PARTY FACTION AND COALITION DYNAMICS IN JAPAN

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Japan is known by the world for its economic prowess and high quality exports, but not for its politics. Since World War II, Japan has been a country of almost unique political stability. One party ruled for thirty-eight years during a time in which politics were predictable and extremely rapid social change was accommodated without major political disruptions. Then, in 1993, after nearly four decades in power, the largest party split, and political life was thrown into turmoil from which it has yet to recover fully.[1] In Japan, the shuffling of power from one-party dominance to multiparty coalitions, and from coalition to coalition, affected the policy-making process and certain issues in particular.[2] Political parties are basically coalitions as well as organizations, and this fact is the reason for the partial collapse. Coalitions can last for a long time and develop highly institutionalized structures, but they are also very fragile and may collapse. Even though a party organization appears to be firmly established, continuation depends on whether or not politicians maintain their belief in the existence of the party.[3]

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[1] Bradley M. Richardson, *Japanese Democracy: Power, Coordination and Performance* (New Haven, CT: Yale University Press, 1997), p. 1.

[2] Naoto Nonaka, "Characteristics of the Decision-making Structure of Coalitions," *Power Shuffles and Policy Processes: Coalition Government in Japan in the 1990s*, ed. Hideo Ōtake (Tokyo: Japan Center for International Exchange, 2000), pp. 102-124; and Shinkawa Toshimitsu, "Failed Reform and Policy Changes of the SDP," *Power Shuffles and Policy Processes,* pp. 152-182. (This is the first English-language study, and an excellent one, of the coalition era in which seven Japanese political scientists present in-depth analyses of the political change and policy-making process in Japan during the 1990s).

[3] For excellent in-depth analysis of the essential coalitional nature of political parties, see Michael Laver and Kenneth Shepsle, "Coalitions and Cabinet Government," *American Political Science Review* 84/3 (1990): 873-890; Michael Laver and Kenneth Shepsle, *Making and Breaking Governments: Cabinets and Legislatures in Parliamentary Democracies*

Japanese party factions, faction-based intra-party government-leadership coalitions, and inter-party government coalitions all share some of the same characteristics, although only the first two are normally expected to develop complex organizational forms. If coalitional agreements fall apart, organizational super-structures become less meaningful or even irrelevant. Historically, Liberal Democratic Party (LDP) politicians gained government positions and policy influence in exchange for accepting party policies, procedures, and the faction system. As long as the coalition met the members' needs, the party continued to exist. When the party and its leadership lost credibility in 1992-93, the party's raison d'être was weakened. LDP members who changed sides failed entirely. The intra-party's reactions to conflicts contributed to opposing dynamics in the LDP.

One ever-changing condition is the persistence of party institutions and procedures that promote integration and solidarity. Another condition is an intermittent tendency toward fragmentation and crisis. The patterns in the LDP are also seen in the Social Democratic Party of Japan (SDP) and occasionally in other parties and organizations.[4] Sometimes Japanese parties and organizations are highly stable coalitions, and at other times, fragmentation and conflict make them volatile and potentially self-destructive. A similar situation in having the potential to collapse can be

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(New York: Cambridge University Press, 1996); Lanny Martin and Randolph Stevenson, "Coalition Formation in Parliamentary Democracies," *American Journal Political Science* 45/1 (2001): 33-50; Eric C. Browne, *Government Coalitions in Western Democracies*, ed. John Dreijsman (New York: Longman, 1982); Wolfgang Muller and Kaare Strom, eds., *Coalition Politics in Western Europe* (New York: Oxford University Press, 2000); and Ian Budge and Hans Keman, *Parties and Democracy: Coalition Formation and Government Functioning in Twenty States* (New York: Oxford University Press, 1990).

[4] The Japan Socialist Party changed its English name to the Social Democratic Party of Japan (SDP) in 1991. For an in-depth study of SDP, see Taguchi Fukuji, "Nihon Shakaitō ron" [An Analysis of the Japan Socialist Party], *Chūō kōron* 73/9 (1958): 124-143; and Nippon Shakaitō, ed., *Nippon Shakaitō shi* [The History of the Japan Socialist Party] (Tokyo: Nippon Shakaitō, 1996).

seen in inter-party coalitions, according to recent studies.[5]

      To understand Japanese politics today, one must accept that Japan's basic political structure has changed. In recent times, Japanese politics have experienced changes so rapid and thoroughgoing that even careful Japanese observers can hardly keep track of all the details. The country has had nine Prime Ministers since 1990. More than ten new political parties emerged and then disappeared during that time, while the alignment and realignment among political forces has often gone beyond traditional partisan identity. Despite the amazing magnitude and rapidity of political change, few analysts claim that Japan's political transformation has finally stabilized.[6] The current political change represents a restructuring of the political marketplace, mainly among politicians rather than significant voter realignment on the part of the general electorate.[7]

      This paper is basically an endeavor to: (i) examine the paradox of why factions have survived political reform; (ii) analyze the changes and continuities in the attributes and functions of the LDP; (iii) address the question of what shape inter-factional rivalry has taken following the party's loss of its absolute stable majority; (iv) review the coalitional nature

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[5] Richardson, *Japanese Democracy*, pp. 74-75; and Michael Leiserrson, "Factions and Coalitions in One Party Japan," *American Political Science Review* 62 (1968): 770-787.

[6] See for example T.J. Pempel, *Regime Shift* (Ithaca, N.Y.: Cornell University Press, 1998); and Gerald L. Curtis, *The Logic of Japanese Politics* (New York: Columbia University Press, 1999), especially the last chapter. Quoted in Cheol Hee Park, "Factional Dynamics in Japan's LDP Since Political Reform: Continuity and Change," *Asian Survey* 41/3 (2001), p. 428.

[7] Hideo Ōtake posits two concepts, political restructuring (*seikai saihen*), which he sees as a realignment among politicians, and partisan realignment (*seitō saihen*), which he sees as significant in voter alignment. According to him, a partisan realignment has yet to be seen in Japan. See Ōtake, *Nihon seiji no tairikujiku* [Pillars of Contention in Japanese Politics] (Tokyo: Chukō shinshō, 1999), pp. 41-44; Ōtake, ed., *How Electoral Reform Boomeranged: Continuity in Japanese Campaigning Style* (Tokyo: Japan Center for International Exchange, 1998), pp. 66-69; and Mark Ramseyer and Frances Rosenbluth, *Japan's Political Marketplace* (Cambridge, M.A.: Harvard University Press, 1993), pp. 59-79.

of political parties; and finally, (v) indicate the future directions of domestic politics in Japan.

