

“Reform and Resistance—Media Analysis of the Koizumi Administration.”

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「行政改革と抵抗勢力—小泉政権の過去一年についてのメディア分析」

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Abstract

2002年5月で小泉政権は樹立1周年を迎えた。同政権は広範な改革案を揚げた新しい内閣として発足し、前例のない大衆からの支持を受け、日本の政治風景が激変するかのように見えた。この評論は日本内外の英文メディア報道を基とし、主に以下の5つに焦点を当て、小泉政権の過去1年の実績評価をしたものである。

- 1) 2001年五月以降の選挙結果
- 2) 国内外のメディア解説および分析
- 3) 行政改革案進歩状況
- 4) 大衆の支持レベルとその影響、結果
- 5) 自民党内部抗争および改革案への反対

当リサーチは、なぜ具体的な改革が始まらないのかその主要因についての分析、また立法、経済、行政改革に対する抵抗勢力の特質、そして今後の行政状況予測、以上の3つについて論じる。

KEY WORDS: *reform, factions, tribes, elections, agenda*

Introduction

The following paper is part of this researcher's MA research for Sheffield University, for the Perspectives on Contemporary Japanese Society unit. The purpose of this research was to review the current political situation in Japan, particularly focussing on the aims and reform policies of the Koizumi administration in its first year in power. With reference to commentary from a number of political writers on the historical background and intrinsic nature of Japanese politics, reviewed alongside recent analysis from both domestic and foreign media sources, this researcher has sought to provide a detailed overview of the following within this paper:

- 1) Electoral results since the Administration came to power in May 2001.
- 2) Analysis of the Administration by the media, from domestic and international sources.
- 3) The current status of the administrative reform process.
- 4) The influence of popular public support on the administration.
- 5) Resistance to reform from within the Liberal Democratic Party.

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The paper concludes with what the researcher, in the light of this media analysis, believes to be the political outlook for the current administration over the coming months.

The overwhelming evidence would suggest that should the Postal Services Reform Bill not be passed before the summer recess, than the Koizumi Administration may collapse, with the calling of an early election likely to be its only remaining option.

HEADY DAYS

The spring and summer of 2001 were heady days for newly appointed Prime Minister Koizumi, his cabinet and indeed, for the Japanese political scene in general. Arriving in the wake of his hapless predecessor Yoshiro Mori, the eloquent Koizumi, on a wave of popular public support, landed the position after a Liberal Democratic Party primary in which he championed reform. By convincingly portraying himself as the candidate of change he trounced three traditionalist rivals including Ryutarou Hashimoto, power broker and leader of the largest faction within the LDP.

Rank and file party members of the LDP, who, in the main, had tacitly pledged their support for Hashimoto, frustrated with the status quo, and possibly, the perception that the recently-failed ex-Prime Minister could prove a hard sell at the polls, elected Koizumi (ex-Mori faction leader) as LDP president, giving him a sweeping victory, and a rude awakening for the old guard LDP factions.

Japan's political landscape looked changed forever. Public support in the first months of the administration was unprecedented. In April 2001 approval for the Koizumi cabinet was as high as 87%, while disapproval figures were a mere 6%. (Yomiuri Shinbun, April 30th, p.1). A once disillusioned and disinterested public were now watching live broadcasts of DIET sessions, attending public rallies en-mass and 'Jun-chan' had become the darling of the popular media. Koizumi's impassioned speeches spoke of reform, chiefly targeting unprofitable public corporations, wasteful public works projects, revamping the financial and taxation systems and conducting sweeping administrative reform. Smashing the status quo had struck a chord with the Japanese public.

In his first act as premier, Koizumi appointed a cabinet that went against LDP conventions regarding balancing posts between inter-party factions. Described in fanciful terms such as 'Japan's freshest cabinet in a generation' (Newsweek, May 7, 2001), the cabinet was composed of women in key posts, (most notably, the popular Makiko Tanaka) private sector professionals, and younger LDP rising stars. The absence of Hashimoto faction members in particular signified Koizumi's intent to ignore pressure from the LDP's heavyweights. With the leadership in his hands, a positive public image, and at a time when the country was economically and psychologically on its knees, the expectation that Koizumi would actually carry out the most sweeping changes to Japan's economic and political landscape since the post-war era seemed universal.

