense loyalty of the Kasumigaseki bureaucrats. Aoki is headman of the 'Construction Tribe' – dietmen with interests in the construction industry, who tend to be close to bureaucrats because of that industry's dependence on public works. As for Katayama, in his days as head of the Ministry of Internal Affairs and Communications, he bossed the postal/telecom tribe, also cozy with Kasumigaseki. Naturally, then, both men were negative about getting the revision to the Public Official System Law passed before the end of the Diet session, since it threatened the jobs of their buddies in the bureaucracy. There was a reason why Abe took on Aoki and Katayama head-on like this: he is hoping to gain control of the LDP's upper-house cadre, which has been turned into a kind of private fiefdom by Aoki and his friends. Hence this dramatic confrontation could be read as an attempt to put an end to Aoki's domination of the LDP's upper house – a domination that stretches back to the Koizumi administration.

However, Aoki responded by going straight onto the counter-attack. In a speech the very next day, he stated "Responsibility for the upper house election lies with Prime Minister Abe. The winning line is a simple majority. It is important to fight upper house elections with a clear understanding of where the responsibility lies." Yoichi Masuzoe, head of the LDP's upper house policy research council and a bosom buddy of Aoki's, said "we have everything to lose and nothing to gain by delaying the polling day." Former secretary-general Makoto Koga also chimed in, wondering out loud "whether the public really sees

the need for this legislation that is supposed to be so important that we have to postpone the polling day.” These and other comments by leading LDP figures have used the postponement of the polling day as a handy way to broach the topic of Abe’s responsibility if the LDP has a bad day at the polls.

You may be wondering how come former prime minister Koizumi could be teaming up with Aoki against Abe, despite the fact that he battled with Aoki for control of the upper house himself for some years, was Abe’s prime sponsor, and shares Abe’s dislike of bureaucrats. Indeed, things have gone very wrong in Abe’s relationship with Koizumi. Let me tell you about a revealing incident that occurred on the night of June 12, just around the time that the trouble about extending the Diet session was starting to smolder behind the scenes. That night there was a gathering at a Tokyo hotel to commemorate the 13th anniversary of the passing away of former premier Takeo Fukuda. Among those present were Koizumi and another ex-premier, Yoshiro Mori – both of them one-time members of the Fukuda faction. In his speech before this gathering, Abe said “I owe my present position to prime minister Mori and his chief cabinet secretary, Yasuo Fukuda (Takeo Fukuda’s son), who were kind enough to raise me up to the post of deputy chief cabinet secretary.”

That is really quite an extraordinary statement when you consider that Abe made no mention at all of Koizumi’s role in his rise to power, even with Koizumi sitting right there. After all, in the Koizumi administrations Abe served as deputy chief cabinet secretary, LDP secretary-general, and as chief cabinet secretary. Abe became prime minister because he was Koizumi’s hand-picked successor – yet all that didn’t even merit a passing name-check in Abe’s speech. One political insider tried to explain Abe’s difficult feelings about Koizumi thus: “Abe is grateful to Koizumi for nominating him as his successor. But at the same time he feels that he is having to clean up Koizumi’s mess for him. The trouble with the pension records that erupted near the end of the Diet session, and the broader issue of widening society inequality – these are issues where Abe reckons he is taking heat for Koizumi’s failures. I think that is the underlying feeling.”

But that is not all. When it was Koizumi’s turn to say a few words at this gathering, he made no reference to Abe or his administration. And although this may be mere coincidence, that same day brought a speech at a separate event by Isao Iijima – formerly Koizumi’s political secretary and another key figure in his administration – in which he said the following: “The way things are going, the LDP stands to suffer a historic defeat at the upper house election, where we may not even win ten of the 29 single-seat constituencies that are the main focus of attention.” He also referred to the defensive position cooked up by the Kantei and LDP executive on the pension records, namely that the fiasco should be blamed on “past generations of health and welfare and labor ministers.” “That,” Iijima dryly

remarked, “I find absolutely baffling.” Not surprisingly, the Kantei read that as a direct challenge to the Abe administration.

