



ASSESSING THE NEW ABE ADMINISTRATION IN JAPAN

CENTER ON JAPANESE ECONOMY AND BUSINESS

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Former Prime Minister Junichiro Koizumi left a lasting impression as he left office earlier this year. He shook up the status quo in the political world by shifting the power from the Liberal Democratic Party headquarters to the prime minister's office, decentralized the LDP power base, and forced out any potential threat to his throne. These moves were perhaps needed, but also left the new prime minister, Shinzo Abe, on a path that has never been taken before.

Everyone agrees that Prime Minister Abe has some large shoes to fill. Does he have the same charisma that Koizumi displayed to continue with reforms, political, economic, or otherwise? Does his choice of cabinet members show what kind of leader he will be? With both the domestic and international media touting him as a nationalist, how will he fare in foreign diplomacy? The answers are still quite vague and more will be known next year. That said, Gerald L. Curtis, Burgess Professor of Political Science, Columbia University, shared his insight on Prime Minister Abe and his administration to a packed audience on September 26. Professor Curtis was joined by the moderator, Hugh Patrick, Director of the Center on Japanese Economy and Business and R.D. Calkins Professor of International Business Emeritus, Columbia Business School.

This reports the highlights of Professor Curtis' speech and the following discussion with audience members. The program was presented in partnership by the Weatherhead East Asian Institute and the Center on Japanese Economy and Business, which is celebrating its 20th anniversary.



HUGH PATRICK

Director, Center on Japanese Economy and Business; R.D. Calkins Professor of International Business Emeritus, Columbia Business School

It is my honor and pleasure to introduce Professor Gerald Curtis, Burgess Professor of Political Science at Columbia University. As you know, Gerry is a distinguished scholar of Japanese politics and in recent years has spent every spring semester in Tokyo, meeting with political and business leaders, engaging in research, and incidentally being interviewed by the media and on TV a lot. He just returned yesterday from a week in Japan. It seems that every time a new prime minister is being elected, Gerry somehow arranges to go to Japan for a week and when he comes back he has a lot to say about what the new prime minister will be doing, his policies and so forth. As you know, Shinzo Abe was elected as president of the Liberal Democratic Party on September 20, and as prime minister on September 26. I think Gerry has personally known just about every Japanese prime minister for the last 30 years. He has met with Shinzo Abe several times over

the past year and engaged in a TV *zadankai* (roundtable discussion) with him, as well as having a number of private meetings. Prime Minister Abe was probably much too busy this last week to meet with Gerry, but it was probably only because Gerry was not going to be in the Cabinet. I know we all look forward to learning from Gerry about what Prime Minister Abe's policies will be, how they will be carried out, what will be the difficult challenges he faces, and to learn more about his cabinet members and senior advisors.

This is a special event co-sponsored by the Weatherhead East Asian Institute in a series of events that the Center on Japanese Economy and Business is holding to celebrate its 20th anniversary. I want to deny the rumor that Prime Minister Junichiro Koizumi decided not to stay on for an extra year, but to leave at this time in order that Gerry could give this talk. Anyway, Gerry, the podium is yours.



GERALD L. CURTIS

Burgess Professor of Political Science, Columbia University

Thank you. I am delighted to see so many people turn out today, a lot of old friends from outside Columbia, a lot of my students, and others. This is a good opportunity for us to talk about the significance of the emergence of Japan's new prime minister. He is the first prime minister to be born after the Second World War, the youngest prime minister in the past 65 years, and the most hawkish prime minister in some time. He follows very much in the tradition of his grandfather, Nobusuke Kishi, who was prime minister in the late 1950s.

I want to look briefly at the new Cabinet, the key issues that Shinzo Abe is going to face, and the challenges that he has to meet if he is going to be successful as prime minister. First, a word about this election. Abe won an overwhelming victory with 66 percent of the vote, that is two thirds of all the Liberal Democratic Party (LDP) members of the parliament and those of the party rank and file who voted. There were two other candidates in the race and no one expected, including the candidates themselves, that

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anybody else might win. One of the other candidates, Foreign Minister Taro Aso, did somewhat better than had been expected, especially among the rank and file. He is ideologically quite close to Abe and took pretty much the same policy positions. Abe has kept him on as foreign minister, the only person that has been retained in the cabinet position that he held under Koizumi. The other candidate, Finance Minister Sadakazu Tanigaki, came in third. Tanigaki took a different position from Abe and Aso on key issues. He favors raising the consumption tax, ending prime ministerial visits to the Yasukuni Shrine and putting greater effort into Japan's Asia diplomacy. There was somewhat more support for Tanigaki's policy prescriptions than for Tanigaki himself. He never really managed to grab the public's attention.

Abe's popularity needs to be distinguished from his predecessor's. Prime Minister Koizumi came into office riding a wave of real enthusiasm on the part of the public. That enthusiasm, as you know, continued to grow until he had nearly a 90 percent approval rating in the public opinion polls a few months after being elected. Abe's popularity is more tentative. He is popular because nobody else is popular. For five and a half years, Prime Minister Koizumi basically froze out the party's bosses from positions of power to prevent them from using a position in the Cabinet or party leadership

to build a power base. Prime Minister Koizumi appointed no faction head to his Cabinet. He went further down in the factional hierarchy or chose people who had no factional affiliation. Those who had power in the party when Koizumi became prime minister could do nothing but watch as their power kind of wilted on the vine. Five and a half years later, the only real candidate was Koizumi's candidate.

Koizumi's candidate was Abe. So he is popular almost, in a way, by default.

