Japan’s Political Upheaval and Massive Public Dissent

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On the surface the story is simple enough. Japan’s most powerful and controversial politician has done it again: shaking up the party political world by leaving, and perhaps breaking up, the DPJ, Japan’s ruling party. And that because things did not go his way. The Japanese media were, predictably, ready with their favorite epithet, ‘the destroyer’, and with quotes from political commentators that this time his star may be truly fading because the perennial polls show that the people have had it with him.

Almost all foreign reporting trying to make sense of his latest turbulence in Japanese politics meekly follows the lead of the big national newspapers, as it has done for the last couple of decades (note that the number of regular full-time correspondents in Tokyo has dwindled to a small fraction of what it used to be). The financially-oriented foreign reporting quotes resident analysts praising the leadership qualities of Prime Minister Noda Yoshihiko, whose insistence that a law aimed at doubling the consumption tax must be pushed through Parliament triggered Ozawa Ichiro’s move.

Added comment holds that the Prime Minister is better off without the recalcitrant Ozawa in his party since this makes it easier to push through a program of restarting nuclear reactors and to continue accommodating demands from Washington. This last point is not often voiced openly, but is well understood. Hence, on the surface we have fiscal responsibility clashing with political egotism and obstructionism.

As with so much else in Japan one must guard against taking this surface seriously. Looking beneath it we can observe a very different kind of struggle. It is unfortunate that only a few take this trouble, because doing so would make a broad audience of the politically interested aware of the latest installment in one of the most interesting sagas in the history of democratic development. That story, vitally affecting Japanese domestic fortunes as well as its role in the world, is one of a tremendous struggle between a body of wily bureaucrats, mostly capable but addicted to the status quo, and a now diminishing group of politicians who not only subscribe to widespread common
opinion that fundamental political reform is necessary, but actually want to act in accordance with that opinion.

The notion that fundamental reform was not only desirable but also possible was given a big boost in 1993 when Ozawa, together with another LDP leader quit that ruling party, which had been in power since 1955. Being in power did not, under Japanese circumstances, mean actually governing. And that defect became a central theme in the national discussion at the time, which was widely supported by numerous editorials and series of articles in the main newspapers. A general conclusion was that politicians ought to do what the voters had elected them for: to represent them by designing policies attuned to the many domestic and international changes that had turned the de facto national economic policy of unlimited expansion of productive capacity into a source of numerous problems. Some nine months followed with a political atmosphere that could almost be called euphoric. When that died down groups of reformist politicians remained in splinter parties, which combined and re-combined and eventually congealed into the DPJ under the guidance of Ozawa.

There was never any question about Ozawa as a master politician, and a brilliant strategist, who had a broader and more imaginative view than his colleagues of what was needed to make Japan what he called ‘a normal country’. He wrote a book about it. In 2009 Ozawa demonstrated his electoral genius by leading this new party, the first genuine challenge to Japan’s de facto post-World War II one-party system, to a massive victory.

To visualize the central choice that Japanese politicians are given, and of which Ozawa has just again reminded them, it is useful to think of a ladder and a steering wheel. The LDP, which was the well-nigh unchallenged ‘ruling party’ for half a century became a ladder sometime in the late 1960s. I was there. Its top politicians who still had some noticeable influence on policy were fading away in significance, as Japan’s proverbial economic miracle seemed to run splendidly without their interference. But the LDP ladder made it possible for politicians to climb to high position: Vice Minister, Minister, and Prime Minister, with all the comforts and prestige these posts continued to deliver. This without being burdened with actual policymaking, which was believed to be in the capable hands of the career officials.

What this means is that Japanese policies came to rest almost entirely on small administrative decisions that keep the country on a virtual automatic pilot, managed by bureaucrats who are blessed (or cursed) by a shared and uncommonly strong institutional memory.

Very few genuine political decisions aiming for a genuine change of course are ever made. There were no LDP politicians with the ambition to steer things, aside from acting as brokers in case of major disagreements among ministries. With two exceptions. The most important of them, Tanaka Kakuei, built his own power system within this odd governing setup. Ozawa is generally considered to have been Tanaka’s best student, particularly in the way he learned to cooperate with career officials without becoming their servant, and in the way he showed his followers how to win elections. But unlike Tanaka, who used the steering wheel he had formed for a policy determined by (often wasteful) infrastructural building projects in line with economic miracle expansion, Ozawa has been intent on creating a cabinet-centered system capable of making and implementing much needed political decisions.