Abe’s recent shift towards authoritarian parliamentary management, repeatedly forcing votes and imposing his legislative program on the Diet, may be read as an attempt to throw off the yoke of Koizumi and Aoki’s influence over his administration. Behind this change of approach I believe we can detect a conviction on Abe’s part that he can survive as prime minister even if the LDP does lose its upper-house majority at the coming election, so long as the outcome may be passed off as a ‘medium-sized defeat’ for the LDP rather than an outright thrashing. Abe’s determination to take Japan out of its ‘post-war regime,’ through his two pet projects of constitutional and educational reform, is strong enough to make him willing to take risks and cut corners.

Most Nagatacho-watchers now believe that it is in fact inevitable that the LDP will lose its upper-house majority. Already the focus of attention has shifted to the likely scale of defeat – the ticklish question of how many seats the LDP will lose, and how many seats would constitute a ‘small defeat,’ a ‘medium-sized defeat,’ and a ‘big defeat.’ My own view is that the LDP is heading for a medium to large-scale defeat. Assuming that its coalition party, Komeito, grimly clings on to the 12 seats it will be defending, the LDP needs to take 52 seats to maintain the governing coalition’s majority. I see them falling to somewhere in the lower-mid forties. They could do even worse, falling way below the 44 seats they got under Hashimoto in 1998 or even winding up in the neighborhood of 37 seats, the historic low recorded under Uno in the nightmare election of 1989. That’s how strong the tide is running against Abe right now.

If the LDP gets fewer than 40 seats, Abe will have to quit – that is a given. If that happened, I doubt the LDP would have enough energy left to conduct a genuine leadership election: they might well end up effectively negotiating Abe’s successor [in a stage-managed election]. In that case Mori would be the key figure in the horse trading.

What about the 40 to 45-seat zone? Given the coalition’s healthy majority in the lower house, where it has some 330 seats, Abe might be able to bluster his way into carrying on as premier with 45 seats or so at the coming election, though this is very hard to call at present with a very fluid political situation. Anyway, here are four possible scenarios for the upper house election:

Scenario 1: A small defeat. The fuss about the pension records cools off somewhat and the LDP manages to come up just 4 to 6 seats short of the 52 needed to maintain the majority. This is the best the LDP can hope for right now.

Scenario 2: A small to medium-scale defeat. The LDP winds up with 45 seats or

thereabouts.

Scenario 3: A medium- to large-scale defeat. The LDP ends up in 1998 territory, with 40 to 44 seats.

Scenario 4: A big defeat. The LDP falls below 40 seats.

If scenario 4 comes to pass, Abe will fall and the LDP will hold a leadership election. Since the upper house election does not entail picking a new administration, there will be no need to convene the Diet for a special session to pick the new prime minister. However, once the full results are known, from July 30 onwards, we will certainly see an eruption of criticism of the Abe line from that pair of disaffected former LDP secretaries-general, Koichi Kato and Taku Yamasaki. They and others will call for a full-scale policy rethink. Whoever runs for the party leadership, we may assume that the leadership election will turn into an intense policy debate.

If normal rules applied, scenario 3, which I see as the most likely scenario, ought also to spell the end for Abe. However, my soundings suggest that he might just get away with it. Abe has planned carefully for this eventuality, and deliberately set up a packed political timetable that would make it difficult for a successor to step straight into his shoes.