You do not find many politicians in the LDP who are excited about Abe, who say, "This guy is just terrific, he is really great." What they do say is that he was the best option. There is a wait-and-see attitude both within the LDP and the public as a whole. Nearly everyone, in the end, jumped on the Abe bandwagon. And if he falters, they will jump on Abe. So, he has to move fairly quickly to establish his credibility as a leader. He is the first LDP politician who has become prime minister without having held a cabinet position except for the one he held under Koizumi as the chief cabinet secretary. The chief cabinet secretary is a crucially important position, but it does not involve executive power. It does not involve running a line ministry. The chief cabinet secretary is the government's chief spokesman and the prime minister's right-hand man, a kind of equivalent to the White House

chief of staff. So Abe is untested. That does not mean he might not turn out to be a terrific prime minister, but at this point the only thing you can say about Abe with confidence is that he is a question mark. There is uncertainty about what he is going to do on domestic policy, on China relations and on foreign policy more generally, and on how he is going to organize his administration.

Prime Minister Abe has to do three things in particular to be successful. The first thing he has to do is to get people not to compare him to Prime Minister Koizumi. Abe has to try to avoid having the media remind the public that he does not measure up to Koizumi and that he does not have the flare. No one measures up to Koizumi in terms of style. Abe cannot croon "Love Me Tender" and try to be cool like Koizumi. He cannot compete on style. He has to compete on substance. He has to get the public and the media to focus their attention on the kind of policies he is trying to push. The problem is that he has no clear policy agenda. This was partly the consequence of there being no real contest in the party presidential election. Abe's victory was a foregone conclusion and he was careful not to say anything that might give his opponents an unexpected opening. So he never focused in the campaign on policies. And we do not know what concrete policies Abe is going

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to push. He has no legislation of his own to put forward to this Diet session. All the bills coming up are carryovers from Prime Minister Koizumi. So he has to scramble, I think pretty quickly, to come up with some specific policies.

Right now, what we know about Abe is pretty much dependent on general statements he has made that reflect a nationalist and socially conservative point of view. He says he wants to revise the Constitution, not just amend parts of it. He wants to revise the whole Constitution so that Japan finally has a constitution written by the Japanese rather than by the Americans who occupied Japan after the Second World War. But what specifically does he want to change, and how does he want to change it? He has not said. Even if he lasts in office a relatively long time, it is highly unlikely that the Japanese Constitution will be revised while Abe is Prime Minister of Japan. Building a consensus on revision is going to take several years. If Abe stays in office for as long as Koizumi did, he may be able to move the constitutional revision process forward but not get it changed on his watch. What he will probably be able to do is get a bill that sets the procedures for the public referendum on constitutional revision to pass the Diet, possibly in this fall's session. To revise the Constitution, there needs to be an affirmative vote of two thirds of all members in both Houses of the Diet,

followed by majority support in a public referendum. But there are no procedures in place as to how that referendum is to be carried out.

I had the opportunity to talk with Abe about a month before he became prime minister. In responding to my question about what he hoped to accomplish as prime minister, he talked quite a bit about social issues, especially education. He is concerned about the deterioration of the quality of public school compulsory education and favors major education reform. But for the time being his major emphasis is on getting through a revision of what is called the Fundamental Law on Education to emphasize the importance of patriotism and love of country. That responds to an ideological concern, but it does not deal with the concrete problems of both pre-college and university level education.

Prime Minister Abe also has made the slogan *sai-challenge*, or "second chance" a major theme. Japan is a rather unforgiving society toward people who do not get onto a conventional career track early in life. Providing greater second chance opportunities is a very important issue for Japanese society. Because of the long recession, there are many *freeters*, people who do part-time work or are hired as contract workers rather than as regular workers. Now they are in their mid or late twenties and unable to find attractive employment opportunities.

But there is remarkably little policy content to the second chance slogan. And by emphasizing this issue, Abe himself is reinforcing what seems to me to be an exaggerated view in Japan of how serious the inequality issue is. For those of us who work at Columbia University and look out from our office windows at Harlem, the realities of inequality stare up at us every day and are far more serious than anything the Japanese know or probably even imagine. Abe's emphasis on second chance leads inevitably to a conclusion that if the government is going to do something about it, it will in one way or another have to take money from people who have it and transfer it to people who do not. Or it will take measures to force companies to treat their workers in accord with government directives rather than market forces.

There is considerable support in the LDP, for example, to force companies to give permanent employee status to contract workers who have been on the job for three or six months. So Abe is in a position where he is saying that he wants to cut government spending and continue reform, but where his rhetoric gives support to those who want to slow down the reform process and reassert greater government control over the economy. This is exacerbated by the view that the inequality problem is the consequence of Koizumi's market oriented reforms, when in reality it is

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the consequence of fifteen years of recession.

During the election campaign, Abe studiously avoided taking a position on the issue that Tanigaki, the finance minister, pushed the hardest, namely, whether or not to raise the consumption tax. I am certain that Abe believes that the consumption tax needs to be raised but that it would be political suicide to raise the issue before next summer's Upper House election and dangerous to raise the tax before the economic recovery is on firmer ground. I think Abe is concerned that the media will beat up on him if he indicates support for a consumption tax increase; he is going to put it off until after the Upper House election next summer. But his instincts are to move in that direction.

Another issue that he has put forward, already creating some controversy within his own Cabinet, is to change the official interpretation of Article 9 so Japan has the right to participate in so-called collective defense. Collective defense means that Japan could form an alliance or make a commitment to help another country in its defense. This goes beyond the current interpretation of Article 9, which states that Japanese defense is limited to the defense of its own homeland. The U.S.-Japan security treaty, in theory, only obligates the United States to defend Japan; there is no reciprocal obligation in theory. In practice, Prime

Minister Koizumi responded to the terrorist attack on September 11 by getting the Diet to authorize Japanese logistical support to provide supplies destined for American troops fighting in Afghanistan, sent troops to Iraq and took other steps to prove to the United States that Japan is a trustworthy ally in the post-September 11 world. But significant constraints still exist with regard to the Japanese use of military power. Abe wants to change Article 9 of the Constitution to remove those constraints and, even before constitutional revision, change the official interpretation of Article 9 to allow collective defense. But there is considerable resistance to doing that from within the LDP itself, from its coalition partner the Komeito, and from the public at large. Moreover, even if the interpretation were to be changed, it is not at all clear what the specific policy consequences of that change would be. What it would do is scare Japan's neighbors without necessarily changing Japanese defense policy very much.