The End of the "1955 System"

     For most of the postwar period, Japan's political setup was dominated by the LDP, formed in 1955, and the Japan Socialist Party (JSP).[8] This "1955 System" continued until 1993, when Japanese politics entered a period of disorder. The basic theme of the 1955 System was the ideological conflict between two major parties with very different world views – a conflict paralleling international affairs – in an era when the world was divided into socialist and capitalist camps.[9]   The two parties

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[8] Japan's first political party was founded by Itagaki Taisuke in 1874, the Aikoku Koto [Public Party of Patriots], and was later renamed the Jiyuto [Liberal Party]. In terms of policy and ideology, it had much in common with the present-day LDP. For the most comprehensive study of the LDP in English, see Haruhiro Fukui, *Party in Power: The Japanese Liberal Democrats and Policymaking* (Berkeley, CA: University of California Press, 1972); for an insightful description of the LDP and its internal process in the 1960s, see Nathaniel Thayer, *How the Conservatives Rule Japan* (Princeton, N.J.: Princeton University Press, 1969); for a view of the party in more recent times, consult Tomita Nobuo, Akira Nakamura and Ronald J. Hrebnar, "The Liberal Democratic Party: The Ruling Party of Japan," *The Japanese Party System: From One Party to Coalition Government*, ed. Ronald J. Hrebnar (Boulder, CO: Westview, 1986): 235-282. See also, Haruhiro Fukui, "The Liberal Democratic Party Revisited: Continuity and Change in the Party's Structure and Performance," *Journal of Japanese Studies* 10 (1984): 385-435; Gerald L. Curtis, *The Japanese Way of Politics* (New York: Columbia University Press, 1988), pp. 80-116; Satō Seizaburō and Matsuzaki Tetsuhisa, *Jimintō seiken* (Tokyo: Chūō kōronsha, 1986); and Hans H. Baerwald, *Party Politics in Japan* (Boston, MA: Allen & Unwin, 1986).

[9] The term "1955 System" has at least four meanings: (i) the structure of the two-party system formed in 1955; (ii) ideological confrontation between the LDP and the JSP; (iii) major policy differences between the LDP and the JSP on Constitution and security issues since the 1950s; and (iv) collaborative management of Diet affairs by the LDP and the JSP. For details, see Shuichi Wada, "Generation Change and Political Upheaval,"

maintained the appearance of fierce rivalry until the end, but beneath the surface, the relationship gradually evolved into a mutually tolerant and cooperative co-existence. Under the LDP, Japan was able to achieve rapid economic growth thanks to the security guaranteed by the U.S. nuclear umbrella. At the same time, the Liberal Democrats implemented many of the social reforms advocated by the Socialist opposition. As a consequence, voters saw little need for a change in government.[10]

Meanwhile, the system of multi-seat electoral constituencies, for the House of Representatives, helped lock the LDP and the JSP into the number one and number two positions respectively.[11] During the three-and-a-half decades following the birth of the 1955 System, the LDP generally outnumbered the JSP by a ratio of 2:1. As this pattern solidified, the JSP, instead of making a serious bid for power, gradually settled into the

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Power Shuffles and Policy Processes: Coalition Government in Japan in the 1990s, pp. 213, 183-217.

[10] The LDP coalition took form in the 1950s when important interest organizations were formed in several sectors, including small businesses and farming; see Kent Calder, *Jimintō chōki seiken no kenkyū*, trans. Toshiko Calder (Tokyo: Bungei shinjusha, 1991); originally published as *Crisis and Compensation: Public Policy and Political Stability in Japan 1949-1986* (Princeton, N.J.: Princeton University Press, 1988). Also see Sheldon Garon and Mike M. Mochizuki, "Negotiating Social Contracts," *Postwar Japan as History*, ed. Andrew Gordon (Berkeley, CA: University of California Press, 1993), pp. 145-166; Michio Muramatsu and Ellis S. Krauss, "The Conservative Policy Line and the Development of Patterned Pluralism," *The Political Economy of Japan*, vol. 1, eds. Kozo Yamamura and Yasukichi Yasuba, *The Domestic Transformation* (Stanford, KY: Stanford University Press, 1987), pp. 516-554; and Muramatsu and Krauss, "The Dominant Party and Social Coalitions in Japan," *Uncommon Democracies: The One-Party Dominant Regimes*, ed. T.J. Pempel (Ithaca, N.Y.: Cornell University Press, 1990), pp. 282-305.

[11] A system of multi-seat electoral districts (called "medium-sized constituencies" in Japan) was in use for the House of Representatives from 1925 to 1996. Each district had three to five seats as a rule (occasionally two or six). The system was faulted for obscuring the will of the people by fostering competition between more than one candidate from the ruling party instead of offering voters a clear-cut choice between parties.

role of perennial oppositionist and remained wedded to positions that were widely regarded as unrealistic.[12] In the area of defense policy, for example, it advocated unarmed neutrality, and where the Korean Peninsula was concerned, it opposed the establishment of the Treaty on Basic Relations between Japan and the Republic of Korea, by which the two countries joined in diplomatic relations. Meanwhile, in the National Diet, the two parties continued to co-exist in a way that belied their superficial antagonism by following an unwritten procedure for negotiating the outcome of important legislation. The situation began to change with the collapse of the Berlin Wall in 1989.[13] The Cold War standoff between the Eastern and Western blocs gave way to a multitude of regional conflicts. Japan was not permitted to respond, due to constitutional constraints, and found itself under attack for refusing to send personnel to troublesome areas. It became increasingly clear to politicians in both the LDP and the JSP that the traditional battle lines of the 1955 System – the Japan-U.S. security arrangements (in the context of the Cold War) and the legality of the Self-Defense forces – were ill-suited to the new global realities.[14]

Between 1955 and 1993, party crises disrupted its affairs from time to time. The party's collapse was forecasted, and LDP politicians considered forming new factions. Some of the most severe crises were sparked by the intense factional opposition of Prime Minister Kishi's hard-line leadership (1960), the criticism of Prime Minister Tanaka's

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[12] Hiwatari Nobuhiro, "Gojūgonen tisei no 'shūen' to sengo kokka" [The "End" of the 55 System and the Postwar State], *Leviathan* 16 (1955): 121-144; and Nippon seiji gakkai, ed., *Nempō seijigaku 1996: 55-nen taisei no hōkai* [Annuals of the Japanese Political Science Association 1996: The collapse of the 1955 System] (Tokyo: Iwanami Shoten, 1995).

[13] Several famous divisions in the Japan Communist Party have been over ideology, such as the division between pro-Soviet and an internationalist group in the 1950s; see *Asahi Shinbun* (02/27/1973); and Peter Berton, "The Japan Communist Party: The Lovable Party," *The Japanese Party System*, ed. Ronald J. Hrebnar (Boulder, CO: Westview Press, 1992), p. 119.

