

The Demand for Political Reform in Japan

By Dennis Patterson

The resignation of Prime Minister Morihiro Hosokawa suggests that the dramatic process of political change that ended the Liberal Democratic Party's (LDP) thirty-eight year rule continues today, and that the underlying forces driving change can only be ignored at high political cost. The recent choice of Tsutomu Hata as Hosokawa's successor illustrates this: With Hata's elevation to the prime ministership coming after two weeks of intense negotiations, the largest party in his coalition quit over political disputes only twelve hours after he took office.

Various events preceded these developments, but perhaps none more catalytic than the Recruit Scandal. A number of politicians had received shares of its stock just before a subsidiary of the Recruit Company was to go public. The revelation of this de facto political payoff set the stage for the historic lower house (House of Representatives) election of 1993, where the tectonic plates of Japan's political system underwent a significant shift. After thirty-eight years of uninterrupted rule, the LDP was toppled and replaced by a fragile eight-party coalition.

How LDP's Troubles Began

The genesis of the LDP's loss can be traced from the months that led to the July 1989 upper house (House of Councilors) election where the party lost its majority for the first time since it was formed in 1955. Tax reform had been an onerous issue for the LDP and worked significantly to the party's detriment at the time. Political corruption, an insistent leitmotif playing through postwar Japanese politics, finally brought down the LDP. A string of scandals arose from the late 1980s to the 1993 election and embroiled a significant number of party members. These specific issues molded public evaluations of the LDP itself and the specific cabinet in power.

Noboru Takeshita assumed the prime ministership from Yasuhiro Nakasone in November 1987. While mustering support from only 25% of the public in 1982, Nakasone was generally considered a popular Prime Minister. In the months leading up to the 1986 general election his support rose, reaching 45% when the LDP humiliated the parties of the Opposition.¹ Nakasone's public support slipped to 33%, however, in early 1987 when he introduced an unpopular sales tax. The conservatives lost significantly in the local elections the

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following April, and Nakasone was forced to withdraw the tax.

New Taxes and Scandals Take Toll

Takeshita thus took office under less than optimal conditions. The new leader nonetheless emerged with a plurality of support (37%). Unfortunately, public concern over another newly enacted sales tax and speculation over more government scandal quickly pushed support for the cabinet to a dangerously low 14%. A month prior to the tax enactment, an *Asahi Shimbun* poll revealed over 80% of the public was dissatisfied with the new tax, and when asked what the government should do, over 90% stated that the tax should be revised or abolished. And while political officials

were enjoying a monetary windfall from the Recruit scandal, the details being released to the public cost them a large price in support. Takeshita himself was implicated, and was judged to be poor for his lack of enthusiasm for eliminating corrupt officials from his administration. An *Asahi Shimbun* poll probing the public's concern about the Recruit affair found nearly 50% thinking the scandal was caused by a lack of ethics. Another 22% faulted the method by which political contributions are made. Seventy-five percent thought money for campaigns should be regulated more strictly, and 67% thought that the Takeshita cabinet was not actively dealing with the corruption.

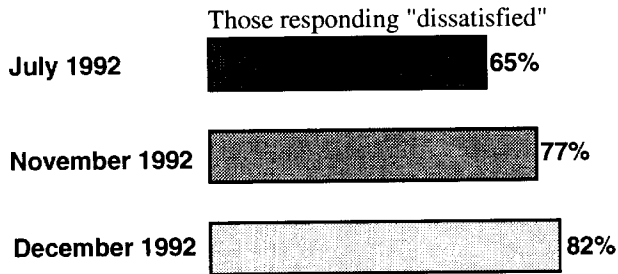
During the early months of 1989, Takeshita's support fell rapidly. With the upper house election scheduled for July, Takeshita was forced to resign—a desperate act of damage control by his party. Sosuke Uno, untainted by the Recruit affair, took over in June. Uno's supposedly clean image was key to leading the party, but he was unable to remove his association with the unpopular tax and the scandals that plagued the LDP. In June 1989, 65% of those polled thought he was doing little or nothing in the area of political reform, and such negative evaluations significantly affected support for his cabinet (20%). Also, soon after assuming the prime ministership, Uno became embroiled in a sex scandal, which added to his political woes. His two-month tenure was a dismal failure ending with the LDP's loss of its Upper House majority.

Parade of Prime Ministers

Reaching deep into its ranks for an untainted leader, the LDP elected Toshiki Kaifu, a former Minister of Education, as party president. Kaifu was unique in that he was without his own faction, and to overcome this political weakness he attempted

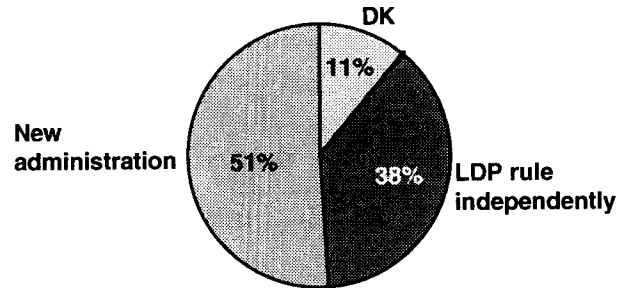
Figure 1
Growing Political Dissatisfaction in Japan and a
Strong Call for Reform

Question: Would you say that you were satisfied or dissatisfied with politics these days?