So, to conclude what I have said up to now, Prime Minister Abe has to shift the focus from style to substance and clarify what his domestic agenda is. He has to move relatively quickly if he is going to avoid creating an image of drift and indecisiveness. As I said in the beginning, there is a wait-and-see attitude about Abe. But people won't wait too long before they think they know

what they see. If he seems uncertain about his program, many people will come to the conclusion that it was premature for Abe to become prime minister. Once that view becomes widespread, it is going to be very difficult for Abe to turn it around. And the danger is that he will try to turn it around by playing a sort of nationalist card.

Abe's Cabinet appointments in one sense may suggest that he is fully aware of the need not to emulate Koizumi's style. This is not an exciting cabinet. There is no big surprise. Everybody was talking about who is going to be the surprise Cabinet appointment, whom he is he going to bring in that people would sit up and say, "Wow, that is cool." The media would have criticized him as a populist if he appointed people because of a calculation that they would be attractive to the public, and they criticized him anyway for appointing a dull cabinet. He took a kind of orthodox approach. There is only one person who is not a Diet member in the Cabinet, the new head of the Economic and Fiscal Policy Council, Hiroko Ota. There is no razzle-dazzle in this Cabinet. In one sense, it is reassuring that he understands he cannot play Koizumi's game of trying to use the Cabinet as a way to inject a lot of popular support for his administration just on the nature of his appointments. That is the good news. On the other hand, the key domestic and economic portfolios are

held by people who do not have particularly strong credentials for the jobs they now have. The Finance Minister, Kouji Omi, is a key leader in Abe's own faction. He was the head of the Economic Planning Agency in the mid 1990s and he is a former Trade Ministry bureaucrat who I think most people assume will pretty much represent the views of the Finance Ministry in the Cabinet. One of his most important appointments was the Chief Cabinet Secretary, Yasuhisa Shiozaki. Shiozaki is well known among Americans, but in Japanese politics he has not been one of the key people in the party. Abe has now given him the opportunity to become one of the party's most important players. My sense is that Abe wanted him as chief cabinet secretary because, first and foremost, Abe completely trusts him. One thing we learn about Abe from this Cabinet is that almost everyone he appointed is either his personal friend or someone he felt he owed a debt because they came out early to support him in the race. Shiozaki supported Abe from early on. He is a former Bank of Japan official, his father was a well-known finance minister, and so he is familiar with economic issues. Abe is not. Abe wants to center policy making in the prime minister's office, something that Prime Minister Hashimoto started and that Koizumi emphasized. So he needs someone at his right hand who

understands and advises him on economic issues and manages the *Kantei*, the prime minister's office, for him. And that is going to be Shiozaki.

The other two key economic portfolios are the minister in charge of the Financial Services Agency (FSA) and the economic minister who manages the Council on Economic and Fiscal Policy. Heizo Takenaka held these positions simultaneously when Koizumi was prime minister and he was in effect Koizumi's economic czar. That is not the situation any longer. Ota is the economic minister. We were colleagues at the Graduate Research Institute for Policy Studies. She is well liked and is committed to continuing Takenaka's policies but she does not have a political base and she does not have the backing of a prime minister determined to give economic reform priority as Koizumi did. The head of the FSA is Yuji Yamamoto, who does not have much prior experience dealing with financial issues. I can answer your questions about other individuals in the Cabinet in the discussion period, but the point is that there is not a clear and strong message that comes through about what Abe wants to do on domestic, economic, and social issues. He has a lot of social conservatives in the government and a hawkish foreign policy team. It includes Aso, the foreign minister, who stays on, and Shoichi Nakagawa, who is the head of the Policy Affairs Research Council in the

LDP. Well known as a hard-liner, Nakagawa was Ministry of Economy, Trade and Industry (METI) minister under Koizumi. Abe wants to create a National Security Council modeled on the United States and has appointed Yuriko Koike as his national security advisor. But little planning has been done to actually set up such a council and it is questionable when it will materialize.

There is general agreement in Tokyo that Abe is more interested in focusing on foreign policy and on issues of patriotism, nationalism, and Japan standing tall in the world, than he is on domestic social or economic issues. It is somewhat ironic that the first prime minister to be born in the post-war period raises such fundamental questions about the desirability of continuing policies and strategies Japan has adopted during the post-war period. Abe talks a lot about restoring Japanese pride. He has written a book called *Utsukushii Kuni e*, or "Toward a Beautiful Country." The implication of the title and the theme of the book is that Japan is not so beautiful now but it will be if it takes greater pride in the nation, changes policies adopted under the American occupation, and takes a more muscular approach to foreign policy. He likes to use this simile of a Japan in the post-war period that has been operating in a sumo ring in which others set the rules, but now wants to be one of the rule setters. The

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world has changed a great deal since Prime Minister Yoshida set the framework for Japan's foreign policy back in 1950. It is natural and unavoidable that Japan reinvent its foreign policy strategy. But what is characteristic of Prime Minister Abe is that there is a lot of abstract talk that evokes an emotional response on the part of the Japanese public without much specificity as to what exactly he would like to see Japan do.

