Japan's New Green Political Innovators Respond to Government Attempts to Restart Nuclear Power Plants

Andrew DeWit

Between 2012 and 2014 we posted a number of articles on contemporary affairs without giving them volume and issue numbers or dates. Often the date can be determined from internal evidence in the article, but sometimes not. We have decided retrospectively to list all of them as Volume 10, Issue 54 with a date of 2012 with the understanding that all were published between 2012 and 2014.

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Just when it seemed Japanese politics was being pulled back into the hands of the collusive interests who brought us Fukushima, it’s thrown up another surprise. The reformists, centred in innovative capital and local government, seem to have found a new, and very promising, avenue to fight against the revanchist old guard that still dominates the central government. On June 10, Iida Tetsunari, the director of the Institute for Sustainable Energy Policies and of Softbank CEO Son Masayoshi’s Japan Renewable Energy Federation, announced that he would be a candidate for governor in the July 27 Yamaguchi Prefectural election.

This will be a very important election, so let’s set the stage for Iida’s announcement. It was preceded by a week of dreary news for the pro-renewable community, which polls suggest is potentially a majority of Japanese voters. On Friday, June 8, DPJ Prime Minister Noda Yoshihiko delivered a very public appeal to restart the two nuclear reactors in the Kansai community of Oi (Oi reactors numbers 3 and 4) because "Japanese society cannot survive if we stop all reactors or keep them halted."

This speech followed the abrupt collapse of nationally popular Osaka city mayor Hashimoto Toru and other Kansai area leaders’ opposition to restarts. They were championing an energy transition, but lost their nerve due to intense pressure from local and national economic lobbies and their political allies. Hashimoto had retreated to a position in which he sought to limit the Oi restarts to the summer period only, a request that the central government effectively blew off. Hashimoto even retracted his commitment to fight the DPJ, centring on energy policy, as he may have got a deal on his desire for decentralization. The pro-renewables movement looked bereft of elected political representation that could put effective pressure on the centre.

One lingering holdout in okaying the restarts was the governor of Fukui Prefecture, Nishikawa Issei. The reactors are in Nishikawa’s immediate jurisdiction, and he was in a politically difficult position. The central government has yet to revise its nuclear regulations and regulatory institutions in light...
of the continuing crisis at Fukushima. Hundreds of spent fuel rods at Fukushima Daiichi reactor 4 remain vulnerable to earthquake or other misfortune. The public knows this, and hence a June 5 Mainichi Shimbun poll showed 71% opposed to hasty restarts of the Oi reactors. Nishikawa publicly called for the Prime Minister to appeal for the restarts, seeking to spread responsibility as broadly as possible. That is why, on June 8, the Japanese public was treated to a Kabuki show of ostensibly being asked by the PM to approve restarts when in fact they were being told there would be restarts.

It is virtually certain that PM Noda's speech will set in motion the requisite bureaucratic and technical procedures for restarting the two reactors. Noda also made it clear he would try to have other reactors restarted as well. The Oi reactors will take several weeks to power up to full capacity, meaning that their total output will not be available through the remainder of this month as well as most of next month. That means that power cuts will still be necessary, probably helping to keep Japan's mushrooming LED, business energy management, and other markets for conservation and efficiency humming. Moreover, plans to introduce dynamic pricing and other mechanisms to encourage further conservation and shifting of power demand to non-peak periods may also stay on track.

Yet Noda's speech and his evident commitment to backing the nuclear village present a very strong risk that they will return to dominance in energy policy and politics. This is of deep concern not just because the central government is dawdling over revising safety regimes as well as dealing with spent fuel rods. Another problem area is that the Noda regime has already poured about ¥3.5 trillion into bailing out Tepco, the utility that owns the failed Fukushima reactors. The government is in the midst of working towards nationalizing Tepco and restructuring power markets. Doing this properly could get the taxpayers’ money back with an invigorated market in the bargain. Yet the more that the nuclear village regains its clout within policymaking, the less likely it is that power markets can be restructured so as to foster new entrants as well as encourage innovation. The nuclear village have 50 reactors, plans to build more, and longstanding ambitions to reprocess the waste at home, closing the loop.

Arguably, ageing Japan, with its shrinking and increasingly less competitive economy, needs this spur to innovation. Power markets globally are in the midst of revolutionary changes that center on “smart cities” and the introduction of IT as well as renewable energy. Prior to Fukushima, Japan was handicapped from competing in these enormously lucrative markets, whose cumulative value to 2030 has been assessed by Nikkei BP as ¥4000 trillion. Keep in mind that Japan’s IT makers, including iconic Sony, may be ready to go under. It is clearly a very bad time for Japan to let vested interests dictate the revision of rules and institutions in a core part of the economy. But that indeed appeared to be happening, public opposition notwithstanding.