First of all, there are the symbolically important events relating to the end of World War II. The first of those – Hiroshima Day – is on August 6 just one week after the upper house election, and Nagasaki Day follows on August 9. A week after that, on August 15, the end of World War II is due to be commemorated with a big ceremony at the Budokan to honor the memory of those who died, in the presence of the Emperor. If Abe is forced to quit, Japan may not have a prime minister to preside over these ceremonies. Strictly speaking, whoever won a LDP leadership election would then have to go before the Diet as the governing parties' candidate for the premiership. Only once confirmed as prime minister should he attend the three ceremonial events in August, accompanied by the new minister of health, labor and welfare. There may not be time for such niceties, however, and part of Abe's survival strategy is to stress the awkwardness of a political vacuum at such an emotionally charged time of year. He has also lined up a busy diplomatic schedule for the fall, with an official trip to India, Indonesia and Malaysia scheduled for August 19 to 22, the APEC summit in Sydney on September 8-9 and a speech to the UN General Assembly later in September. That is to be followed by an official visit to Beijing in October and the East Asia summit in Singapore in November. Abe has made sure that any successor would have an awful lot on his plate. Again, this will increase his

chances of surviving in that hard-to-call zone of 40 to 45 seats.

Among the conspiracy theories going around Nagatacho, there is one that says Abe's hidden motive for the 12-day Diet extension was to put the upper house poll closer to the August ceremonies in a deliberate bid to make it harder to fire him. As a serious observer, however, I am skeptical about conspiracy theories, including this one.

Anyway, if a leadership election is to be held, one man who is sure to throw his hat in the ring is foreign minister Taro Aso. Former finance minister Sadakazu Tanigaki, who has been strengthening his criticism of Abe lately, is also definitely interested in running. It is possible however, that either Kato or Yamasaki will run as representative of the anti-Abe forces. In the event of a negotiated or stage-managed election such as I mentioned earlier, former chief cabinet secretary Yasuo Fukuda would be a strong candidate, who might possibly run with the backing of Kato, Yamasaki and others.

One thing we can say for certain: Aso is the strongest candidate to succeed Abe, but since he has held a major portfolio in the Abe cabinet we can expect to hear demands for him to take a share of collective responsibility for the Abe administration's shortcomings and electoral defeat from any opposing candidate in the event of a full-blooded leadership election. Once the scale of the LDP's upper-house defeat is known, it will be important for Aso to fend off questions from the media about his suitability as a succession candidate by vigorously arguing that the Abe cabinet's failings were not his fault because they were not in his sphere of responsibility. He does have a case: within the LDP, criticism of Abe focuses mainly on domestic issues like the pension record snafu, and on his authoritarian style of parliamentary management. There is relatively little dissatisfaction with Abe's foreign policy, which will give Aso a possible escape route.

As I mentioned earlier, Yoshiro Mori will hold the key to the post-election maneuvers. Ironically enough, Mori has become widely recognized as the LDP's chief king-maker, despite the fact that he was such a disaster in his own time as prime minister. Mori may be seen as following in a tradition of LDP politicians who went from secretary-general to prime minister, were unable to stay in power for very long, but then maintained influence over political affairs from behind the scenes. One naturally thinks of Kakuei Tanaka, the original 'shadow shogun,' and of his protégé Noboru Takeshita, who dominated the party through his leadership of its biggest faction, the Keiseikai, [which he inherited from Tanaka and made his own]. Tanaka was the main man behind the administrations of Masayoshi Ohira, Zenko Suzuki and Yasuhiro Nakasone, while Takeshita was the backstage fixer for those of Uno, Toshiki Kaifu and Kiichi Miyazawa.

Mori comes from a different line of LDP ancestry: his faction, now

formally led by Nobutaka Machimura, is formally known as the Seiwakai, and it may just be that Mori has his beady eye on establishing a long-term dynasty comparable with that of the Keiseikai. If that were so, then Aso would be the natural candidate for him to support. Like Mori, Aso has roots in the LDP 'education tribe'. But more to the point, Aso is one of those politicians who is popular with the general public but lacks a solid power base within the party. Therefore Mori could hope to wield considerable influence over an Aso administration.

