Bloodless Revolution:
How the DPJ’s Win Will Change Japan

By Cheol Hee Park
FORMER PRIME MINISTER Yasuhiro Nakasone predicted last April that 2009 would be a year of change for Japan.1 He couldn’t have been more accurate. On August 30, for the first time in Japan’s postwar political history, voters kicked out the Liberal Democratic Party (LDP) and awarded the reins of government to an opposition party, the Democratic Party of Japan (DPJ). By securing 308 of the 480 seats in the Lower House of the Diet, the DPJ pulled off what Deputy Prime Minister Naoto Kan called a “bloodless revolution” that gave the DPJ a chance to restructure the Japanese governance system originally established after the Meiji Restoration in the late 19th century.2

The shift of power to the DPJ offers an unprecedented chance to redefine the very nature of Japanese politics. For starters, the DPJ’s victory disproved the long-held myth that the LDP was a “natural” ruling party. Having ruled for almost 54 years, the LDP relied on money politics and vested-interest groups to stay in power, ultimately alienating voters through its own complacency. Takashi Mikuriya, a professor at the University of Tokyo, described the election results as a purging of the LDP. At the very least, it demonstrated that the LDP is no longer Japan’s only viable political party.

The election also disproved another myth—that Japanese voters are passive, conformist and enmeshed in a network of machine politics. The emergence of an increasing number of volatile swing voters has introduced a new style of politics that is no longer tied to a machine. About 30

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2 Naoto Kan, “This Is a Revolution Since the Meiji Restoration” (kore wa meiji irai no kakumei da), Chuo Koron (November 2009), pp.66-73.
percent of former LDP supporters, for example, cast their votes for the DPJ this time.

Finally, the election raised the possibility that a two-party political system — something that was never impossible, although not always available — may finally have arrived in Japan. Electoral reforms adopted in 1994 centered on the introduction of the single-member district voting system and contributed to the gradual integration of the opposition camp, which resulted in the silent but rapid rise of the DPJ as an alternative to the LDP. As a result, Japan may finally have joined the club of ordinary democratic countries in which two major political parties contend for power.

A NEW MODEL
Underlying new Prime Minister Yukio Hatoyama’s adventure dramatically to reform and restructure Japan’s governance is a desire to provide a model that is the antithesis of the LDP style.

To begin with, the DPJ wants to ground Japanese politics in the lives of ordinary citizens. The party’s catchphrase, “people’s lives are the foremost concern of the party” (kokumin no seikatsu ga daiichi), captures that aspiration. In contrast, one of the LDP’s critical failures in recent years was to stray from grassroots concerns. Relying too much on organized groups with vested interests in maintaining the status quo, the LDP missed the growing sense of crisis among the electorate. Also, the LDP listened too much to right-wing groups, often leaving mainstream voters embarrassed and estranged. This left the political middle ground wide open, and the DPJ rushed in to claim it. In particular, Ichiro Ozawa, a key architect of the DPJ’s electoral strategy, grasped the LDP’s weakness and cultivated new supporters for the party. He called the DPJ’s approach the kawakami strategy, which means returning to the original starting point of politics — caring for people’s concerns. In a reference to the LDP’s obsession with building projects to assuage its constituency in the construction industry, Ozawa said the DPJ would focus on people, not concrete. Practical concerns such as child care, education, pensions and health care moved to the forefront of politics. Building a social welfare state in Western European style instead of a so-called construction state, doken kokka, is the goal of the DPJ.