Nonetheless, I think we will see somewhat dramatic developments in Japanese foreign policy over the next few months that will surprise a lot of people. The newspapers are going to be writing about how unexpected it is that Prime Minister Abe is taking such strong initiatives to improve relations with China. [This speech was given before the announcement of Abe's visit to Beijing.] I expect that we are going to see a honeymoon in relations between Japan and China. Abe will meet with Hu Jintao in Vietnam in November at the Asian Pacific Economic Cooperation (APEC) summit meeting. He may go to Beijing before then. He will make an effort to improve relations with China. And everything that we have seen shows that the Chinese are busy sending signals to Tokyo that they want to improve relations with Japan and that they see Koizumi's departure as the opportunity to resume a dialogue with the new prime minister. So there is a mutual interest in trying to

move this relationship forward, and it will work until sometime next year when Abe is going to have to decide what he is going to do about visiting the Yasukuni Shrine. He has not said that he will visit Yasukuni. Prime Minister Koizumi too, after making a commitment in the 2001 party presidential election campaign to visit Yasukuni on August 15, never again said whether he would or would not visit the shrine. He said he would deal with the issue in an "appropriate manner." In fact, he visited the shrine every year he was prime minister, and in his final finger-in-your-eye gesture to China, he went on August 15 this year, the day that commemorates the end of the war.

Prime Minister Abe is using similar language to make his own intentions ambiguous. The Chinese probably hope that ambiguity means he will not go while he is prime minister. People on the Japanese right want to believe that the Chinese acceptance of ambiguity means that they are willing to accept Abe's visiting the shrine. I cannot see how Abe can visit Yasukuni and avoid a sharp deterioration in relations with China and an adverse reaction elsewhere in Asia and in the United States, as well. But I do think for the next few months we will see him take initiatives to try to improve relations with China. Earlier this year I had a discussion with Abe on Japanese television about Yasukuni and other issues.

Abe's point was that if Japan gives in to Chinese pressure on the Yasukuni issue that will only send a message to China that China's pressure tactics work. Then it will be used on East China Sea energy development issues, on Senkaku Island issues, and so on. So Japan has to draw a line in the sand and convince the Chinese that foreign pressure, *gaiatsu*, will not work. The reason why there was a lot of domestic support for Koizumi's position on the Yasukuni visit was precisely because Koizumi was able to frame the issue as one of whether Japan should kowtow to China. Support for the prime minister's visits to Yasukuni increased in proportion to Chinese protests of those visits. The truth is, however, that Yasukuni is not a good issue for Japan to draw a line in the sand. Japan can only lose in the court of world opinion over the issue of war responsibility. There are many competing proposals for how to deal with the Yasukuni issue. The best and unfortunately the least likely one is to thoroughly depoliticize Yasukuni. The people who are paying the highest price for this issue are the family members of those who died in the war and are being manipulated for political purposes. They are either being used by the Japanese right wing to glorify Japanese wartime behavior or indirectly by the Chinese who see the history issue as a useful card to be played against Japan. The problem is not simply the

Yushukan, the war museum that is at Yasukuni. I have been to Yasukuni several times, but when I visited three years ago, I went to the inner shrine to pay my respects. While you wait to be taken in by the priest to this inner sanctum, you are seated in front of a television monitor that shows a film about the Tokyo war crimes trial. This is not in the museum; this is in the inner shrine itself. Yasukuni should be a quiet place where people can go with their memories of those they lost in the war. Instead, it is a politically inspired institution caught up in intense controversy. And as long as it is, it is going to be a political hot potato for the prime minister.

Looking at the media coverage of Abe, especially the global media, I am reminded of how the media treated Yasuhiro Nakasone when he was the prime minister in the early 1980s. When he became prime minister, he was widely seen as a Japanese Gaullist. He was going to lead Japan to have nuclear weapons, to revise the Constitution, to weaken the alliance with the United States and become an autonomous power. He not only went to Yasukuni, but for the first time he got the Cabinet to approve it as an official visit. I remember being in a small group of scholars who had dinner with Prime Minister Nakasone soon after he was elected. He sat across a table from us and said, "Your president goes to Arlington Cemetery, how can you tell me

not to go to Yasukuni?" But he saw the damage that it did to Japanese national interest and he never went back. He was a nationalist who wanted Japan to stand tall, but when he became prime minister he accepted that the national interest must trump personal ideology. Pragmatism won out, and the question about Abe is whether he is pragmatic or whether ideology will drive his policies.

There is some reason to believe that pragmatism may win out. Abe has become prime minister at a time when three eras have simultaneously ended in Japan. He has to figure out how to lead Japan into a new era. First of all, it is the end of a political era. The five and a half year Koizumi administration was the most unique political regime in post-war Japan. He cannot continue politics the way Koizumi played it and I think he understands that. It is also the end of an economic era, of 15 years of deflation and economic trouble for Japan. Now he has to deal with the political issues of managing Japan's economic recovery and resisting or dealing with the pressures from the LDP to spend more money, the Ministry of Finance to raise taxes, and so on. Thirdly, it is the end of 50 years of timidity on the international political stage. The low posture adopted from the days of Prime Minister Yoshida is giving way to something else. And that would be the case no matter who the

prime minister might be. Japan cannot rely on the United States necessarily seeing it to be in its national interest to view issues in ways that are seen to be in Japan's national interest. That was much easier during the Cold War than it is now. Japan has to deal with a rising China and a nuclear North Korea. And it has to respond to U.S. demands that allies cooperate in the struggle against Islamic terrorism.

Prime Minister Abe knows that Japan has to change but the question is whether he has a strategy. If you do not have a strategy and just have an attitude, you can get yourself into a lot of trouble. And if a key part of the strategy is to rally Japanese nationalism against supposed efforts by other countries to tell Japan what to do, then there is going to be deterioration in Japan's relations with its neighbors. And the problem for Japan is that if there is continuing deterioration of Japan's relations with its neighbors and Americans conclude that the key reason is because of Abe's revisionist attitude about history, it will not play well in the United States.