The Japanese electorate was without doubt very enthusiastic about these steering wheel plans, laid out in a DPJ manifesto with which it defeated the LDP in 2009 and ended half a century of one-party government.
But the career officials quite naturally saw their prerogatives threatened by the new party, and properly identified Ozawa as the single biggest threat to the status quo. This colossus among Japanese political figures had already been the target of the longest character assassination campaign in the advanced industrialized world, a campaign kept alive by the big national newspapers that jointly play a greater role in the manufacture of political reality than I have seen anywhere else in the capitalist world.

A main function of the regular Japanese scandals is to cut down to size politicians (or businessmen) who are considered too ambitious for their own good. To launch a scandal the bureaucrats of the public prosecutor’s office normally warn the newspaper editors that they are about to take action against an individual, and so they did in the spring of 2009 against Ozawa on trumped up charges (a violation of the political funding laws, which are kept purposely vague to give the prosecutor elbowroom), making sure that if the DPJ won the elections in the summer, Ozawa could not be its first Prime Minister.

The first DPJ cabinet of Hatoyama Yukio was besieged by the oppositionist major newspapers, the public prosecutor, sabotaging ministries and, fatally in the end, by a Washington that had no taste for a politically more independent Japan.

Hatoyama Yukio (left), Kan Naoto, Hatoyama’s successor as PM, and Ozawa

After the demise of the first DPJ cabinet, a much less ambitious Prime Minister who had already come under the sway of Ministry of Finance bureaucrats, betrayed Ozawa, who was marginalized and temporarily thrown out of the party. By the time the present Prime Minister, Noda, took over in the wake of the Fukushima calamity, the DPJ was already clearly split between those who considered it an alternative ladder to high comfortable position and those who still remembered the steering wheel aims that had been the basis for its formation.

The current Prime Minister, Noda, exemplifies the ladder climbers. A colorless technocrat produced by a political training school with links to former bureaucrats, he had already reached decisions in line with how Ministry of Finance officials had taught him to think when he was chosen to be interim leader of the party. The Ministry of Finance, today very much infected by austerity ideology, has long nursed hopes for a doubling of the consumption tax. Ozawa believes that this runs counter to DPJ promises to the voters, and is about the last thing that Japan’s deflationary economy—still badly hurting after the earthquake-tsunami calamity of March 2011—needs at the moment.

The pretext for this policy is the very high government debt. While a genuine matter of concern, it does not necessitate, and under current economic circumstances in any way justify, a dramatic tax increase. Japan’s government borrows from itself, and the manner in which the public is misled by officials and the media echo chamber by invoking the disaster that has befallen Greece is shockingly disingenuous. But the cluster of Ministry of Finance bureaucrats dead-set on the tax increase (there are dissident clusters) appears to believe that with Noda as their robot they may have their only chance of ever
pushing it through.

Crucial for Noda’s decision to risk a fateful confrontation with Ozawa over his giving in to these bureaucrats was the advice of his closest collaborators that by being steadfast on this matter he would make his mark on history as a strong leader.

This could well backfire. Ozawa, who is expected to form a new party with some 50 members who have accompanied him out of the DPJ, and perhaps with some other political splinters that are continually being formed by disgruntled politicians, does not appear to be an immediate threat to Noda, whose DPJ clings to a narrow majority in the lower house.

But much more has been happening. Tens of thousands of Japanese demonstrated on June 29 in front of the Prime Minister's office against the re-activation of Japan’s nuclear reactors; the biggest mass action outside Okinawa in recent memory. Japanese media are used to curbing political unrest by ignoring or slighting large scale public protest. But Japan’s national television network, NHK, was not able to keep this development off the screens. Even before then, some weekly magazines had undermined the character assassination campaign against Ozawa by identifying it as such. The prestige of the Noda government is plummeting, as the public is as little in favor of the double consumption tax as it is of any risk of further calamities caused by the nuclear power industry. On these policy matters Ozawa is very much on the side of the public.

An interesting new question asked by Japanese journalists who contact me these days is how large a visible public protest would be necessary to tip a political balance in other countries. Ozawa's exit from the DPJ, combined with big demonstrations the media can no longer ignore, against the background of palpable fear caused by the Fukushima calamity, about which the public knows it has not been told the full truth, could yet create a party political melee whose outcome, like that of 1993, is impossible to predict.

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