TARGETS OF REFORM

Of all his proposals, Koizumi's main target for reform was, and still remains the privatization of the three postal services (mail, savings and insurance). Since serving as Minister for Post and Telecommunications in the early 90's Koizumi has been pushing for privatization, particularly in the area of postal savings. Japan's Yubin Chokin (postal savings) is a mammoth financial organization whose ¥2.1 trillion in deposits is said to make it one of the world's largest banks (The Economist, August 4th, 2001). As a financial organization it is notorious for providing pitifully low returns to depositors, whilst providing cheap finance to many un-competitive industries and organizations. Opposition to this privatization has met stiff opposition from LDP insiders and lobbies such as the

Taiju no Kai a group of former postmasters, and the postal-worker unions. With over 24,000 post offices and branch agencies both privately and publicly owned nationwide they make up a very influential lobby group, and are a vital support network for many LDP politicians. In addition to this, industries or corporations on the receiving end of such finance through the postal savings system are also vehemently opposed to its reform.

Koizumi's second major target for reform was law regarding the 'Road funds', funds accumulated from road tolls, and petrol and vehicle taxes. Koizumi's proposal was to change this legislation and to re-direct this well of funds exclusively allocated to road construction. According to the Japan Times (June 6th, 2001), this now totals as much as 5.85 trillion yen annually, an amount that exceeds the nation's defense budget of 5 trillion yen. Road fund allocation creates a huge pot of money that LDP politicians help to channel, using their connections in the public works bureaucracy, to favored contractors. Special road revenues are thus one of the 'sacred cows' to which Koizumi so often had alluded, and they have become a symbol of his battle against vested interests, which in turn is a challenge to the many LDP Diet members who have long taken advantage of public money for pork-barrel politics.

Such proposals were indeed a direct threat to the LDP's un-wielding realm of influence and well of funds. In addition to this, Koizumi's penchant for openly criticizing both the Hashimoto faction and the then LDP Secretary General Nonaka, with comments such as "They are stuck in a factional mindset and are a relic of the LDP's past", (Yomiuri Shinbun April 24th, p.3), further incensed the Hashimoto faction, which became increasingly hostile towards Koizumi; "It's OK for us to remain outside the mainstream (under Koizumi's new administration.)," a Hashimoto faction member said, "But can he manage Diet affairs and cooperate with other parties smoothly by making an enemy of the largest faction? Let's see how much he can do," (Yomiuri Shinbun, April 24th, p.3) The warning was clear, but the gloves would not actually come off until the upper house election was over.

Despite being ostensibly wounded by the LDP primary's result, having been publicly snubbed in the formation of the cabinet, then further ridiculed by Koizumi's statements about the LDP, an enraged 'old guard' initially adopted a position of lying low, sensing that riding on the coattails of Koizumi's popularity would be the LDP's only means of surviving the crucial July 29th upper house elections.

Whilst tolerating Koizumi's position, biding time reaped extraordinary results for the party at the polls, firstly with a gain of 53 seats in the Tokyo Metropolitan Election in June, then July 29th delivered election results that exceeded all expectations. LDP candidates steamrollered their opposition, claiming 64 of the 121 seats contested in the upper house. The three party coalition now held a comfortable majority with 140 places in the 247-seat house of councilors (Japan Times, August 6th). Commentators at the time noted that Koizumi now truly had the mandate to truly move forward with his policies of reform, while at the same time warning that he had now outworn his usefulness as far as the LDP's powerbrokers were concerned. The headline, "Election win for LDP a loss for Koizumi" in the Yomiuri Shinbun (July 13th) warned of what the consequences of a victory for Koizumi could entail, even prior to the election;