So there is reason for concern. There are a lot of very conservative people in key positions in this administration who create pressures to play the nationalist card. Nonetheless, there are powerful domestic pressures that operate to constrain government policy. Moreover, the United States wants to have an alliance with

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Japan and a good relationship with China at the same time. There are lots of pressures on Abe to be pragmatic and moderate. Koizumi was the second longest-serving prime minister since the LDP came into power after Prime Minister Eisaku Sato, and the third longest since the end of the Second World War, following Shigeru Yoshida and then Sato. Prime Minister Abe has a really tough election coming up not that far away. Next summer there is going to be an election for the Upper House. Those members whose terms are ending are those elected six years ago, three months after Koizumi became prime minister, when his popularity was close to 90 percent. So the LDP did a lot better in 2001 than it should have expected to, and it is not going to do as well next year. The question is, how badly the LDP will fare, and if it does very badly, there will be pressures to force Abe out. So some people think he will not last very long, and others believe he will survive. There is no way to know at this point.

Finally, there are two other parties that are relevant players in this game. One is the Komeito. The day before yesterday in Tokyo I spent about two and a half hours with Akihiro Ota, the new head of the Komeito and someone I have known for more than a decade. We had a dialogue that is going to be published in the party newspaper on the day of his election to party president at the end of

this month. Ota talks about the Komeito's participation in the LDP coalition government from 1998 until now as the first phase of coalition partnership. The second phase, under his leadership, is to begin now. The Komeito under Ota is likely to be less amenable to the conservative policy goals of Abe than it was under its previous leadership. And there is a debate below the surface in the Komeito about the future of that party, whether it should continue its alliance with the LDP or try to take a position similar to the Free Democrats in Germany, swinging from support of one party to another at different times and on different issues. So if you are a Japan politics watcher, one thing to watch is how the Komeito moves under this new leadership.

The other party is the opposition party, the Democratic Party of Japan (DPJ). What you can say is that the LDP is not as strong as it looks, and the DPJ is not as weak as it appears. Last year, the LDP swept the September election, but it was not the LDP that won the election. It was Koizumi that won the election. And what we know about Koizumi is not only did he win the election, but also over the past five and a half years he has done a lot to destroy the LDP's vote-gathering machine. So we do not know how strong the LDP is without Koizumi or without a very popular leader. The DPJ did badly in terms of seats last September, but it actually

increased the absolute number of votes it got. It is just that the voting rate went up because of the excitement Koizumi generated. The so-called "Koizumi children" won and the DPJ lost. But the party is actually stronger than it appears. Its leader, Ichiro Ozawa, so far has handled himself very well as president of the DPJ. If he continues to do so and if his health holds up, he could be a formidable opponent to Abe and the LDP. But unfortunately, one thing we know about the opposition in Japan is that it always has found a way to surprise observers by finding ways to self-destruct. And so you should not dismiss the possibility that it will do that again, and Abe, in a way, will get a free ride.

So this is a rather inconclusive talk about the Abe administration for what I think is a very good reason. It is not possible to give a talk about the Abe administration that concludes very much because he is an unknown, and drawing conclusions is premature. We know he cannot do it the Koizumi way. He has to do it through teamwork. If he thinks he can make decisions in the prime minister's office and force it down the throat of the LDP, he will be history before very long. He has to work with his party. He has to build a consensus. In a way, he has to be a more old-fashioned political leader while convincing the public that he is not old-fashioned. This is all pretty tough. Is he up to the task? No one

knows. I apologize for not being able to give you a stronger message, but this I believe is an accurate summary of the current Japanese political scene. Thank you.

DISCUSSION

QUESTION

Could you tell us more about the economic team? Is it going to carry out economic reforms? Do you have much of a sense of who the players are? In addition to the cabinet members, are there other economic advisors?

GERALD CURTIS

I mentioned the key economic cabinet ministers: Omi in Finance, Yamamoto in the FSA, and Shiozaki as the chief cabinet secretary. The Agriculture Minister, Toshikatsu Matsuoka, is regarded as one of the most pro-agriculture lobby members of the LDP. So either this is going to be a “Richard Nixon goes to Beijing” kind of phenomenon where because he is so popular with the protectionist agriculture lobby in Japan, he is the one who can bring them along to accept greater agricultural liberalization, or Japan’s desire to forge free trade agreements with Asian countries will be thwarted by its refusal to open its markets to agricultural products. I think the chances are good that he will be a strong voice for agriculture protection in this government. That is not good news for people who

want to see economic reform. Shiozaki is not yet a real heavyweight in the LDP and as chief cabinet secretary he is really not on top of managing those issues. Nakagawa, the chairman of the LDP’s policy council, is in a very critical position, but his interests are almost entirely on the foreign policy side. And Yamamoto at the FSA does not have a track record. Ota, who is a good friend of mine and a terrific person, has no political clout. She is not Takenaka, who was in a very special position. First of all, he had the whole portfolio. He had the FSA and the Council, and he had Koizumi, the most popular prime minister in recent history, 100 percent behind him. That is not true for Ota. I think a lot of economic analysts look at this Cabinet and are somewhat concerned that it is not made up of very strong people and does not have a strong message. However, the most important thing is that they do not do something wrong. In other words, if they do not do much of anything that is not so bad, because so much is being driven by the private sector. It is not government spending that has been driving the economic recovery, just the opposite; it is the government getting out of the way of the private sector. So as long as the government does not do something precipitous to set back reform or pull the rug out from under the recovery, that may be good enough. The looming issue is the increase in the consump-

tion tax. It will be raised, I am certain, but they are not going to talk about it until the Upper House election. Then they will talk about it and then the following year pass it to be implemented in the year following that. So I expect the consumption tax to be increased, probably to eight percent or so from the current five percent, in 2009 or 2010.

QUESTION

How do you think Abe’s nationalism will affect foreign policy? Is he really that similar to Nakasone?