[14] Haruhiro Fukui, "Tanaka Goes to Peking," *Policymaking in Contemporary Japan,* ed. T.J. Pempel (Ithaca, N.Y.: Cornell University Press, 1977), pp. 60-102; and Junnosuke Masumi, *Postwar Politics in Japan, 1945-1955*, vol. 6 (Berkeley, CA: Center for Japanese Studies, Institute of East Asian Studies, University of California, 1985).

involvement in multiple corruption scandals (1974), cabinet defections during the latter part of Prime Minister Miki's shaky tenure (1976), disputes over Prime Minister Ohira's leadership (1979-80), intra-party tensions over recruiting and other corruption scandals in the late 1990s.[15] Significant conflicts took place in other years but they were not so severe. As a counterpoint to the stable features of the LDP, crises developed in a more or less predictable pattern.[16] While major crises most often resulted from the loss of credibility from party leadership, some were aggravated by differences between mainstream and anti-mainstream factional coalitions and intense internal policy differences.[17]

The 1993 General Election and New Party Fever
          Around this time, support was building for reform of the electoral system.   The focus of the debate was the idea of adopting single-seat constituencies for the House of Representatives to open the door to a genuine two-party system enabling the nation to make a clear choice regarding the path it should take in the years ahead. Prime Minister Kaifu Toshiki submitted a bill to create a system of single-seat constituencies and proportional representation, but he met stiff resistance from many members

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[15] *Tokyo Shinbun* (07/12/1974); *Asahi Shinbun* (11/11/1973); *Mainichi Shinbun* (07/17/1974); *Yomiuri Shinbun* (07/13/1974); *Nihon keizai* (10/24/1976), (11/22/1976); *Yomiuri Shinbun* (08/04/1976); *Kanagawa Shinbun* (08/09/1976); *Mainichi Shinbun* (10/19/1992). See also, Richardson, *Japanese Democracy*, p. 76.

[16] Satō and Tetsuhisa*, Jimintō seiken*, p. 52; J.A.A. Stockwin, "Political Parties and Political Opposition," eds. Takeshi Ishida and Ellis S. Krauss, *Democracy in Japan* (Pittsburgh: University of Pittsburgh Press, 1989), pp. 89-112; and Gary D. Allinson and Yasunori Sone, eds., *Political Dynamics in Contemporary Japan* (Ithaca, N.Y.: Cornell University Press, 1993).

[17] Uchida Kenzō, *Habatsu* [LDP Factions] (Tokyo: Kodansha, 1986), p. 10; Masaru Kōno, "Rational Foundations of the Organization of the LDP in Japan," *World Politics* 44/3 (1992): 369-397; Fukunaga Fumio, "Nippon Shakaitō no habatsu" [Factions in the Japan Socialist Party], eds. Nishikawa Tomokazu and Kawata Jun'ichi, *Seito habatsu* [Factions in Political Parties] (Kyoto: Minerva shobō, 1996); and Abe Hitoshi, "Muneyuki shindo and sadafumi kawato," trans. James J. White, *The Government and Politics of Japan* (Tokyo: University of Tokyo Press, 1994).

of his own ruling party, as well as from the opposition, and was forced to step down. His successor, Miyazawa Kiichi, similarly submitted a single-seat constituency bill in 1993, but this initiative was thwarted by the opposition, which was against electing all Lower House members from single-seat districts, as well as some LDP members who did not want to lose their base of electoral support. The electoral reform process, consequently, came to a deadlock. Ozawa Ichiro, Hata Tsutomu, and other LDP Diet members in favor of electoral system reform, subsequently rebelled against the party leadership, and in June 1993 joined the opposition in voting for a motion of "no confidence" against Miyazawa. The motion was approved, and Miyazawa was forced to dissolve the Lower House. The dissident LDP politicians then grouped themselves into two new parties: the Japan Renewal Party led by Ozawa and Hata, and the New Party Sakigake (Pioneer), spearheaded by Takemura Masayoshi and Hatoyama Yukio. Meanwhile, the Japan New Party, founded the previous year by another former LDP lawmaker, Hosokawa Morihiro, saw its popularity boom.[18]

The general election that was held in July following the Lower House dissolution was fought on two issues: political reform and the establishment of an anti-LDP administration. While the LDP finished with the most seats, it fell short of a majority. The three new parties joined forces with the Social Democratic Party (SDP) and such moderate groups as the Komeito (Clean Government Party) and the Democratic Socialist Party in a non-LDP coalition led by Hosokawa. [19] The LDP was forced to hand over the reins of government for the first time in thirty-eight years. The Hosokawa cabinet was an administration that brought together conservative, middle-of-the-road, and left-wing forces for the single common purpose of political reform. In January 1994, the Diet finally voted for a new electoral system combining single-seat constituencies with a proportional representation ballot, but the following April, Hosokawa resigned under the

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[18] *Yomiuri Shinbun* (07/25/1993); *Tokyo Shinbun* (05/27/1994); *Sankei Shinbun* (06/11/1994); *Nikkei Weekly* (05/30/1994); For details see Yamagishi Akira, *Renritsu seiken jidai o kiru* [Review of the Coalition Government Era] (Tokyo: Yomiuri shinbunsha, 1995).

[19] Nihon Keizai Shinbunsha, ed. *Renritsu seiken no kenkyū* [Study of a Coalition Government] (Tokyo: Nikkei shinbunsha, 1994); and Daniel A. Metraux, *The Soka Gakkai Revolution* (Lanham, MD: University Press of America, 1994).

shadow of a scandal concerning illicit loans. [20] Hata Tsutomu then formed another anti-LDP coalition cabinet, but it collapsed only two months after the SDP and Sakigake – disgruntled by the strong-arm tactics of the behind-the-scenes power of administration used by Ozawa – withdrew from the coalition, robbing it of a Diet majority.[21]

The Hata cabinet was followed in June 1994 by an LDP-SDP-Sakigake coalition led by SDP Chairman Murayama Tomiichi. The idea of an alliance between the Liberal Democrats and the former Socialists, arch-enemies throughout the 1955 System, drew fierce criticism from the outset. In January 1996, after completing work on the budget, Prime Minister Murayama abruptly announced his resignation, claiming that he had lost confidence in his ability to lead the government.[22] Meanwhile, to qualify for the position of the ruling party, the SDP abandoned its longtime opposition to the Japan-U.S. Security Treaty and the Self-Defense Forces. This loss of identity, along with the changes in the electoral system, ensured that the party would suffer a huge setback in the next general election,

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[20] The combined single-seat and proportional representation system adopted under the Hosokawa cabinet called for 300 seats in the House of Representatives to be filled by politicians elected from single-seat electoral districts. In addition, the country is divided into 11 blocs, from which a total of 200 Diet members are elected by proportional representation, specifically, voters mark their ballots for a party, and candidates from a list pre-compiled by each party fill in the 200 seats in numbers proportionate to the fraction of the vote that their party received. A candidate may run on both a single-seat district and a proportional representation ballot. The first general election held under the new system was in October 1996.

