

JAPAN CHAIR PLATFORM

July 8, 2010

Kan He Do It?

Jeffrey Hornung

Despite a recent decline, approval for Naoto Kan's government and the Democratic Party of Japan (DPJ) has increased substantially since Yukio Hatoyama resigned on June 2. This is good news for the DPJ given this Sunday's House of Councillors election. It is premature to predict the long-term success of the Kan administration, but it is possible to pass judgment on his initial actions and offer some recommendations based on the lessons learned from his predecessor's failure.

Kan's Cabinet

Support for Kan's administration has begun strong. Much of this can be attributed to his popular image as a civic activist. Also, unlike his immediate predecessors, Kan is not a second or third-generation politician. He is also the first premier since Tomiichi Murayama who did not begin his political career in the Liberal Democratic Party (LDP). All this makes Kan look different. Yet, retaining 11 ministers (of 17) makes Kan's cabinet look strikingly similar to Hatoyama's. Still, the few changes Kan made are significant.

Kan's choice of Yoshito Sengoku as chief cabinet secretary is a vast improvement over Hirofumi Hirano. Hirano was dysfunctional, unable to harmonize disparate opinions within the cabinet. Given that Sengoku is a policy expert who helped Hatoyama's budget screening process, he is regarded as having the political ability to coordinate diverse opinions. As such, Kan has taken a positive step toward establishing coherence in his cabinet, thereby strengthening the ability of the premier to lead. At the same time, Sengoku has extensive connections inside the DPJ, particularly with those who distance themselves from former secretary general Ichiro Ozawa. This is important because Kan chose to retain (Katsuya Okada, Seiji Maehara) and appoint (Yoshihiko Noda) many of these men to government posts.

Similarly, Kan's decision to give key party posts to those who have been critical of Ozawa minimizes Ozawa's overbearing influence over the DPJ. This includes Yukio Edano as secretary general and Koichiro Gemba as chairman of the Policy Research Committee. Like the government, having Sengoku's connections with anti-Ozawa forces will aid party management. This will be reinforced by Kan's decision to reinstate the Policy Research Committee, which was abolished by Ozawa. Its abolishment angered party backbenchers since it meant losing a voice in the decisionmaking process. Worse, it meant there was no venue to forge a party consensus on policies. While Kan's reestablishment of this committee helps resolve these problems, he needs to establish a cabinet-level venue where policies created by ministry policy panels (chaired by senior vice ministers) can be compared with the DPJ's policy panels and adjusted, where necessary. This will allow the DPJ to participate in policy debates while maintaining government leadership over the process. Without this, Kan will face two separate decisionmaking structures with no process to resolve differences.

Despite these positive changes, Kan must be careful how far he distances his administration from Ozawa. If Kan pushes too far, the pro-Ozawa group might become critical of party leadership, making party management difficult. Worse, the 150-plus Ozawa supporters could leave the party if they feel unduly targeted or increasingly sidelined. Kan has to assuage both the anti- and pro-Ozawa supporters. Given the public disdain for Ozawa, for the immediate future (i.e., the July 11 election) Kan should distance himself from Ozawa. If the DPJ fares poorly under Kan's leadership in the election, he needs to be ready for a serious challenge from Ozawa in September's DPJ presidential election. For the long-term survival of the party, however, Kan must work toward reconciliation between both sides.

Act as a Governing Party

The DPJ made significant gains in recent years because it learned how to be an effective opposition party. Party leadership became adept at pinpointing voter discontent. While this won elections, it did not translate into governing. The Hatoyama administration was fraught with governance problems, many of which were traceable to weak leadership. For example, despite promises to promote clean politics, Hatoyama was unwilling to provide a clear statement on his own financial wrongdoings and failed to discipline Ozawa for allegations of financial wrongdoing. Similarly, in the name of politician-led governance, Hatoyama kept security experts in the Ministry of Foreign Affairs and the Ministry of Defense at arm's length and chose chief cabinet secretary Hirano to preside over the Futenma relocation review process, a politician with little knowledge about foreign policy or defense issues. Nor did Hatoyama bring order to the steady stream of contradictory statements from his ministers. It is Kan's job to start acting as the head of the *governing* party and go beyond campaign rhetoric.

If the DPJ is serious about demonstrating political leadership, Kan needs to clarify what this means. The criticisms leveled at the Hatoyama administration were not that it relied on bureaucrats; rather, there were *too many* political voices (i.e. prime minister, cabinet ministers, party leadership). Once clarified, Kan needs to make the necessary changes to ensure decisionmaking authority emanates from that one source. If more than one source, he needs to establish a system of coordination to ensure harmonization of disparate voices. At the same time, Kan needs to rely on all available tools, including regular solicitation of advice from bureaucrats. Civil servants are the premier's in-house experts and strengthen his ability to lead. This means Kan has to reestablish good relations with the bureaucrats.

Second, Kan needs to clean up the DPJ. The DPJ promised change, including clean politics and more transparency in the decision-making process. Kan's reestablishment of the Policy Research Council is an important step toward the latter. Yet, if Kan is serious about clean politics, the resignations of Hatoyama and Ozawa are insufficient as they are nothing more than a shell game that removes those suspected of wrongdoing from leadership positions without dealing with the problem. While it could spark a DPJ civil war, Kan should force Ozawa to give Diet testimony of his financial records. Given that three of Ozawa's close aides were indicted, as party leader Kan would be justified for wanting to uncover criminal wrongdoing in his party. As long as these problems are not addressed, Kan cannot say his party is serious about clean politics.