GERALD CURTIS

Well, what we know about Nakasone is that he is a sophisticated strategic thinker about foreign affairs. Nakasone is opposed to the Yasukuni Shrine visit by the prime minister because of his more general concern about relations with Asian countries and China, in particular. We really do not know what kind of leader Abe will turn out to be, but he has given no indication that he is a sophisticated, strategic thinker about international affairs. I do not mean that necessarily that he will not prove to be one, but there is no evidence of it. He talks much more in emotional terms about patriotism, nationalism, and a more muscular foreign policy without conveying a sense that he has thought strategically about Japan’s role in the world. He does emphasize what he

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calls a strategy of strengthening Japan's ties with other democracies in Asia, especially India and Australia. That is fine, but the idea that a Japan-India linkage can somehow serve as a balancer against China is fanciful. India and China have been working very hard to improve their relations and India is not about to get into some sort of anti-Chinese coalition with Japan. So as I said, what concerns me about this group of people in the leadership right now is that though they are younger and raised in the post-war period, there is this kind of nationalism that does not have clear policy content. The worst thing is to simply use rhetoric without content, because what that does is either scare people or make them jump to conclusions that are not justified. After all, it is kind of odd that China, with a military budget that increases 15, 16, 17 percent a year and has for the last 15 years or so, is able to say it is engaged in a peaceful rise,

while Japan, which has cut its defense budget by about a percentage point a year for the last five years and is going to come in at zero or maybe at a slight increase this year, and is the one country in the world that has actually had a peaceful rise over the past 60 years, is somehow viewed as on the verge of a new kind of militarism. But, a lot of the reason for this perception is the rhetoric that comes out of Tokyo itself, out of the key leaders in the LDP, including those who now run the government.

QUESTION

What is South Korea and China's reaction to Abe's proposal to revise the Constitution, especially Article 9? How would this affect or impact the relationship between the three countries?

GERALD CURTIS

The Bush administration has formally said, "Look, it is your decision. We do not

have an opinion, but it really would be terrific if you revise Article 9." Both former Secretary of State Colin Powell and former Deputy Secretary of State Richard Armitage have publicly, on Japanese TV, encouraged Japan to revise Article 9. "Get Japanese boots on the ground in Iraq and elsewhere," is the language that Richard Armitage has used. I think that if a Democratic administration comes into power in 2009, it will be the same. I think, generally, American political leaders in Washington think if there is a job to be done in terms of security, why should we not demand that Japan too contribute militarily? If you think just in bilateral terms, then there is a natural inclination to say that the Japanese should revise Article 9, they should become a normal country, they should put their boots on the ground along with American boots and their soldiers should die like American soldiers, in Iraq or anywhere else where that might be necessary. If you think in regional and in broader terms about American interest in the region as a whole, it seems to me it is not a good idea to encourage Japan to drastically augment its military roles and missions. In East Asia, opinion is the opposite of what you find in Washington. In China and in South Korea, especially, the concern is about a revival of Japanese military power that would threaten the region. The reaction is exces-

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sive and unrealistic in my view. If Article 9 is going to be revised in several years, the revision that most of the LDP members would support, leave aside the rest of the country, and the only revision that would get anything close to the two thirds vote of Diet members that you would need is one that essentially codified the status quo. Most of the people who are advocating revising Article 9 are pretty moderate, saying, “We have a military. Why kid ourselves and the world? We call it the self-defense force and the Constitution says we do not have a military, but we do so let us say so.” Advocates would like to see the Constitution specify that the Japanese military can participate in UN sanctioned peace keeping operations but otherwise there is broad support for keeping constitutional constraints on the military. But the Chinese, the South Koreans, and the North Koreans will portray constitutional revision as some sort of revival of Japanese militarism. This all feeds on itself. It creates a dynamic of its own. If the Japanese feel they are being unfairly accused of doing something they are not doing, by countries that are trying to keep Japan down, there is going to be a natural (as we see already) nationalist reaction in Japan.

By the way, Abe has a very different view of Korea than he does of China. His view on South Korea is that Japan has problems with South Korea,

but since the country is a democracy, things will work out. They are manageable. The problem is Japan is butting up against China. Now for the first time, both of these countries are great powers and they are trying to figure out how they can live with each other. It is very important for the Chinese to have a sophisticated strategy to deal with Japan, because if the strategy is simply to use *gaiatsu*, foreign pressure, and lecture the Japanese about what they should do, you know what you will get. We have already seen the reaction of Koizumi to Chinese pressure.

QUESTION

One of the most important aspects of the Koizumi administration would be that Koizumi showed a new type of leadership in Japan by having a lot more policy initiative compared to the prime ministers in the past. This could have been because of his personal character or other factors, but at the same time, it could have been because of political, administrative, and institutional reforms. What is your opinion about the continuities and discontinuities of the Japanese Prime Ministership?

GERALD CURTIS

That is a good question. The institutional changes you refer to were not brought about by Koizumi. They were instituted by Prime Minister

Hashimoto with the primary purpose of strengthening the role of the prime minister's office in policy making. He set up the structure, but it first came into effect in February 2001. Koizumi became prime minister in April 2001, so Koizumi is the first prime minister who actually breathed life into this new structure. And the new structure changed the dynamic of policy making and shifted the center of gravity away from the LDP and into the prime minister's office. That new institutional context for policy making is going to continue, but how it gets implemented is hugely dependent on personality. Koizumi not only centered the policy making in the prime minister's office, but he basically told his party that as long as he was prime minister they would do what he wanted, and if they did not like it they could try to replace him. He purged people who opposed his policy on postal system reform. If Koizumi had not driven key party leaders out of the party in advance of the September election, because they opposed postal reform, Abe would have had a much tougher time becoming prime minister. There would have been Takeo Hiranuma, a very conservative, very powerful man, who would have been in the race. He was purged. There also was a chance that the prime minister today would be a woman, Seiko Noda, if she had not been purged.

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I think the Koizumi five and a half years may be remembered as a very important and a very entertaining intermission in Japanese political history.