"... a significant increase in the number of seats expected to be gained by the LDP in the election will allow party members opposed to Koizumi's reformist policies to wield greater influence within the party. Undoubtedly it would be unwise for anti-Koizumi legislators to remove him from power at a time when he enjoys great popularity. Therefore his position as LDP president and prime minister appears to be secure for the time being. However he may be unable to achieve his reformist goals while in office. If so it is questionable whether Koizumi will be able to continue to present the persona of an innovative leader who is appealing to the masses." (p.1)

THE HONEYMOON ENDS - One year later

One year on from the euphoria of record breaking popular support, the dire predictions from political commentators, and the threats from within his party, the Koizumi administration has just marked its first year in power. What was once public adoration has now waned to hardened skepticism, even a sense of betrayal, as the anticipated promises of 'the freshest cabinet in a generation', have yet to come to fruition. Administrative and economic reforms are at a standstill, and the Diet has remained paralyzed for months as a series of scandals involving key coalition party members have pre-occupied proceedings.

As early as the latter half of 2001, Koizumi's administration was heading into stormier waters. Koizumi's decision to visit Yasukuni Shrine on August 15th drew the condemnation of Japan's neighbors China and Korea, while domestically the logic of his decision to do so was heavily debated. Many viewed his actions as being untimely, unnecessary, and irresponsible.

Following this, the repercussions from the events of September 11th, 2001 drove the international situation into turmoil, damaging an already ailing world economy, and raising questions as to Japan's commitments security-wise on the international stage, along side its ally, the U.S. The administration responded by rushing legislation through the DIET expanding the powers, level of engagement abroad and capabilities of Japan's Self Defense Forces, with little consideration it seems for Japan's long held constitutional constraints. All the while the economy was continuing its deflationary spiral, and Japan's fickle mass-media had turned from Koizumi-adulation to Koizumi-bashing as its pre-occupation.

The situation worsened for the besieged Prime Minister with his decision to dismiss Makiko Tanaka in February 2002 over the impasse within the foreign ministry. The dismissal dramatically and instantaneously dissolved Koizumi's popular support base, with recent polls (according to CNN on May 28th, 2002) now showing that support for Koizumi has dwindled below 42%, and more notably, a disapproval rating also in the mid-forties.

In tangible terms, the defeat this April (2002) in the upper house by-election in Niigata, a traditional LDP stronghold, spoke volumes about the Koizumi's administrations woes, "The defeat in Niigata was a wake up call for the LDP and the Koizumi administration. It reflected deep public dissatisfaction with the lack of concrete reform and a growing mistrust of politics following a spate of political corruption scandals. Success of the Koizumi reforms depends on strong public support. With his popularity in tailspin, the Koizumi administration is finding itself in an increasingly difficult situation." (Nabeshima, Japan Times. May 6th 2002) The fact that Makiko Tanaka, and her father before her were Niigata representatives, with a huge support base in the region also reflected the public's reaction to Koizumi's handling of the former foreign minister.

RESISTANCE

Any young administration would be on its knees faced with such a baptism of fire as this, in its first twelve months. However, scandals, recession, questionable judgment, and wars aside, it is ultimately the resistance to Koizumi and his administrative reform policies that have resulted in the failure to achieve tangible results, most notably, the privatization of the postal system which Koizumi has advocated as his number one reform priority. At a press conference marking his administration's first anniversary, a frustrated Koizumi said, "If the LDP wrecks my mail deregulation plan, it will have wrecked the Koizumi Cabinet. So it's going to be a battle in which either the LDP wreck the Koizumi Cabinet, or the Koizumi Cabinet will wreck the LDP. This is the mainstay of the structural reforms." (Japan Times, May 6th, 2002, p.1)

As political commentators had prophesized from the outset, resistance effectively crippling Koizumi's cabinet

has arisen not from the vocal but largely ineffective opposition parties, nor through overt sabotage from within the ministries reluctant to abandon their vested interests. It is coming from within the LDP for whom meaningful reform in any shape or form threatens its very existence. A leader whose worst enemy is his own party. Such a situation would seem unthinkable or at least extraordinary in many countries, yet this is by no means an unprecedented one, and is an interesting case study into the very nature of Japanese politics.