A second priority of the DPJ is fundamentally to restructure Japanese governance. It aims to establish a system that is guided by political initiative, seiji shudo, rather than by government bureaucrats. Under the LDP, policy making was left mainly in the hands of elite bureaucrats. Meetings of administrative vice ministers, high-ranking civil servants, virtually controlled the agenda for cabinet meetings. The national budget was essentially decided by bureaucrats within the Finance Ministry. Even the discussion points in the Diet were prepared by bureaucrats. In contrast, the DPJ is trying to vest more power and initiative in the office of the Prime Minister and the cabinet. On taking office, Hatoyama, in a dramatic move, abolished the administrative vice ministers’ meeting, something that had existed for more than 120 years after the Meiji Restoration. In its place, final authority for political decision making was transferred to the prime minister and his cabinet. A new Office of National Strategy was established with responsibility for preparing the budget. As a result, starting in 2010 the national budget will reflect a top-down approach to fiscal policy, rather than the bottom-up approach of the past, where bureaucrats in individual ministries passed their requests up through what amounted to a rubber-stamp approval process. Now, budget allocation requests and policy initiatives must be channeled through the DPJ’s secretary general. Koji Hosono, the deputy secretary general, said the new system was designed to strengthen the role of political leaders while weakening the power of bureaucrats, who in the past manipulated the budget to their own advantage. The ultimate aim of the DPJ is to establish a unified government, where the cabinet and the ruling party control the agenda, not career bureaucrats.

NEW RELATIONS WITH THE US
A third area where the DPJ promises change is in Japan’s foreign policy and diplomatic strategy. A major basis of that change is a belief among party leaders that Japan has been too compli-
Junichiro Koizumi, who strengthened US-Japan ties at the expense of Asian neighbors.

Despite the DPJ’s ambitious plans, the Hatoyama administration is already facing a few hurdles. To begin with, public support appears to be ebbing. The approval rating of the new cabinet was unusually high when it took office — 75 percent. After three months, though, an opinion poll by the Yomiuri Shimbun showed that it had declined to 55 percent.3 By mid-December, it had slipped to 48 percent, according to a poll by the Asahi Shimbun.4 Seventy-four percent of respondents attributed their disappointment with the cabinet to a lack of decisiveness and leadership by Hatoyama.

An unintended and unexpected foreign policy deadlock over US bases in Okinawa has also tripped up the government. Despite a lack of consensus over the issue in his own cabinet, Hatoyama decided to postpone the decision to relocate the US military base in Futenma, Okinawa, which was agreed upon by the two countries 13 years ago. When US President Barack Obama visited Tokyo in November, Hatoyama told him: “Trust me on the issue.” The US side interpreted this as a signal to implement the current agreement, which calls for relocating the base to Henoko in Naha, Okinawa. But after consulting with coalition partners, Hatoyama put off a final decision until at least May 2010. The prime minister switched course because he had promised the people of Okinawa that he would get the Futenma base out of Okinawa altogether. However, defense analysts suggest that finding an alternative location will be extremely hard, although not impossible. Delaying the decision does not solve the issue. Rather, it has the potential to widen the gap between the US and the DPJ.

**The Domestic Agenda**

In addition to the diplomatic challenge, the Hatoyama cabinet may face serious trouble advancing its domestic political reforms. Many of the campaign promises it made — such as child care benefits, free high-school education, compensation to farming households and making expressways toll-free — will be expensive. To be

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3 Yomiuri Shimbun, December 20, 2009.
sure, the LDP also routinely made pricey campaign promises to vested-interest groups. But while the DPJ’s strategy of tailoring its spending to benefit the majority of citizens is different from the priorities of the LDP, in a time of snowballing fiscal deficits, it cannot escape fiscal constraints. In the wake of the global financial crisis that began in 2008, the Japanese economy is in dire straits. Because of the economic downturn, tax revenues in 2010 are expected to drop to approximately 37 trillion yen, the lowest level in decades. Hatoyama has already made it clear that his government would not issue more than 44 trillion yen in government bonds for 2010 in order not to worsen the fiscal deficit. On the other hand, government expenditures for the year are expected to exceed 92 trillion yen. Promises are many, expectations are high, but fiscal resources are extremely limited. This is not a problem that the DPJ created, especially since the global financial and economic crisis wasn’t of its making. Still, the Hatoyama cabinet will be judged on how it manages the situation, and it no longer can blame the previous administration.