Another player who can't be ignored is former secretary-general Makoto Koga. In the 2005 election fought over the postal reform issue, and again in last year's party leadership election, Koga played a poor hand and ended up on the losing side in intra-party jockeying, but he remains in charge of the party's third biggest faction, with 52 members. (The biggest is the Machimura faction with 89 members, followed by the Tsushima faction or Heiseiken with 81). Koga could jump either way in the post-Abe power struggle: he could make an all-out attack on the Abe line and throw his faction behind one of the anti-Abe candidates; or he could give in to Mori's sweet talking and promises and come out in support of Aso. This matters because Koga could turn out to hold the balance of power here.

Now let's go back to Prime Minister Abe himself. What went wrong? Many critics have pointed to his inexperience. He made it to LDP secretary-general after being returned to the Diet just three times, and even when he became premier he'd only been returned five times. Such a rapid rise to power would have been unthinkable under the seniority principle associated with the old '1955 system,' where the number of times one had been elected to the Diet was a major element in advancement within the LDP. The 1955 system broke down when the LDP fell out of government in 1993, but a premier with so little experience would still have been unthinkable right up to the launch of the Koizumi administration in 2001. As Koizumi approached the lower house election of November 2003, he made a highly exceptional appointment, promoting Abe to chief cabinet secretary in recognition of the popularity he had won with the general public as deputy chief cabinet secretary for his hard line on the North Korean abductions of Japanese citizens.

Perhaps Abe was indeed too inexperienced. And his tendency to favor his own buddies when making appointments may be seen as a factor in the poor quality of the advisors he has gathered around him in the Kantei.

However, I see a more fundamental problem with Shinzo Abe. It relates to his obsessive admiration for his maternal grandfather, Kishi. Kishi is Abe's political model, and yet Abe has failed to look objectively at how his grandfather operated as a politician and to learn from family history. Let me give a concrete example. Back in 1960, when the struggle over the US-Japan Security Treaty was

in full swing, Kishi made an important tactical decision. In order to get the revised treaty passed, which was his top political goal, he abandoned another major project that was close to his heart: a bill to revise the Police Law. Kishi wanted to use this bill to give the police extensive new powers, but that item was never brought before the Diet. He saw the risk of being caught between two stools, and he made a pragmatic sacrifice.

Now look at Abe. He bulldozed the National Referendum Law through the Diet as a necessary step towards revising the constitution, and in last year's extraordinary Diet session he also got the Basic Law on Education revised, following that with three more bills designed to implement his educational reform program. And now he has somehow forced a revision to the Public Official System Law through the Diet, despite the fact that it meant extending the Diet session, postponing the upper house election, and making enemies of all the bureaucrats in Kasumigaseki. Like a spoiled child, he wants it all and he wants it now.

Another character weakness is apparent in Abe's handling of the mass media. He plays favorites, and among the big national newspapers his strong liking for the distinctly conservative *Sankei Shinbun* has led him to treat it almost like a member of the government, thereby alienating the moderately conservative *Yomiuri Shinbun* and making an enemy of the highly influential Tsuneo Watanabe, who effectively owns the Yomiuri. Considering that the Sankei has about 2 million readers while the Yomiuri has 10 million, that can't be good politics. Abe's decision to reappoint Kazuhiko Takeshima as chairman of the Fair Trade Commission merely confirmed that the rift with Watanabe was permanent – the newspaper industry can't stand Takeshima.

That is a sad waste of potential media support for Abe – especially when you consider that Abe hates the liberal *Asahi Shinbun*, the Yomiuri's traditional rival, and has publicly attacked its coverage. A premier so hostile to the Asahi ought to be the darling of the Yomiuri, but Abe has thrown it all away. His habit of taking legal action against low-level sensationalist magazines every time they publish something critical about him also speaks to a certain immaturity.

To sum up, we have reached a point where Abe is at some risk of falling out of power. At this moment I feel that he probably will manage to cling to office after the upper house election, if only by the skin of his teeth, and will then try to get out of jail by reshuffling the cabinet and part of the LDP executive. Even in that event, however, he will probably be left with a severely weakened administration. The longer he stays on, the louder will be the calls from the opposition parties and the media for him to put his public support to the test by dissolving the lower house for a general election.

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