LDP Inc. - Factions and tribes

The LDP's one party stranglehold on the reigns of government since 1955 (apart from two short-lived intervals of opposition rule, the result of two confused coalitions, one in 1947, and the more recently, the Hosokawa administration of 1993) is legendary.

At the very core to this dynasty, resistance to change has enabled the party to self-perpetuate itself despite countless scandals, and at times, from the brink of implosion due to factional fighting. Popular support or influence from the public has been viewed as virtually irrelevant to the LDP, with the party often being viewed by the public being as a maligned but "necessary evil". Karl van Wolferen (1989, p.29) describes the party as thus, "This group of politicians is now called the Liberal Democratic party (LDP), a total misnomer, as already seen, for a coalition of *habatsu*, political cliques. It has no party organization to speak of amongst the grass roots, and no generally agreed upon mechanism to regulate succession to its leadership, nor does it stand for any identifiable political principles." Basically, van Wolferen depicts the LDP as a party that is not a party, with no ideology to speak of other than self-perpetuity.

"The truth is that the LDP has maintained itself in power by gerrymandering; by using money to assure itself of the roughly 48% of the popular vote it requires; and by hammering home the message that only by electing LDP candidates will rural districts get infra-structural improvements. . . . The LDP's absolute majorities are further guaranteed by uneven representation whereby a single assiduously courted rural vote is worth three votes in the cities. Outside the big cities LDP candidates employ an exceedingly thorough style of pork-barreling to get re-elected." (van Wolferen p.29)

It should be noted that despite its premature demise, the Hosokawa administration did initiate electoral reforms with gerrymandering as one of the key areas to be addressed. Despite this, the situation described in 1989 by van Wolferen remains largely unchanged. With issues such as smashing the practice of pork-barreling through "roads to no-where" construction projects, particularly in rural areas, at the top of his agenda it is little wonder that the LDP have issues with their outspoken statesman Koizumi. In a time of recession, the slashing of construction projects could have devastating economic consequences for many rural communities, some of which have as much as 20% of their total income base from within the construction industry. (Japan Times, June 6th, 2001) Public works are the lifeblood for regional areas; similarly, the importance of reciprocal support for the LDP from regional Japan is immeasurable.

The LDP remains a loose assembly of factions dedicated to a wide range of special interests. Within the factions, smaller groups known as *zoku* or tribes that represent the vested interests of specific lobby groups from whom they gain their campaign funds. Of all the tribes, 'the postal tribe' and 'road tribe' wield the most political clout within the LDP and not surprisingly, the majority of tribe legislators are currently aligned with the Hashimoto stable, (the former Tanaka faction). "These 'policy tribes' — groups of LDP law makers attached to the various committees of the party's Policy Research Council frustrate bank reform, protect publicly owned businesses from deregulation and proper regulation, and keep the public works spigot open. So intricate are the

arrangements that there is even an LDP tribe specializing in sewers.” (The Economist, August 4th 2001.)

The Policy Affairs Research Council (PARC) is an extensive committee system where LDP legislation is formulated and reviewed, and then once approved at the executive level by the Policy Deliberation Commission, taken to the Diet. As special interest ‘tribes’ are said to have particular influence at the Council level, frustrated at every turn, Koizumi has had to resort to circumventing the PARC. “On the day of its first anniversary, the administration sent (postal) deregulation bills to the Diet, bypassing the LDP’s traditional “prior examination” procedure. The administration’s “unilateral” move flew in the face of a system in which the ruling party screens government bills before they are submitted to the Diet. This system has been criticized by many as clouding policymaking and crippling Diet debates on government proposals.” (Nabeshima, Japan Times, May 6th)

REFORMERS

An LDP President/Prime Minister with a reformist agenda is a rarity, if not a contradiction in terms. In any case, regardless of his effectiveness, however desperate the need for reform, or the depth of popular support that such a leader may have, he faces either political sabotage from the party and bureaucracy, or a term in office so brief that would stifle his proposals before even reaching the Diet as proposed legislation. The events leading up to the dismissal of Foreign Minister Makiko Tanaka reeked of such bureaucratic skull-duggery, and allegations of coercion from some quarters of the LDP on this issue remain unanswered.