[21] Hideo Ōtake, "Forces for the Political Reform: The Liberal Democratic Party's Young Reformers and Ozawa Ichiro," *Journal of Japanese Studies* 22/2 (1996): 269-294; Ōtake, *Sengo Nihon no ideorogi tairitsu* [Ideological Conflicts in Postwar Japan] (Tokyo: Sanichi shobō, 1996); and Sadao Hirano, *Ozawa Ichirō to no nijū-nen* [Twenty Years with Ozawa Ichirō] (Tokyo: Purejidento-sha, 1996).

[22] Yasunori Sone, "Party Realignment and Party Dealignment: Recent Changes Among Japanese Voters," *Japan Review of International Affairs* 10/1 (1996): 79-97.

plummeting it to the status of a minor party.[23]   The LDP's Hashimoto succeeded Murayama as leader of an LDP-SDP-Sakigake coalition government. But in the wake of the October 1996 general election, the support of the SDP and Sakigake was no longer essential to the LDP, and while continuing to cooperate within the Diet, they ceased to play a direct role in the cabinet, leaving the LDP once again in sole control of the government after a three-year hiatus. The SDP and Sakigake formally left the coalition in advance of the 1998 triennial House of Councilors election.[24]

Consolidation of Opposition Forces
After serving as the LDP Secretary-General under Prime Minister Kaifu, Ozawa emerged as the central figure in the Hata faction's parting from the LDP and regrouping as the Japan Renewal Party, and he also served as the key individual in patching together the coalition government of Prime Minister Hosokawa. He remained an influential opposition figure even after the collapse of the Hata cabinet, asserting that Japan should become a "normal" country that takes on responsibilities and values its views as well as its international clout. The clear goals he set for the nation and his ardor for getting things done shook the political establishment that was known for its failures and opacity. While his forceful style sometimes riled members of his and other parties, he was a key figure in political realignment, guiding the founding and the disbandment of the New Frontier Party (NFP) and the formation of the Liberal Party.[25]

The Japan Renewal Party, the Japan New Party, Komeito, the Democratic Socialist Party (SDP), and others had merged to form the New Frontier Party.[26] By December 1997, NFP leadership election conflicts among rival factions within the party had intensified, and in January 1998 the NFP split into six parties: the Liberal Party; Kokumin no Koe (The Voice of the People); the Reformers' Network; Shinto Heiwa (The New

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[23] Hideo Ōtake, *Political Mistrust and Party Realignment in Japan* (Dhaka, Bangladesh: Japan Study Center, University of Dhaka, 1999), pp. 1-15.
[24] Daniel A. Metraux, "Japan's Search for Political Stability: The LDP-New Komeito Alliance," *Asian Survey* 39/6 (1999): 926-939.
[25] Metraux, "Japan's Search for Political Stability," p. 933.
[26] Kubo Wataru, *Renritsu seiken no shinjitsu* [The Truth Behind Coalition Governments] (Tokyo: Yomiuri shinbunsha, 1998).

Peace Party), formed by Lower House members of the old Komeito; Shinto Yuai (The New Party Fraternity), formed by members of the old SDP; and Reimei (The Dawn) Club, formed by Upper House politicians from the old Komeito. Shortly thereafter, former Prime Minister Hosokawa's Shinto Yuai (The New Party Fraternity), which had previously split off from the New Frontier Party, merged with former Prime Minister Hata's Taiyo (Sun) Party and Kokumin no Koe (The Voice of the People) to form the Civil Governance Party.[27]

In September 1996, some members of the SDP and Sakigake came together to form the Democratic Party of Japan. In the hope of keeping the deciding vote between the LDP and the NFP, the SDP was widely criticized for failing to stake out a clear position for or against the ruling party's policies. The turning point came after the NFP's breakup.[28] In April 1998, the Good Governance Party and Shinto Yuai merged with the SDP. Being the largest opposition party during this time, the SDP launched a vigorous campaign against the LDP. In the July 1998 Upper House election, the SDP made striking gains under the party's popular leader Naoto Kan.[29]

LDP Setback in the 1998 Upper House Election

The Hashimoto cabinet, inaugurated in January 1996, had ambitious goals. It pledged to reorganize the country's administrative apparatus (largely unchanged since the Meiji period) to meet the changing needs of a new era and set government finances on a firm footing. Hashimoto called for six major reforms – the bureaucracy (reorganization of the central ministries and agencies), government finances (an end to the issuance of deficit-covering bonds), the social security system (introduction of a nursing care insurance scheme and reform of the health insurance system), the economic structure (deregulation), the financial system (implementation of sweeping 'Big Bang' reforms), and education – and pushed through legislation supporting those reforms.[30] Hashimoto also commanded the drafting of a bill to allow the government to continue

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[27] Metraux, "Japan's Search for Political Stability," p. 935.

[28] James Babb, "The Precarious Political Balance in Japan," *Asian Affairs* 30/2 (1999), p. 155.

[29] Babb, "The Precarious Political Balance in Japan," p. 155.

[30] Sayumi Daimon and Yuko Hani, "LDP May Have to Walk Political Tightrope," *The Japan Times* (07/24/1999).

mandatory leasing of privately-owned land to U.S. military forces in Okinawa – which until then had no written basis – and took steps to consolidate and downsize U.S. bases in the prefecture.[31] In addition, he oversaw an agreement with Washington to revise the Guidelines for the Japan-U.S. Defense Cooperation addressing the bilateral alliance's response to situations in the area around Japan, as well as an agreement with President Boris Yeltsin to resolve the Northern Territories dispute and conclude a peace treaty with Russia by the year 2000.[32]

However, in the latter half of 1997, Hashimoto's administration encountered a number of difficulties. The administration's decision to raise the consumption tax from 3% to 5%, repeal a temporary pump-priming tax cut, and increase co-payments under the national health insurance scheme, cost the taxpayers 9 trillion yen, while the collapse of a number of financial institutions, a general credit crunch, rising unemployment, and the East Asian financial crisis dealt further blows to an economy languishing from the after-effects of the "bubble economy."[33] As the economic situation worsened, the administration was forced to reverse its course by allocating 30 trillion yen to stabilize the financial system and reinstate the special tax

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[31] An amendment to the "Law on Special Measures Regarding Use of Land Incident to the Implementation of the Japan-U.S. Status of Forces Agreement" was enacted in April 1997. This was necessitated by the refusal of landowners and the then governor of Okinawa – acting as a proxy of the government – to sign an extension of the leases for land used inside the Sobe Communications Facility in the village of Yomitan and other bases. The refusal made the occupation illegal, and with other leases due to expire in May 1997, a revision was enacted to establish a legal means for the U.S. military to continue using the land.