—Gerald Curtis

When Koizumi became prime minister, he appointed Takenaka, an academic and economic commentator, as a kind of economic czar and gave him complete backing. And so the Economic and Fiscal Policy Council became a very critical institution because it set the parameters for policy that constrained the bureaucrats in the line ministries. After last September's election, when Koizumi won so decisively, he had the mandate to basically do whatever he wanted and what he decided to do was not very much of anything. Takenaka eventually was replaced, and the Economic and Fiscal Policy Council was captured by the line ministry bureaucrats, especially Ministry of Finance bureaucrats. Ota, now the head of the Council, published a terrific book about the Council this past summer in which she draws a rather pessimistic conclusion, complaining that after Takenaka left, the Council lost its dynamism because bureaucrats increased their control. It will be interesting to see if she is able to turn things around, but I do not believe you will ever see the Council function the way it did under Koizumi and Takenaka.

The interaction between structure and personality is very interesting and the institutional reforms to strengthen the prime minister's policy making power is a good case study. Personality means a lot, and of course structure does too, because

there is no going back to the old system. Abe has to figure out how to strengthen the Council and the role of the prime minister's office in general to institutionalize, in a sense, this new institutional structure. He cannot rely on the force of his personality as Koizumi did. If he is not successful, these institutional reforms will turn out to be far less significant than many people currently think they are. But the point is that there is no other site for decision making like there was before. So if the new institutions in the prime minister's office do not operate well, the decision making process itself will be impaired. I think the Koizumi five and a half years may be remembered as a very important and a very entertaining intermission in Japanese political history. The curtain has come down on the Koizumi administration. There is no way that Prime Minister Abe is simply going to continue Koizumi's politics. But the curtain is going up on a new stage. It cannot be the pre-Koizumi stage because too much has changed, including institutional features that were changed in the late 1990s, especially under Hashimoto. So the curtain is going up on a new stage and we have these new characters, particularly the main character, Abe, who has not shown much about how he is going to govern.

QUESTION

You said that Abe needs to decide what his position

is about the Yasukuni Shrine over the next six months. But considering that he became popular due to his nationalism, what kind of policy can Abe use to consolidate his popularity in the meantime?

GERALD CURTIS

I think that he needs to focus on issues that are close to people's real concerns, which have a lot more to do with the education of their children, with pensions, and with medical care. I would think that if he conveys the image of a courageous leader, not afraid to take positions that might not be entirely popular, but are aimed at dealing with these kinds of issues, it would serve him very well. He has some policy positions on compulsory school education reform. Some of them are non-controversial, as they have been batted around for years, such as the periodic re-examination and relicensing of teachers to try to weed out the ineffective ones. He also advocates something like what Mayor Bloomberg is doing in New York, giving principals of schools more power against the union and things like that. But his major proposal, though the details here too are very vague, is to have a voucher system so that people can take these vouchers and send their kids to the primary or middle school of their choice. I think this is an absolutely disastrous approach and will exacerbate

inequalities rather than reduce them. His idea is that if there is a good school, people can take their vouchers and try to get their kid into the good school, which leaves the not-so-good school under pressure to reform itself. It may be so, but even under the best circumstances, it is several years before such reforms can take place. In the meantime, the students whose parents do not have the money or the ambition for their children to pass an exam and get into the good school are going to get stuck in a school that gets increasingly worse. You will then see the kind of problems we see in the United States.

There are some things about the American model that are worth emulating, but I tell my Japanese friends that there are at least two things you should not look to the United States as a model for health insurance and compulsory school education reform. The United States has far more to learn from Japan in these two areas than Japan has to learn from the United States. Japanese spend 8 percent of Gross National Product (GNP) on health care and there is universal health insurance. Americans spend 14 percent of GNP on health care and 45 million people do not have health insurance. It is popular in Japanese conservative circles to say that just about everything should be left to the private sector. But I do not think these people really believe it, even when they say it, because I do not think most

people have any idea of how it really works elsewhere. That is why when people talk about these issues in Japan, I discount a lot of it because the whole context is so different. Even conservative Japanese recoil in horror at the idea that the government should turn over health care insurance to the private sector and not guarantee universal health care coverage. In any case, I think that Abe should focus on domestic issues, but my expectation is that he is going to put a lot of emphasis on foreign policy and on rhetoric about Japan playing a larger role in the world. Since there is not likely to be much policy substance behind the rhetoric, what he will accomplish is to unnecessarily scare some people and create a mood in the country that I do not think is very constructive, but I hope I am wrong.

QUESTION

One of the results of the last Lower House election was that the LDP made some inroads in the urban areas, while the opposition DPJ made headway in the rural vote. Do you think the election results mark a permanent shift in the LDP, or is that simply a one-off thing that we will see erode? If it is a shift, what is the policy impact?

GERALD CURTIS

It is a one-off thing, as you put it. The LDP has not shifted its base from rural

Japan to urban Japan. It was a phenomenon of Koizumi's popularity. What Koizumi accomplished was not to shift the LDP base from rural Japan to urban Japan, but basically to weaken the LDP base everywhere. So that what you have now is a party system in which no party really has a strong base anywhere. The DPJ has a stronger base in urban Japan than the LDP, although the LDP elected more people in urban Japan in the last election. But many of the 84 Koizumi children, the first term Diet members who were elected last September, have little hope of being re-elected. So there is a great deal of fluidity in voting behavior, and the change in the Japanese election system to a predominantly single-member district system has had a huge impact on the political culture. In the past, you could have a boring prime minister, but if you were an LDP incumbent with a strong personal support base, you would get re-elected. And under the medium-sized election district that existed until 1993, you only needed 15 or 20 percent of the vote to get elected because there were several people elected in the same district. So you could secure your 20 percent of the vote almost regardless of the popularity of the prime minister. What has changed is that many LDP members now cannot get elected if their leader is unpopular. They have to have a popular leader. Why did Abe become prime minister?

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I do not think that Koizumi accomplished the task of shifting the LDP base from rural to urban Japan.

