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Fukuda's Resignation Reflects Japan's Political Gridlock

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Japanese Prime Minister Yasuo Fukuda's abrupt resignation has again thrown Japan's political landscape into uncertainty. His departure, coming less than a year after assuming office—as was the case with his predecessor—increases the potential that Japan will return to the revolving door of ineffectual prime ministers serving brief terms that prevailed through much of the 1990s.

The good news is that Japan is not in crisis and the political system will remain stable as the ruling party makes preparations to select a new leader.¹ The change in leadership will even create some initial excitement and anticipation of change. But the next prime minister faces the same challenges that undid his two predecessors and may fare no better. Japan's new leader will be constrained in implementing foreign and domestic policies by a legislature split between competing parties and the obstructionist tactics of the opposition party.

Long-term Japanese policy stagnation is not in the U.S.'s strategic interest. Bold leadership is needed but unlikely in Japan's consensus-driven political system. There are serious consequences to Japanese inaction. Tokyo's unwillingness or inability to make tough decisions risks Japan losing influence and perhaps even relevance in a region increasingly dominated by an ascendant China. As a Chinese proverb cautions, "Two tigers cannot share the same mountain."

Fukuda Throws in the Towel. Japan appears doomed to endure a political version of the movie *Groundhog Day* in which it must live the same day

over and over until finally rectifying its problems. Fukuda's surprise resignation mirrored that of Shinzo Abe in September 2007, even repeating Abe's unsuccessful attempt to regain public support by reshuffling his cabinet. Upon assuming office 11 months ago, Fukuda quipped that he had simply "drawn the short straw," thereby indicating his realization of the difficulties he faced. An experienced though uninspiring leader, Fukuda failed to reverse plummeting public support for the ruling Liberal Democratic Party (LDP).

Fukuda's consummate tendency for compromise failed to win over the main opposition Democratic Party of Japan (DPJ), which was energized by its gaining control of the upper house of the legislature in July 2007 elections. DPJ chief Ichiro Ozawa was combatively obstructionist, attempting to force an early election of the more powerful lower house. Ozawa will see Fukuda's resignation as vindication of his strategy and will continue efforts to bring down the government, regardless of the impact on Japan's economy or foreign policy.

Aso Has Inside Track as Successor. Former Foreign Minister Taro Aso is the current presumptive selection as the next prime minister, though this

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was also the case a year ago before being surpassed by Fukuda. He is known for conservative foreign policy views, including strong support of Japan's security alliance with the U.S. Aso would be more willing than Fukuda to expand Japan's regional security role and augment involvement in overseas peacekeeping operations. To accomplish this, he would support reinterpreting the collective self-defense theory, which currently constrains the role of Japanese Self-Defense Forces. Fukuda had dismissed an Abe-convened task force that would have recommended loosening restrictions on Japan's defense forces.

Aso is also skeptical of Beijing's long-term intentions toward the region and he would support using Japan as a balance to China. He shares Abe's strong views on the need for North Korea to resolve its past abduction of Japanese citizens prior to Tokyo providing benefits in the six-party talks or normalizing diplomatic relations with Pyongyang. He would be critical of any attempt by the Bush Administration to lower the requirements for adequately verifying North Korean denuclearization.

Economists, however, are wary of Aso's potential selection, seeing it as a possible setback for necessary economic reforms. Aso supported Tokyo's \$106 billion economic stimulus package of August 29 to revitalize the slumping economy. The emergency measures are likely to be ineffective in addressing underlying structural deficiencies, but they are popular with voters who fear growing indications of a Japanese recession. As such, Aso might support additional pump-priming measures despite the immense government debt, which equals 170 percent of Japan's GDP.

Aso's main rival, former Defense Minister Yuriko Koike, opposed the stimulus package and remains a supporter of Prime Minister Junichiro Koizumi's reforms to create economic growth. Koike, who would be Japan's first female prime minister, is seen as a long shot to succeed Fukuda. Although a mem-

ber of the powerful Machimura faction of the LDP, media reports indicate the faction may not officially endorse her as a candidate.²

2009 Election Looms Large. If selected as prime minister, Aso would be hesitant to implement dramatic changes in Japan's foreign policy, particularly an expansion of the defense force's role. Abe's pursuit of such a bold security vision was rejected by the electorate more concerned with Japan's mounting economic troubles. In the run-up to a September 2009 lower house election, the leadership must play to constituent issues so as to avoid losing political control.

Aso would be more receptive to Washington's entreaties for Japan to fulfill its previous commitments to assist the ongoing relocation of U.S. military forces. U.S. officials have expressed increasing frustration with Japanese foot-dragging during Fukuda's administration. That said, Aso would be wary of alienating the electorate by appearing overly acquiescent to U.S. "demands." Similarly, U.S. efforts to transform the security alliance into a broader regional and global partnership will continue to face resistance from a public content with the comfortable status quo.

Advocating a Stronger Security Relationship. Bilateral U.S.–Japanese security ties have expanded greatly during the past 10 years, resulting in more closely integrated military operations. Japan has been moving inexorably toward military reform during the past decade, albeit at a glacial pace and only in response to repeated prodding by the United States.

Washington should work with the next Japanese leader to emphasize the need for Japan to take greater responsibility for its own defense and regional security commensurate with its economic power and global interests. The U.S. should encourage Japan to do the following:

- Implement procurement reform;

1. Under Japan's parliamentary system of government, the political party controlling the lower house of the legislature selects the prime minister from its ranks.
2. "Koike leans toward challenging Aso in LDP election," *Asahi Shimbun*, September 3, 2008, at <http://www.asahi.com/english/Herald-asahi/TKY200809030209.html> (September 3, 2008).

- Eliminate arms export restrictions to allow for greater cooperation on missile defense programs; and
- Remove constraints on Japanese defense capabilities, including restrictions on overseas deployments.

Although the U.S. and Japan have established guidelines for transforming the alliance, successful implementation will require sustained and energetic

involvement by the senior leadership of both countries. Both nations should also increase public diplomacy efforts to convince their respective citizenry of the need for Japanese involvement in peacekeeping, regional stability, anti-piracy, and protecting sea lines of communications operations.

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