[32] The older guidelines were provided for the application of the Japan-U.S. Security Treaty only in contingencies affecting Japan directly, but the new guidelines, agreed upon in 1997, broadened the framework of defense cooperation to cover peacetime activities and situations in surrounding areas that pose grave threats to the peace and stability of Japan. It also called for enhanced information exchange and policy dialogue, as well as the establishment of a bilateral mechanism for planned and effective joint action.

[33] For example, see Ryuichiro Hosokawa, "Pitfalls Before the Alliance," *The Japan Times* (07/21/1999).

cut.   In the initial fiscal budget for 1998, the cabinet abandoned the previously set goal of deficit reduction. Under the fierce public criticism of economic mismanagement, the LDP fared badly in the July 1998 Upper House election, falling short of a majority. As soon as the results were in, Prime Minister Hashimoto announced his resignation.[34]

Obuchi Leads a New Coalition

Obuchi Keizo rose to power in the summer of 1998 when Hashimoto abruptly resigned from the position, taking responsibility for the less than satisfactory outcome of the election.   Obuchi withdrew from power in the spring of 2000 when he suffered a stroke and fell into a coma. On both occasions, Obuchi had to face reality without much preparation. His swift and massive legislation was closely tied to his approach to politics, which was very much similar to that of his two mentors, Takeshita Noboru and Tanaka Kakuei. Obuchi focused on achieving an intra-party factional plurality within the LDP and a parliamentary majority without coalition partners, if possible, and with partners, if necessary.[35] He formed an alliance with the Liberal Party and the Komeito Party when he saw the absolute need of a parliamentary majority. He was normally astute and adroit in conducting intra-party and parliamentary deals, as well as focusing on district politics. There was a very dense home-style way of politics in his district, writ largely to the national level.   There were two giants, Fukuda Takeo and Nakasone Yasuhiro, who were both former prime ministers from the same party. Survival in the district was the first and utmost priority to Obuchi throughout much of his political life.   For example, he made 10-20 phone calls a day whenever he saw possible political gain, met an incredible number of people at his office, and showed up at innumerable gatherings not only on weekdays but also on weekends, often with his wife. In terms of policy substance, he was open and flexible. He called himself a *shinku shusho* (an empty Prime Minister or a vacuum Prime Minister), meaning that he did not stick to serving his own interests.[36]

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[34] Yuko Hani, "Passage of Diet-paring Bill Unlikely This Session: Obuchi-LDP Torn Between Honoring Pact, Wooing New Partner," *The Japan Times* (08/07/1999).

[35] Yoichi Masuzoe, "Obuchi Extends His Coalition," *Japan Echo* 26/5 (October 1999): http://www.japanecho.co.jp/sum/1999/260507.html.

[36] Masuzoe, "Obuchi Extends His Coalition."

The Obuchi administration began from the consciousness of its own weakness, an awareness that prompted it to act decisively and forge a grand coalition to ensure its survival. However, in augmenting its power to that degree, the administration paradoxically forfeited the trust of the people.[37] The House of Representatives election in July 1993, held under the administration of Miyazawa Kiichi, was called the election that ended the Liberal Democratic Party's de facto one-party rule. The House of Councilors election in July 1998, held under the administration of Hashimoto Ryutaro, also took its place in history as the second stage in the collapse of the LDP's ruling structure. Within a year of being driven from power in 1993, the conservative LDP had returned to the helm by means of an astonishing feat: a coalition with the moderate-progressive New Party Sakigake and the left-wing SDP. After the position of Prime Minister had shifted from Socialist Murayama Tomiichi to LDP veteran Hashimoto in January 1996, and the LDP regained a Lower House majority in the fall 1996 general elections, the "restoration" was virtually complete. There can be no doubt that at this point LDP members were waiting with eager anticipation for an early return to their "rightful" position as the instruments of one-party rule. But the judgment of the people in the July 1998 Upper House election dashed these nostalgic fantasies, and it was the Obuchi administration that emerged from the rubble.[38]

Obuchi's first task was to pass legislation to stabilize the financial system, which seemed close to the brink after the Nikkei's average shares of the Tokyo Stock Exchange fell below 13,000 points. Without a majority in the Upper House, the LDP leaders found they had no choice but to swallow most of the opposition's demands if they wanted to get some sort of bill through the Diet. This experience left Obuchi determined to acquire the power – meaning the number – he needed to be politically effective.[39] The Prime Minister began negotiating with Ozawa Ichiro and ultimately secured an agreement on an LDP-Liberal Party coalition. At the same time, he succeeded in enlisting the cooperation of the New Komeito, which had twenty-four seats in the Upper House – seats that spelled the difference between victory and defeat for government-sponsored legislation. In the

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[37] Masuzoe, "Obuchi Extends His Coalition."
[38] Metraux, "Japan's Search for Political Stability," p. 932.
[39] Masuzoe, "Obuchi Extends His Coalition."

Diet, the effect of the Komeito-supported coalition was dramatic.[40]   The 1999 fiscal budget (for the year starting in April 1999) was approved on March 17th, earlier than any other budget since the end of World War II. Controversial legislation opened the door to greater cooperation between Japan and the United States in the area of regional security (as called for in the revised Guidelines for the Japan-U.S. Defense Cooperation) and was passed immediately, along with laws that reorganized the central bureaucracy, officially designated the national flag and national anthem, reformed Diet procedures, and permitted wiretapping to monitor criminal activities.   Otherwise each piece of legislation might have consumed the Diet's full attention for the life of the cabinet.

Overall, the public seemed pleased with the smooth legislative operation of this political structure.   Satisfaction was, without a doubt, partly due to the fact that a depression had been averted and the economy was finally showing signs of life, but it is also true that the people had been dissatisfied with the pace at which the administrative and legislative branches moved.   A month after the closure of the year's ordinary Diet session in August, the Obuchi cabinet's approval rating reached its peak at 57%.[41]   In October, however, the Komeito, which had been active behind the scenes, emerged from the shadows and formally joined the coalition, securing a cabinet position in the process.   Very quickly, the aura surrounding the Obuchi administration began to fade.   Ozawa insisted on speedy policy changes, threatening to leave the coalition if his demands were not met.   At the same time, a number of religious groups that had previously supported the LDP were openly critical of the role of the Komeito, which is closely connected with the lay Buddhist organization Soka Gakkai.   Soon thereafter, the cabinet's approval rating began to slide.[42]   As these developments suggested, a substantial group of LDP supporters – even those who tolerated a coalition that was once the Japan Socialist Party – perceived Soka Gakkai and its political arm, the Komeito,

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[40] *Asahi Shinbun* (09/22/1999), (04/11/2000), (08/01/2000), (11/21/2000).