—Gerald Curtis

Because the LDP figured he was more popular with the public than anybody else at that moment. When you talk to LDP Diet men about the votes they can rely on, there are almost no interest groups left that can be relied upon to deliver votes. The one that is most reliable is not an LDP supporting group, but the Komeito supporting Soka Gakkai. The LDP has a coalition with the Komeito, not because they need the Komeito's votes in the Diet, but because they need the Soka Gakkai members' votes in their own election.

I do not think that Koizumi accomplished the task of shifting the LDP base from rural to urban Japan. He may have done a lot to destroy the LDP base, period. Then it becomes a question of which leader is more popular. That can be very dangerous because that creates

a tremendous temptation to take a populist stance to rally public support. I thought it was a big mistake to adopt this election system in the first place for that reason. In a country like the United States, a multiethnic country, if you had a proportional representation system, every group would have its own party and it would be chaos. A single member district system forces social coalitions in the Democratic Party and in the Republican Party. It creates stability. That is part of the whole attractiveness of single member district systems in pluralistic, multiethnic societies like ours. But when you have a country like Japan and you have a single member district system where you have to try to get a majority of the votes to win, the consequence is quite obvious. The two major parties will say exactly the same thing. So yes, we may finally see a

transfer of power from the LDP to the DPJ maybe in the not too distant future, but how much of a difference it will mean in policy terms is not so clear. The election system is not going to be changed, and under the current one there is the possibility of a major swing in support from one party to the other, especially now that the LDP machine is weak and the great majority of voters are not affiliated with any party. That is why the LDP is running scared about next summer's election. That is why there is going to be enormous pressure on Abe to throw government money at groups that the LDP hopes can bring it votes. The pressure is already starting to build. So we will know soon enough whether Abe resists the pressures to spend and thereby to keep the fiscal deficit from increasing, or whether he sides with those who say that more spending is necessary to win the Upper House election, which in turn is necessary if Abe hopes to stay in power beyond next year.

安倍新政権の評価

小泉純一郎前首相が先ごろ首相官邸を後にしたとき、後々まで消えない強い印象を残して去っていった。小泉前首相は、自由民主党本部から首相官邸へ権力を移して政界の体制を大幅に刷新し、自民党の権力基盤を分権化させ、そして自分の首相としての立場を脅かす反対勢力を締め出した。これらの動きはおそらく必要な過程であったが、同時に安倍晋三新首相をかつての首相も経験したことのない未知なる途に残して去る結果となった。

安倍首相が小泉氏の後継者として、大きな責務を負っていることは、誰もが認めることである。政治や経済、その他の改革を推し進めるために、小泉氏が見せたカリスマ性を安倍首相は持ち合わせているだろうか？安倍氏によって行われた内閣人事は、彼が今後どのようなリーダーになるのかを示しているのだろうか？国内外のメディアは安倍氏を国家主義者であると大々的に報道しているが、彼は外交にどのように取り組んでいくのだろうか？ 答えははまだ漠然としており、来年になればより多くのことが明らかになるであろう。

2006年9月26日、コロンビア大学政治学ジェラルドL.カーティス教授は、会場を埋め尽くす観衆を前にして、安倍首相とその政権に関して講演した。コロンビア大学ビジネススクール、R.D. カルキンス名誉教授でもある日本経済経営研究所ヒュー・バトリック所長が進行役を務めた。

本講演は、今年創立20年を迎えるコロンビア大学日本経済経営研究所とウェザーヘッド東アジア研究所の協賛により開催され、このレポートは、カーティス教授の講演および質疑応答の内容をまとめたものである。

カーティス教授によれば、安倍氏は圧倒的多数を獲得して首相の座に就いたが、自民党総裁選挙の開始以前にすでに前任者である小泉純一郎氏の手で、最有力の競争相手たちが排除されていた為、必然として、彼は国民の強い支持を得ていた。このような展開が、結果的に安倍氏の印象を掴みどころのないものになっている。彼は、多くの専門家から国家主義者だと言われているが、彼が心に描く政策が実際にどのようなものなのかを知るものはいない。

安倍氏はいくつかの障害に直面していると、カーティス教授は指摘する。まず、小泉路線から自らを切り離すために、彼独自の政治路線を明確に打ち出さなければいけない。小泉氏には派手さとスタイルがあったが、安倍氏にはそれがない。彼は、小泉氏を模倣するのではなく、安倍氏自身の流儀で現実的な政策課題を提示しなければならない。教育、経済もしくは外交のいずれの分野であろうとも、歯切れのいい明快な政策を示すことが、指導力あるリーダーとしてのイメージを向上させる為に不可欠である。

安倍氏と幾度となく話をしているカーティス教授は、安倍氏がタカ派であることには間違いないが、同時に彼は現実主義者であり、日本が中国および韓国との関係改善に向けて一層努力することが必要であると認識していると語る。安倍氏は中国との新たな「蜜月」関係を構築することに成功したが、今後は、来年の靖国神社参拝はどうするのか、また歴史問題について一般的にどのように対処するのかといったことに、焦点が当たるであろう。

カーティス教授は、安倍氏が実際に首相として何を行いたいかを未だに十分に提示していないことに注目し、安倍氏が国内および外交政策問題に対する明確な戦略を持っていないのではないかと疑問を投げかけた。従って、日本に関して多くの不確実性が漂っている。おそらく最も重要なことは、過去15年間続いたデフレ後の景気回復を結果的に一層後押しするような経済政策を安倍氏が採用するかどうかという点である。もし経済状況が悪化し、来年夏に実施される参議院選挙で自民党が大敗した場合、安倍政権の存続が脅かされることになるかと予測する。また、政治評論家は公明党から目を離すべきではなく、特に公明党が自民党と民主党との間でその政治姿勢を変えるかどうか如何では、自民党支配の継続が危うくなる可能性があるため、その動向を注意深く観察すべきであると述べた。

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