



Clear as Mud

by Brad Glosserman

Prime Minister Koizumi Junichiro delivered on his promise to revive the fortunes of the Liberal Democratic Party (LDP) last weekend. LDP candidates steamrolled their opposition, claiming 64 of the 121 seats that were contested in Sunday's Upper House ballot. After an independent candidate joined the LDP on Monday, the LDP had upped its total number of seats by four, and its three-party coalition holds a comfortable majority with 140 places in the 247-seat House of Councilors.

Now things will get interesting. While the Upper House is the weaker of Japan's two chambers, the election results ostensibly give Mr. Koizumi the mandate he needs to move forward. The prime minister presents himself as a reformer, and revels in his image as a rebel, but it is unclear what he really believes in. He has spoken passionately about dismantling the postal savings system and has supported limits on government spending (which would end the pork barrel politics that has been the foundation of LDP rule), but the details of his reform agenda have been hard to find. Part of that is politics: The prime minister has not gotten specific to avoid antagonizing supporters who might be adversely affected by his plans. Others question whether Mr. Koizumi really believes in much; he is said to be guided by instinct and has little inclination for the nitty gritty details and the down and dirty of Japanese politics.

But real "reform" means fighting the vested interests that have been the mainstays of LDP support. In other words, the LDP has been riding the coattails of the man who is committed to undermining its existence. The LDP old guard is well aware of this irony, and has muted its criticism to exploit Mr. Koizumi's popular appeal. They can now be expected to show their gratitude by sharply opposing his agenda; having used the prime minister to their advantage, they will dispense with the niceties and get down to business. In another delicious irony, one of the chief beneficiaries of the prime minister's charisma was former Prime Minister Hashimoto Ryutaro, whose faction gained 23 new members in Sunday's vote. Mr. Hashimoto has two reasons to nurse a grudge against Mr. Koizumi. First, Mr. Hashimoto, head of the largest faction in the LDP, was supposed to win the April party vote that brought Mr. Koizumi to power. Second, any real reform will undermine the Hashimoto faction's power base. (In yet another irony, Mr. Koizumi's chief ally is Ms. Tanaka Makiko, the Foreign Minister, whose father established the faction Mr. Hashimoto now leads. Whew!)

The bottom line is that Mr. Koizumi is now going to be tested because the real opposition to his program is about to emerge - and the real opposition comes from within his own party. Mr. Koizumi will have to genuinely believe in reform and be willing to fight for it if he is to prevail.

The prime minister's determination is necessary, but it is not sufficient to change Japan. To do that, the Japanese people have to support real reform. After a decade of stagnation and scandals, and a year of hapless Prime Minister Mori Yoshiro, the Japanese public says it wants change. The readiness to actually stomach the pain that change will bring is another matter, however. Survey data from the Dentsu Institute for Human Studies has shown increasing ambivalence about market-oriented reforms in Japan in the latter half of the '90s as calls for change have been matched by rising levels of unemployment. Recent polls show similar doubts about the wisdom of reform. In short, the prime minister's stratospheric support levels notwithstanding, public support for a hard-hitting plan is open to question.

Complicating the picture is the likelihood of a realignment of domestic politics in the future. Just as parts of Mr. Koizumi's reform agenda alienate members of his own party, they appeal to members of the opposition -- the Liberal Party and the Democratic Party of Japan. Many of these politicians were members of the LDP and are eager to return to power; their reformist inclinations could overcome whatever animosity still lingers as a result of their leaving the party in the first place. The Democratic Party is especially vulnerable to a split, since it retains ties to the labor unions (half of its winners last Sunday were union representatives), which are likely to bear the brunt of reform. The behind-the-scenes maneuvers to line up support will intensify as the stakes grow.

Other issues will also cloud the picture: constitutional revision, the textbook controversy, the visit to Yasukuni Shrine. Each will have an impact on the Cabinet's support and its ability to act. For example, Komeito opposes Mr. Koizumi's visit to Yasukuni Shrine and has even threatened to leave the government if he goes. The bottom line is that Mr. Koizumi has to include those other factors into his calculations. Reform cannot be considered in isolation from these other concerns.

The many uncertainties and the one real certainty (spirited opposition from the LDP old guard) guarantee that the reform process will be slow. The prime minister and his team are talking about two- to three-year time horizons.

In other words, patience is going to be more than a virtue - it will be a necessity. Hopefully, Japan's long-suffering citizens are ready for the wait. The U.S. must be patient too. There will be no quick fixes and Washington must be prepared for glacial progress on economic issues, as well as other contentious items on the bilateral agenda (i.e., security issues). The opposition (both within his party and outside) will use every issue they can to beat the prime minister and the constellation of security concerns, including constitutional reform, is a big stick. The stakes are high, which means the fighting should be vicious. The U.S. should be ready to support its ally no matter what it chooses to do, but Washington cannot allow itself to be drawn into the fray.

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