[41] Takashi Inoguchi, "The Future of Liberal Democratic Party Politics: Obuchi's Legacy," *Global Communications Platform* (April 2000): http://www.glocom.org/opinions/essays/200004_inoguchi_obuchi/index.html.

[42] Inoguchi, "The Future of Liberal Democratic Party Politics: Obuchi's Legacy."

as too far outside traditional mainstream politics to be an acceptable coalition partner.

Mori's Role in Coalition Government

Prime Minister Mori Yoshiro went into office after his predecessor, Obuchi Keizo, had a stroke in April 2000. Since then, he saw his popularity plummet as a result of a string of verbal gaffes. Not that it was rock-solid to begin with: the launch of his premiership was highly opaque – he was chosen in back-room deliberations by top officials in the LDP – and this harmed the legitimacy of his administration from the start.[43] Mori followed with a string of statements about becoming Prime Minister, including referring to Japan as a "divine nation centered on the emperor," expressing hope that nonaligned voters would "just stay home and sleep" on election day, and publicly mentioning a plan for North Korea to "save face" by having Japanese suspected to have been kidnapped by North Korea found in a third nation. Opinion polls showed public support for his cabinet sliding to less than 20%.[44]

The Democratic Party of Japan and other opposition parties, proved unable to mount a serious challenge to LDP and its partners in the ruling coalition: the New Komeito and New Conservative Party. In November, against this backdrop, Kato Koichi, an LDP politician widely seen as a possible future Prime Minister himself, came forward with criticism about the Mori administration, stating that he would support a "no-confidence" motion that should be submitted by the opposition. This move by Kato, a former Secretary-General of the LDP, was endorsed by another prominent Liberal Democrat, former LDP Policy Research Council Chairman Yamasaki Taku, and a new element of tension was thrown into the political picture. This tension sprang mainly from their ability, being that both were leaders of factions within the LDP, to pass the motion. A look at the numbers in the House of Representatives showed 45 members that belonged to Kato's faction, 19 in Yamasaki's, 9 members of the ideologically similar Twenty-first Century Club, and 8 independents. Given

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[43] Doug Struck, "Japanese Leader Sidelined by Stroke; Top Official Named as Interim Premier," *The Washington Post* (04/03/2000).

[44] Doug Struck, "Japanese Leader Tips Over His Tongue: Mori Expresses Regret for Comment Suggesting Sovereignty of the Emperor," *The Washington Post* (05/17/2000).

full attendance in the Lower House, if Kato got the cooperation of just 50 of this total, he could join with the 190 members of the four opposition parties to push through a "no-confidence" motion and thereby topple Mori's administration. The key was for Kato and Yamasaki to maintain the solidarity of their respective factions in backing the move.[45]

In response, the executive officers of the LDP and the leadership of the party's mainstream factions set out to lure defectors from the Kato and Yamasaki groups and build a solid majority to defeat the no-confidence motion. Meanwhile, LDP Secretary-General Nonaka Hiromu and Kato took their battle to the media, appearing on television and elsewhere to make their cases. Kato publicly claimed he "could not support a cabinet that was opposed by 75% of the Japanese people" and boasted that he had "100% confidence" in his ability to get the motion passed.[46] But the LDP's establishment tactics paid off, and more than half of Kato's faction abandoned him. While 17 of the Yamasaki group's 19 members remained true to the cause, it was apparent that the necessary votes were no longer there.[47] Having dealt with the blow, Kato called to consider the no-confidence motion just before the November 20th Diet session and declared that he would not vote for the motion but would adopt a weaker form of protest by making himself absent from the session. Many of Kato's faction members had backed down due to Nonaka's threat that any LDP representative who did not vote in favor of the administration would face harsh consequences, including expulsion from the party. This left the powerful LDP politicians with enough power to battle the opposition in single-seat electoral districts. The heightened prospect of losing in future elections caused all but 21 representatives to abstain from the vote with Kato. In the end, the coalition partners were able to defeat the opposition's motion. Kato's attempted coup d'état had been quashed.[48]

The public, which had looked hopefully to Kato when he raised his banner of protest, was crestfallen when he lowered it. His political career

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[45] Dong Struck, "Mori Apologizes for Remark," *The Japan Times* (05/18/2000).

[46] Minoru Tada, "Mori Lands in Hot Water Again," *The Japan Times* (06/09/2000).

[47] Tada, "Mori Lands in Hot Water Again."

[48] Yoshikatsu Takahashi, "Mori Yoshiro Aims High: New Prime Minister Promises 'Rebirth of Japan,'" *Look Japan* 46/532 (July 2000): 4-8.

effectively came to an end and the Japanese people's faith in politics was shaken to its very core by the whole drama. Kato's failure was rooted in his lack of a carefully thought-out strategy. While he did make skillful use of the media, he had no concrete plans for cobbling together a majority for the vote and did not strive to form ties with the opposition, placing victory further out of his reach. Kato also made use of the Internet to get his message across, but the portion of Japan's population connected to the Web did not yet constitute a majority, and – especially in the case of politics – there is only so much that online activities can accomplish. Japan's political hub in Nagatacho functions according to rules that differ from the Internet and the media. This is another factor to which Kato was not sufficiently attuned.[49]

Furthermore, there was almost no policy debate to be seen in this round of political strife. Prime Minister Mori merely carried forward the previous policies of the Obuchi administration, seeking to spark the economy through measures of fiscal stimulus. But the massive outlays for public work failed to produce positive ripple effects to the expected degree; meanwhile the total debts of local and national governments ballooned to 600 trillion yen.[50] Kato placed his focus on these issues, stressing the need to chase the twin goals of economic recovery and fiscal health. He specifically urged that Japan abandon its single-minded pursuit of economic revitalization and the resulting bleeding of the nation's finances by gradually turning the rudder toward a return to fiscal balance. Mori responded by claiming that it was too early to make such a move, and that invigorating the economy must remain the central goal. This was the major policy bone of contention between the two, but it saw no debate as they focused more on scraping together a majority in the Diet.[51]

Prime Minister Mori reshuffled his cabinet on December 5th. His new administration included two former prime ministers, Miyazawa Kiichi and Hashimoto Ryutaro, but the cabinet's popularity ratings had yet to