Finally, if the DPJ wants to prove it is not the LDP, Kan needs to show courage in the face of the electorate. The LDP was guilty of replacing prime ministers without dissolving the Diet. The DPJ criticized this as avoiding public input via elections, aggravating distrust in politics and preventing Japan's development toward a two-party democracy. Prior to Hatoyama's resignation, polls showed the public lost trust in both the DPJ and government. For the DPJ to live up to its ideals, Kan should submit his government to a vote of public confidence by calling an election in the House of Representatives. As long as he does not, the DPJ is no different from the LDP and demonstrates the shallowness of its commitment to establishing a robust two-party system.

Reestablish U.S.-Japan Relations

Kan needs to repair relations with the United States. Hatoyama's handling of base relocation hurt alliance relations by introducing an element of mistrust into the relationship. Given the ever-present uncertainties of Chinese military modernization and the recent tensions on the Korean peninsula, regaining strong, stable relations is a priority.

Kan's early moves indicate he is serious about overcoming the problems he inherited. Not only has Kan decided to respect the May U.S.-Japan agreement on the Futenma relocation to Henoko, his government also adopted a parliamentary reply that the U.S. Marines in Okinawa function as a critical element of deterrence. Most recently, in the DPJ's campaign manifesto, there is also a clear shift away from Hatoyama's focus on building a "close and equal" relationship toward a "deepening" of the alliance. All of these signal Kan's intentions to rebuild alliance relations.

Yet, Kan has not said how he will overcome the expected difficulties of implementing the May agreement. Japan and the United States agreed to complete the study of Futenma's replacement location, configuration, and construction method no later than the end of August. Assuming that Kan can complete the study, implementation of the current plan requires the approval of Governor Hirokazu Nakaima of Okinawa, who has the power to authorize land reclamation. Because Nakaima (and the Okinawa prefectural assembly, Nago mayor Susumu Inamine, and Nago local communities) continues to oppose, Kan needs to clarify how he will implement the agreement.

Assuming he wants to avoid round two with the United States by implementing the current plan, Kan may be forced to issue a special measures law to overrule the governor's opposition. Yet, reaching an agreement on the relocation site and/or construction method without local consent will inevitably mean that construction of the new facility will face

continuous opposition. Worse, implementation will face further difficulties if anti-relocation candidates win in September's Nago Assembly election and the November Okinawa gubernatorial election. Because Kan built his career as a civic activist, he cannot ignore local consent. Kan may have to lower the threshold of what is meant by "approval." Instead of an "agreement" (*gōi*), he may seek "consent" (*dōi*) or "understanding" (*rikai*). Yet, it is better for Kan to avoid the appearance of moving the goalposts of success by working to rebuild support in Okinawa (see below).

Explain Why Okinawa Is Important

There is no question that Okinawa bears an enormous burden by hosting three-quarters of all U.S. forces in Japan. There is also no question that Futenma's location in densely populated Ginowan poses innumerable hazards to the community. Given these facts, the people of Okinawa want to reduce the footprint of U.S. forces, particularly Futenma. These opinions are not new, but Hatoyama's promise to listen to their concerns raised expectations that he would prioritize those concerns over U.S. priorities. Yet, this ended with Hatoyama's apology for breaking his promise.

Hatoyama's handling of the relocation issue reawakened anti-base sentiment. This helped get Mr. Inamine elected, the first time an anti-relocation candidate was elected mayor of Nago. It is arguably the first time since the 1995 rape of a schoolgirl that the Okinawa people are openly calling for the relocation of bases out of the prefecture to the extent they are doing currently. There will be no return to stable alliance relations as long as the local communities hosting U.S. forces do not grant their understanding of the burden they are forced to bear.

While working *with* Washington to reduce Okinawa's burden of hosting bases and training exercises, Kan needs to promote an ongoing dialogue with Okinawa. Lost in the discussion of Hatoyama's single-minded focus of "anything but the LDP plan" was an explanation of why U.S. forces are important for Japan's security. Because of the expected difficulties during the implementation phase, improving relations with Okinawa is a prerequisite for moving forward with Futenma's relocation. Kan needs to explain why Okinawa is asked to bear such a heavy burden for national security. Specifically, he needs to explain what constitutes a threat for Japan, how the threat should be dealt with, and the importance of the U.S. forces in Okinawa for deterring it. Ideally, this would lessen the volatile environment of public opinion and bring understanding for why U.S. forces are needed in Okinawa. In the very least, it could restore public trust. Additionally, because the premier would lead this dialogue, it provides the DPJ with an opportunity to exercise political leadership.

Conclusion

Kan is faced with the challenge of demonstrating that his government is different from his predecessor's. His initial changes should be sufficient to regain public trust prior to this week's election. While Kan's proposal to raise the consumption tax has led to a decline in approval rates, he will be aided by the fact that the public continues to distrust the LDP. An electoral win would give the DPJ a commanding majority in the Diet until the next House of Representatives' election. The bigger challenge for Kan will be to steer the DPJ away from his predecessor's reliance on grandiose (and abstract) campaign promises and unnecessary hostility with bureaucrats and the United States and become a pragmatic governing party. This may not sit well with all DPJ members, which is why Kan will have to find a way to bring his party together to avoid imploding. It remains to be seen whether Kan can do it.

Jeffrey Hornung is a postdoctoral researcher at the East Asian Studies Center at the Ohio State University. He will be an associate professor at the Asia-Pacific Center for Security Studies in Honolulu, beginning in September 2010.

The Japan Chair invites other essays for the Platform. Please contact Eri Hirano at (202) 775-3144 or by e-mail at ehirano@csis.org.

Japan Chair Platform is published by the Office of the Japan Chair at the Center for Strategic and International Studies (CSIS), a private, tax-exempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary. CSIS does not take specific policy positions. Accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author(s).

© 2010 by the Center for Strategic and International Studies. All rights reserved.