



Koizumi's Reelection and Its Implications For U.S.-Japan Relations by Yuki Tatsumi

On September 22, the third Koizumi Cabinet was established. On the same day, the Liberal Democratic Party (LDP) witnessed the birth of a new party leadership. Prime Minister Junichiro Koizumi, reelected to head the LDP for the second term with a handsome majority, is now well positioned to face a general election (expected to be held on November 9) with a renewed mandate.

The outcome of last week's election indicates that Koizumi will be remembered in the context of Japanese politics as a figure who ended habatsu seiji (factional politics). In particular, Koizumi has effectively brought down the Tanaka-Takeshita-Obuchi-Hashimoto faction that has dominated Japanese politics since the early 1970s.

Koizumi also sent a clear message once again that he would not select his cabinet ministers based on nominations from faction leaders. In the recently reshuffled Koizumi cabinet, Shigeru Ishiba (JDA chief) and Toshimitsu Motegi (Minister in Charge of Okinawa, Northern Territories, Science and Technology Policy) are the only two ministers from the Hashimoto faction – unusually low representation of the biggest faction in the LDP. He also decided to retain his economic, fiscal and financial policy minister Heizo Takenaka and Foreign Minister Yoriko Kawaguchi despite heavy criticism within the LDP. Finally, he picked Nobuteru Ishihara, who served as the minister in charge of administrative reform under the previous Koizumi cabinet, to head the Ministry of Land, Infrastructure and Transport.

Koizumi's choice of Shinzo Abe as the secretary-general of the LDP is also bold. Koizumi may appear to have compromised somewhat on his selection of LDP leadership by moving Taku Yamasaki to the vice president of the LDP and giving the positions of the deputy secretary-general and the chairman of policy affairs research council to the Hashimoto faction's members. However, his decision to promote Abe to arguably the most powerful position in the LDP illustrates his determination to accelerate generational change within the LDP.

The new cabinet and LDP leadership have already begun to show positive effects as Koizumi heads for November's general election. According to the most recent poll conducted by the Asahi Shimbun, Koizumi's public approval rating increased by almost ten percent after the announcement of the new cabinet. Further, the Asahi poll also shows that more voters choose Koizumi over Democratic Party President Naoto Kan as more suitable for the job of prime minister. With the failure of the new Democratic Party (which recently merged with the Liberal Party) to garner as much support as expected, Koizumi may have secured a victory in the upcoming general election already.

The Bush administration has a favorable view of the new Koizumi cabinet. It certainly welcomes the retention of Foreign Minister Kawaguchi and JDA chief Ishiba, as both are considered reliable counterparts as the two countries tackle issues such as North Korea, Iraq, and missile defense. The selection of Shoichi Nakagawa (a member of rachi giren) to head the Ministry of Economic, Trade and Industry – a lead agency for export control – is also an indication that the Koizumi government will maintain a firm stance vis-à-vis North Korea. Overall, it is certain that in the foreign and security policy arena, close cooperation between the two countries will continue.

One area that Koizumi has fallen disappointingly short of expectations is economic reform. The Bush administration so far has maintained the principle of not criticizing Koizumi's economic policy, attributing his inaction mainly to resistance within Japan. Now that Koizumi seemingly has secured his position beyond the general election, he must begin to deliver on his promises for economic reform.

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