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[49] Takahashi, "Mori Yoshiro Aims High."
[50] James Conachy, "How Long will Japanese Prime Minister Mori Last?" *World Socialist Web Site*, 1 August 2000: http://www.wsws.org/articles/2000/aug2000/jap-a01.shtml.
[51] Minoru Tada, "Mori Criticized Over Kidnap-Resolution Plan Blunder," *The Japan Times* (10/22/2000); and Maeda Toshi, "With Shield Gone, Mori May Be Next," *The Japan Times* (10/28/2000).

improve. At the same time, Nonaka stepped down from his post as Secretary-General, noting that although Mori had managed to hold on to his office, this did not mean he had gained the people's confidence. It appeared that attempts to remove Mori from the top spot had already been underway behind the scenes. The Liberal Democrats feared they would not perform well in the House of Councilors election slated for the next summer with Mori at the helm. The duration of his stewardship remained up in the air, and an uncertain political climate continued.[52]

The Koizumi Revolution

The election of Koizumi Junichirō as President of Japan's ruling LDP in April 2001 and his swearing in as the country's prime minister constituted a "turning point" in Japanese politics. Dubbed the "Koizumi Revolution," his rise to power was the product of a public campaign, spearheaded by the media, to end the 45-year domination of the government by conservative, nepotistic factions within the LDP and begin to reshape the political system and economic policy. In every previous LDP leadership contest, the outcome had been decided by back-room negotiations between the powerbrokers of the main party factions, with the actual vote being little more than a formality to sanction the deals done beforehand over the allocation of ministerial positions.[53] Since Koizumi was supported by only three small factions, the victory of former Prime Minister Hashimoto, the candidate of the largest LDP factional grouping, was considered a fait accompli.[54] However, Koizumi was transformed from a marginalized outsider with little chance of defeating Hashimoto, to a certainty. Unable to win leadership through the factional system, Koizumi made an unprecedented break with party tradition. He resigned from his own

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[52] Yoichi Masuzoe, "Mori Survives an Attempted Ouster," *Japan Echo* 28/1 (February 2001): http://www.japanecho.co.jp/sum/2001/280116.html; and *Asahi Shinbun* (02/01/2001), (02/11/2001), (02/19/2001), (03/11/2001), (03/24/2001), (04/26/2001), (04/30/2001).

[53] Takashi Kawachi, "The Koizumi Revolution," *Japan Echo* 28/3 (June 2001): http://www.japanecho.co.jp/sum/2001/280303.html.

[54] Kawachi, "The Koizumi Revolution," also see James Conachy, "Koizumi's Election: A Turning Point in Japanese Politics," *World Socialist Web Site* (04/28/2001): http://www.wsws.org/articles/2001/apr2001/japa28.shtml.

faction, called for support from across the party, and launched a public campaign. In street rallies and media debates, he called for drastic free market austerity policies to address Japan's decade-long economic stagnation and promised to reform the LDP.[55] In stump speeches and television appearances during the Upper House campaign, Koizumi repeatedly said:

> I will change the LDP. I will change Japan. I believe that most LDP members will eventually support the Koizumi reforms. But if the resisters within the LDP should gather to oppose me, I, as party president, will lead the action to smash the party.[56]

There should be no doubt that these extreme remarks were carefully calculated to attract votes from anti-LDP voters as well. But given the highly charged rhetoric of a national campaign, Koizumi is the only LDP party President and Prime Minister ever to be so severe about his own party that he could threaten to destroy it.[57]

Koizumi responded to public sentiment and came into power. He formed a unique cabinet free of factional politics. Some say that he only formed a new faction; it may be permissible to use small factions to check a dominant factional force.[58] Although his cabinet appointments were less than perfect – in particular, his selection of Senior Vice Ministers, which seemed mediocre – Koizumi succeeded in forming a cabinet that he could control at his will. A key point in realizing the central role of the Prime Minister in politics is to avoid intervention by the party; that is, to establish the leadership of the Prime Minister over the party. However, this is not

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[55]   Kitaoka Shin'ichi, "Can Koizumi the Demagogue Become a True Leader?" *Japan Review of International Affairs* 15/4 (Winter 2001): 278-290.
[56] Yoshikatsu Takahashi, "Lionheart: The Rise of Koizumi Junichirō," *Look Japan* 47/548 (November 2001): 6-13.
[57] Hisahiko Okazaki, "Koizumi Need Not Think Twice About Yasukuni," *Daily Yomiuri*, 29 July 2001.
[58] Ikuo Kabashima, "The Birth of the Koizumi Administration and the July 2001 Election," *Japan Echo* 28/6 (December 2001): http://www.japanecho.co.jp/sum/2001/b2806.html#.

easy.[59] In the case of the LDP, the decision-making body is the General Council (Sohmu-kai), which has dominated by many anti-Koizumi faction members, including former Secretary-General Nonaka Hiromu. They would rather avoid being seen as villains acting against the popular Prime Minister, and probably would try to prevent any overt confrontation until the Lower House elections. After the elections, however, they would be likely to sabotage the Koizumi administration. [60]

When Koizumi took office as Prime Minister in April 2001, popular support for his administration was extremely high. In poll after poll, his approval rate was beyond 80% and hit a record high in Japan. It then hit 90% momentarily and maintained a similar level until conflicts among cabinet members, notably involving the Foreign Minister at the time (Tanaka Makiko), began to leak out. After that, scandals and mishandling of events by bureaucrats at Ministries such as Foreign Affairs, Agriculture and Fisheries, Health and Education, the Defense Agency, along with a number of misdoings by members of the Parliament, generally distracted people's confidence in politics. The popularity rate gradually slid down to a figure of 43%.   What is significant is that the number of people disapproving superseded those who approved, at the disapproval rate of 46%.[61] In retrospect, during the first six months in office, Koizumi could have done almost anything to accomplish his political agenda backed by the awesome support rate, and none of the resistance forces could have stopped it. What he was doing at the time, however, was apparently sorting out his objectives and strategies instead of pushing for his agenda. He, thus, lost the most critical and valuable time frame to realize his political will. By the time he began to present his specific plans, his cabinet had already begun to show hints of cracks, and his opponents prepared to retaliate.[62]

It is often explained that the dismissal of Tanaka was the real turning point causing Koizumi's popularity to slip, and that it turned out to be the popularity of Tanaka that actually maintained the high support level for the cabinet as a whole. This could be partly true, but it seems the

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[59] Edward J. Lincoln, "Japan in 2001: A Depressing Year," *Asian Survey* 42/1 (January/February 2002): 67-80.

[60] Kabashima, "The Birth of the Koizumi Administration."