LOCAL POLITICS IN THE LEAD

Domestic realities and an ambitious agenda to overhaul the old LDP governance system mean that DPJ leaders will have little time to look outside Japan. Domestic political concerns will preoccupy them above all else. Accelerating this tendency is the urgency of preparing for the coming Upper House elections in July 2010. Although the DPJ won an overwhelming majority in the Lower House in 2009, the party still lacks a majority in the Upper House. That is why it has formed a coalition with the Social Democratic Party of Japan (SDPJ) and the center-right Kokumin Shinto party as the struggle for the Upper House drives political discourse inward. Rather than making decisions from an international strategic angle, it must see domestic politics as paramount. Although some of the demands from coalition partners, especially from the SDPJ, may be unrealistic, the Hatoyama government goes along with them to facilitate the Diet process. Without providing any alternative, the SDPJ leader, for example, has insisted that the Futenma base should be relocated out of the Okinawa prefecture. And Shizuka Kamei, leader of the Kokumin Shinto, has called for public spending to be enlarged to its maximum, without suggesting how the budget might be managed. Nevertheless, Hosotyama has had to manage these demands in order to pass laws and budgets in the Upper House. Hence, major diplomatic decisions may be put off until after the Upper House election.

Despite the claim that the DPJ has created a unified government linking the cabinet and the ruling party, many political commentators in Tokyo see party power-broker Ozawa as the most influential politician in the DPJ. Prominent editor and commentator Yoichi Funabashi suggests that Ozawa can be a king-maker or a king-breaker. Of course, key decisions are made by Hatoyama, and prior screening of decisions by the ruling party is gone, but deliberations in the Diet remain critical to making those decisions a reality. Ozawa is currently in tight control of both Diet deliberations and electoral business, so, as long as Hatoyama maintains friendly relations with him, the business of his cabinet will proceed relatively smoothly. But if Ozawa begins using his veto power, no one in the DPJ will be in a position to resist him, because he is effectively the leader of the biggest faction within the party. That is why the current administration is often informally called the “Hatoyama-Ozawa” government. The gradual emergence of a dual power structure, where Ozawa informally shares leadership, could be both an assurance of DPJ party rule and a hindrance to cabinet affairs. Coping with Ozawa’s leadership will be the biggest intra-party political challenge in the years to come.

The coming Upper House election will be an important test for the DPJ. If the party wins an independent majority in the 242-member Upper House — as it has in the Lower House — this will significantly strengthen the government. At this stage, it looks highly likely that the party will win the election. This isn’t so much because the DPJ itself is so strong, but because the LDP remains enfeebled. Despite the downturn in support for the Hatoyama cabinet, an opinion poll conduct-
ed by the Asahi Shimbun showed support for the DPJ hovering around 40 percent for the year while the LDP remained under 20 percent. This suggests that Japanese voters are not yet willing to return to the LDP. The DPJ, meanwhile, is certain to use its control over the budget to attract more support from voters in the first half of 2010. Also, many organized interest groups, which supported the LDP in the past, are already beginning to keep the LDP at arm’s length because they are ultimately reliant upon whichever party is in power. The New Komeito party, which cooperated with the LDP over the past 10 years, is inclined to stand alone in the coming elections rather than walk shoulder-to-shoulder with the former ruling party. All these factors suggest that the environment is ripe for a DPJ victory in the Upper House election.

This is noteworthy because for the past 20 years the LDP repeatedly failed to win the Upper House elections, despite controlling the government. The party’s best score was 63 seats in the 2001 election. In all other Upper House polls since 1989, the LDP won fewer than 50 seats. In the 2007 election, it posted its worst performance, picking up only 37 seats. The chances are very slim that the LDP will win more than 50 seats in the 2010 election, and, combined with its incumbent members, the LDP is likely to have fewer than 90 seats at a maximum, far short of a 122-seat majority. New Komeito is not likely to form a coalition with the LDP when the DPJ holds such an overwhelming majority in the Lower House. Thus, the DPJ regime is almost certain to continue in power over the next several years, and there is a good chance that the DPJ will be strengthened after the 2010 Upper House election.

Of course, any government can face unexpected political difficulties. But even if the Hatoyama government collapses — and the chances of this are low — this would not necessarily mean the end of DPJ rule. Other DPJ leaders will emerge as potential prime ministers. Candidates are many, including Ozawa, Naoto Kan, Katsuya Okada, Seiji Maehara, Kazuhiro Haraguchi and others. While prime ministers may change, the DPJ should remain in the driving seat of Japanese politics in the years ahead. The pity for the LDP is that it has hardly any big names that appeal to the public at this stage.