LDP reformist leaders are few and far between, as few politicians would make it to the position of LDP president, without clout from the strongest of factions, or as in the case of Nakasone, the backing of a major kingmaker, Kakuei Tanaka. Despite having relatively different personalities, some comparisons between Koizumi and former Prime Minister Nakasone can be drawn. Woronoff (1986), contends that Nakasone with a smaller faction, and without the support of Tanaka, could never have won the LDP primary, but as a trade off for this support, Nakasone secured many of the cabinet posts for followers of Tanaka, and former Prime Minister Suzuki. (p.57) Similar to Koizumi, Nakasone was known for his willful, outspoken manner, and for wanting to increase the powers of the prime minister. His aim was to rule like a statesman.

With little party support and originating from the weaker Mori faction, Koizumi has no choice but to follow suit, leading him to actively attempt to increase his powers as Prime Minister and moving to establish a Cabinet-centered policy making process (Nabeshima, Japan Times, May 6th) while carefully trying to circumvent his proposals being watered down or ‘shredded in the party machine’ (PARC) before seeing light of day. Similarly, amidst much resistance Nakasone pursued and actually succeeded with some areas of administrative reform, including the privatization of the Japan National Railways and NTT, plus reform within the education system, and an increased presence for Japan on the world stage.

Nakasone’s at times maverick attitude towards his backers inevitably led to a subsequent souring in relationships, “When Nakasone proved a more energetic leader than expected, there was some disappointment in the Tanaka camp and even more annoyance among Suzuki’s entourage because of a ‘lack of gratitude’ and slighting remarks made about the efforts of the former Prime Minister.” (Woronoff, 1986 p.58) Nakasone subsequently was edged out of office and replaced by a more obedient (read ineffectual) replacement. Most commentators contend that that any over-ambitious Prime Minister will inevitably meet a similar fate. However Nakasone had more solid party backing than Koizumi, and held the leadership during more prosperous times.

OUTSIDE CONCERNS - The economy and timing

Concerns about the reform program are being voiced not only from within Japan. Whilst administrative reform, privatization, and reform of the collapsing banking system are vital, Japan's ailing economic situation has led outside experts to warn that Koizumi may be overreaching; "Correcting a structural change in the economy is a lot harder when times are dire than when the economy is doing well, and in industries the outlook is grimmer than in recent memory. Forcing massive layoffs now could cripple domestic spending. Some economists are even beginning to suggest that the country should hold off the deepest part of the reform package until the U.S. economy recovers." (Beals, *Newsweek*, July 31, 2001) Cutting back on fiscal expenditure during a recession could further exacerbate a downturn in the economy, with repercussions not only domestically but for the entire Asia region. "Two weeks ago a senior International Monetary Fund official warned that the country's structural reform could undermine efforts in the rest of the region to recover from the crisis of 1997-1998. (*Newsweek*, July 31 2001).

CONCLUSION

At this point in time the pressures domestically and internationally on the Koizumi administration look insurmountable. What is clear is that without producing any results, his leadership will have but months remaining. Koizumi has staked his political career primarily on the success or failure of postal service reform and this is at a standstill. No matter how much will there is to carry out "No pain, no gain" reform, without these efforts bearing fruit, what little political clout he still grasps will disappear. With the Diet at a standstill and the party deadlocked Koizumi's last resort may be to perform the one act that is truly solely within his power as Prime Minister; to dissolve the house and call an early general election. Whatever course taken, the administrations' days appear numbered.

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