[61] Kabashima Ikuo, "The Challenge Facing Koizumi," *Japan Echo* 29/3 (March-April 2002): http://www.japanecho.co.jp/sum/2002/290303.html.

[62] Kabashima, "The Challenge Facing Koizumi."

dismissal worked merely as a trigger to bring people back to reality from the frenzy of hope they had placed on Koizumi who, by claiming to rid the country of the old ball and chain, won the seat of Prime Minister unexpectedly. The unexpectedness felt by the people was, unfortunately, shared by Koizumi, and he was not quite prepared in terms of having a consolidated plan to implement his then still vague political intentions. He thus spent his initial days in office, a critical time for him to mold his style and set a direction, sitting and meditating rather than actively selling and promoting his plans.[63]

What went wrong with LDP politics? Could the Koizumi administration really make a change? One of the main characteristics of LDP politics is the dispersion of power. The power of the Prime Minister is split between the government and the party, where the government is divided into various ministries and the party into various factions, run by consensus decision-making. In consensus-based decision-making, time tends to be wasted and matters cannot be decided, even if just a small minority group strongly objects. As a result, it is impossible to have strong, dynamic politics. The Prime Minister should play a more central and stronger leadership role in politics. This means that Japan must return to the original idea of the parliamentary cabinet system. However, former Prime Minister Mori had a tendency to delegate his power. He often said, "I will ask the party to decide," and "I will wait for discussions in the Diet."[64] Although the parliamentary cabinet system only signifies that the leader of a majority party becomes the Prime Minster, Mori never showed his desire to play a head role, and very few regarded him as a leader in the first place. Furthermore, his selection as the Prime Minister was done behind closed doors. As a result, the public became very dissatisfied, and voiced their desire for a Prime Minister with strong leadership and clear messages.

Conclusions

It may be argued that factions survive because they not only satisfy the career incentives of individual politicians, but also contribute to the effective management of the party as an organization. The effects of the

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[63] Kabashima, "The Challenge Facing Koizumi."

[64] Edward J. Lincoln, "Japan in 2000: The Year that Could Have Been but Was Not," *Asian Survey* 41/1 (January/February 2001): 49-60.

change in the electorate system are distorted by existing factions, which are creatively adjusted to the altered political institution. The utility each faction has for managing party affairs works distinctively to their abolishment, especially for party leaders who have a vested interest in maintaining the institution. Furthermore, since the end of the LDP one-party dominance, the logic of inter-factional coalitions within the LDP has come to be closely entwined with the range of choices available for designing any inter-party coalition strategy. During the past decade of coalition politics, the political framework changed frequently, making it difficult to formulate basic policies. This weakening of international confidence in Japan, as well as the fact that it took nine years to update the PKO law attests to the absence of a "grand design." In opinion polls conducted by the Cabinet Office from 1998 to 2000, up to 80% said public sentiment was not reflected in government policy. The finding was a reminder of the public's mounting mistrust of politics amid collusive ties to bureaucracy and business. In 1985, Takeshita Noboru, a key member of the LDP faction headed by Prime Minister Tanaka Kakuei, bolted the group to create his own faction, "Soseikai." Soon afterward, Tanaka suffered a stroke that left him paralyzed, thus ending the "Tanaka rule" in LDP politics. Yet, in a poll taken the same year, 56% said public sentiment was reflected in government policy while 46% said it wasn't. Although the "Takeshita rule" was an extension of the "Tanaka rule," the end of the Tanaka era came as a shock to the nation that seemed to revive public interest in politics.[65]

      At the start of the new century, public confidence in politics reached its nadir, due to the rigid political system and dead-end bureaucratic politics. The extraordinary popularity that Koizumi first enjoyed reflected the public's deep alienation from the old-fashioned politics of the LDP. Gerald L. Curtis, a professor at Columbia University, who is well-versed in Japan's political affairs, wrote that the election of Koizumi, who has small power base in the LDP, is historically significant in that it has accelerated the collapse of the LDP's traditional organizational structure. Koizumi did not become president of the LDP by capturing the party's vote-getting machinery, or by garnering the backing of important party faction leaders, or by gaining the support of interest groups that gave the LDP money and

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[65] Nabeshima Keizo, "Honored Place in Society: New National Goal for Japan," *The Japan Times* (01/01/2002).

votes. He won by running against the LDP organization and indeed against
the policies that have been the traditional mainstay of LDP politics. The
success of the Koizumi administration, he adds, means a transformation of
the LDP.[66] However, the "Koizumi reform" faces growing resistance from
the tripartite ruling coalition of the LDP, the New Komeito and the New
Conservative Party. It is possible that the Koizumi campaign will fizzle out
under pressure from the anti-reform forces in the Coalition. The Koizumi
reforms, which will hit special interests, call for sacrifice by the people, not
just by the LDP and the industry. In this sense, reform is a double-edged
sword for a prime minister who draws his political capital mainly from
public support. If the Koizumi program falls through, the public's mistrust
of politics will rise again. Along with his popularity, Koizumi's political
capital would vanish into thin air. To keep his reform plans going, he must
not only set clear-cut targets but also have a strategic blueprint for
achieving them. Centralizing the policy-making process in the Cabinet, a
move to snatch the policy initiative from the ruling parties is a step in this
direction.

        The appearance of the Koizumi administration shows that Japanese
politics is approaching a major turning point. Koizumi opposed the goals of
interest groups that long supported the LDP and went beyond insider
politics to appeal directly to the public. With his direct style of leadership,
will Koizumi and others like him be able to inspire Japan to recover
economically and move beyond the historical problems it shares with other
nations?   Koizumi becoming the Prime Minister was a profoundly
significant event in Japanese politics. His optimism and charisma set him
apart from other politicians, and his popularity helped find a receptive
audience for his calls of painful reform. With traditional pillars of support
for the Liberal Democrats crumbling, so has the idea of an infallible
bureaucracy. Koizumi's reform task has not been easy one, though. As
Curtis stated in 2001:

> If Koizumi leaves office without having accomplished much in
> terms of policy, he may be remembered as a kind of Japanese
> Mikhail Gorbachev, the man who helped destroy the old order
> without creating a new one. If Japan is lucky, however, Koizumi
> will use his support among the Japanese public to force the LDP,

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[66] Keizo, "Honored Place in Society."

the bureaucracy, and the Diet, to do what he promised the Japanese public he would do: reform the financial system, reduce wasteful government spending, and put a new modern foundation under the LDP and under the political system that will carry Japan through the coming turbulent decades of the twenty-first century.[67]

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[67] Gerald L. Curtis, "The Koizumi Administration: Its Significance and Prospects," *Japan Review of International Affairs* 15/4 (Winter 2001), p. 303.