Then on June 10 Iida Tetsunari announced that he would run for governor in the July 27 Yamaguchi Prefectural election. The announcement caught the Japanese political world by surprise and did much to lift the dismay among pro-renewable interests throughout the country in the wake of the Prime Minister’s call to reopen the nuclear power plants.
Iida is not only Japan’s most prominent representative of the renewable alternative in the wake of the Fukushima shocks. He has been a staunch proponent of renewables for decades, and was instrumental in getting such measures as the feed-in tariff onto the Japanese energy and environmental agenda. Iida was born in Yamaguchi, and took his PhD in nuclear engineering at Kyoto University, Japan’s front-ranked center for nuclear studies. It was after working in the industry and directly experiencing what he depicts as its collusive practices and claustrophobic intellectual environment (hence “nuclear village”) that he went overseas to learn about renewable energy and the policies that foster it. After his return about a decade and a half ago, Iida worked not only to get policy change at the central government level but also at the local level. In fact, after finding the central government very much dominated by vested energy interests - to the extent that Japan’s renewables targets were set to the absurdly low figures of 1.63% of power by 2014 (compare California’s target of 33% percent by 2020 and the U.S. Navy’s goal of 50% by 2020) - Iida began to focus mostly on local governments, starting from Metro Tokyo.

Iida became very successful in his efforts to organize the locals. This is certainly one reason that Softbank CEO Son was able to gain such quick agreement, last May, from the prefectures and big cities to join his Natural Energy Council and its plan for megasolar installations throughout the country. Iida had already done a lot of the spadework, organizing events and networks to help Japan’s diverse local interests understand the scale of their respective opportunities in sustainable energy.

Now, at the moment when the nuclear village seemed on the way to recapturing a significant amount of the ground they were forced to yield over the past 15 months, they confront a very visible prefectural election. The Yamaguchi election will help keep attention focused on the controversial restart initiatives, the lack of revamped safety rules and institutions, the spent fuel rods, and other items that vested interests and their political allies would prefer to sweep under the carpet. The election will also keep visible the alternatives of energy conservation, renewables, and sustainable growth.

For example, it was hardly incidental that Japan’s June 9 news carried a report on the Japan Renewable Energy Federation head (and former Swedish Energy Agency head) Thomas Kaberger, who was visiting Yamaguchi Prefecture’s Iwai Island, near the site of the proposed Kaminoseki nuclear reactor complex.

Kaberger was examining the island’s progress on plans to get 100% of its electricity via renewable means. On top of that, much of Yamaguchi prefecture is economically part of the Fukuoka-Kyushu region, the heart of Japan’s solar, smart grid and other eco-city initiatives.

Though Yamaguchi’s election is yet to start, and Japanese politics is simply unpredictable, the campaign is quite likely to become a nationally visible struggle over distributed and sustainable-centered growth versus reliance on the centralized and nuclear-centred power system backed up by the delegitimated central government. It might be to Iida’s advantage in this respect that the main opposition candidate is Yamamoto Shigetaro, a 63-year-old former bureaucrat from the Ministry of Land, Infrastructure, Transportation and Tourism.
The election’s backdrop is even broader than the issue of what to do with Tepco and nuclear safety. It includes a very fluid political economy. For example, on June 1 Japan’s huge online retailer Rakuten’s CEO Mikitani Hiroshi inaugurated his Japan Association for a New Economy, aimed at innovation and international linkages. The association is a reboot of his Japan e-Business Association, and starts off with 779 corporate members. Mikitani’s move is a result of the main business lobby, Keidanren, having shortchanged the interests of the IT sector in favor of the metal bashers and other old-line sectors. For Mikitani, matters came to a head last year. He very publicly left Keidanren in May, in the wake of the Fukushima shock, because the current chair of Keidanren, Yonekura Hiromasa, was so protective of Tepco.

This partiality was in retrospect no surprise, as Tepco was one of the triumvirate that ran Keidanren for most of the postwar years, cooperating with Toyota and Nippon Steel in sharing chair and vice chair positions. But that was then and this is now. Together with Iida’s candidacy, the emergence of Mikitani’s association suggests that the innovative and internationalist element of the current generation are finding their footing in this historic struggle with the old guard.

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Asia-Pacific Journal articles on related issues include:

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Andrew DeWit, Megasolar Japan: The Prospects for Green Alternatives to Nuclear Power

Peter Lynch and Andrew DeWit, Feed-in Tariffs the Way Forward for Renewable Energy