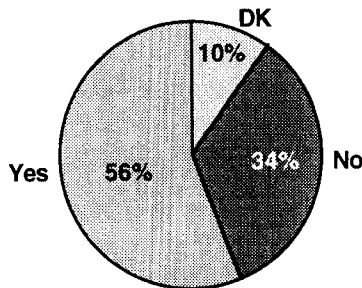
Source: Surveys by the *Yomiuri Shimbun*, for the dates shown.

Question: Do you want to see the LDP continue to rule independently or would you like to see a new political administration?



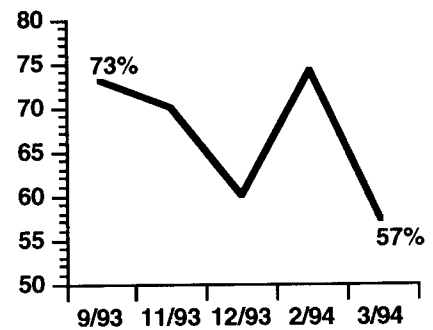
Source: Survey by the *Asahi Shimbun*, April 1992.

Question: With a change in the current political framework, would you like to see a situation where a new political party can take power?



Source: Survey by the *Asahi Shimbun*, April 1992.

Question: Do you support the Hosokawa cabinet?



Source: Surveys by the *Asahi Shimbun*, for the dates shown.

Question: What policy area do you want the Hosokawa administration to pursue the most?

	Supporters		Non-supporters
Political reform	46%	Business conditions/prices	39%
Diplomacy/international economy	11	Rice/agriculture	27
International financial assistance	8	Tax system	19
Rice/agriculture	8	Welfare/pensions	9
Welfare/pensions	6	Political reform	9

Source: Survey by the *Yomiuri Shimbun*, January 30, 1994.

to establish himself as a committed reformer and strong national leader. He pledged to reform Japan's political system, including the way campaign funds are collected and the method by which Lower House members are elected from the nation's districts. Additionally, Kaifu traveled to the US to represent the nation's interests in trade talks with former President Bush. In terms of public support, the strategy was largely successful, and while never able to overcome his weaknesses within the party, Kaifu proved to be a relatively popular Prime Minister. After a weak start, 27% support in August 1989, his supporters increased and remained more numerous than his opponents throughout his tenure. However, with political reform again failing to pass and weak ties within the party continuing, Kaifu's tenure ended.

In November 1991, Kaifu was succeeded by the more experienced and politically secure Kiichi Miyazawa. Miyazawa began his stormy tenure with a plurality of support. The issue that debilitated him was an investigation into allegations that a trucking company with ties to organized crime, *Sagawa Kyubin*, offered payments to politicians for political favors. While such events have not been infrequent, two aspects of the current affair went beyond what the public had witnessed previously. Former Prime Minister Takeshita not only received money from the trucking company but also allegedly paid off gangsters to stop their harassment. Shin Kanemaru, the other involved LDP faction leader, was charged with tax evasion and ultimately arrested. Investigations revealed that Kanemaru received upwards of \$4.3 million from *Sagawa Kyubin*, and a search of his premises uncovered a personal fortune in gold bars, bonds, and other assets of over \$6 million.²

Reform Zeal Overwhelms LDP

Miyazawa pledged to end corruption and introduced four reform bills. One of these bills involved abolishing the current election system of multiple-member districts and replacing it with single-member constituencies. During deliberations on the measures the LDP took a no-compromise approach, knowing that the party would fare well under the new system. The Socialists, who stood to lose, resisted, and this

made passage virtually impossible. The public's reaction was predictable. When an *Asahi Shimbun* poll asked if respondents thought the government would deal with the issue of political corruption and reform, 70% said they thought it would not.

Political reform was the order of the day, and one would expect this would provide an incentive for elected officials to push for some correction of the current system. Many members of the LDP supported and pushed for change by organizing reform-oriented study groups that ultimately broke from the party. In a sense, such actions were tantamount to asking the public to support a radical change in the current party framework, something it had not been willing to do previously.³ The Japanese public at this time was dissatisfied with politics to be sure. As Figure 1 shows, those expressing dissatisfaction grew from 65 to 82% in a five-month period. How-

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ever, public attitudes went even further this time. An *Asahi Shimbun* poll in April 1992 showed that over 50% wanted to see the changes that occurred in the Upper House in 1989 continue. Moreover, 51% did not want the LDP to continue to rule independently, and 56% wanted the LDP to be replaced with a new party.

Rise of New Parties

This was enough incentive for former Upper House conservative, Morihiro Hosokawa, to leave the LDP and form the Japan New Party. The schism this created in the LDP did not stop here as two internal reform groups ultimately split off and became new political parties. The results were a watershed in postwar Japanese politics as the LDP was relegated to the Opposition along with the Japan Communist Party.

A fragile multi-party coalition was formed under the leadership of Morihiro Hosokawa. The leader of the new government had long been an advocate of reform, and when he took power he pledged to accomplish a complete reform of Japan's political system by December 1993. As Figure 1 shows, the public rewarded him with the highest approval rating of any cabinet in postwar history. What Japanese voters, especially those who supported the new Prime Minister, wanted was clear: Political reform was the most important issue for those who supported Hosokawa, out-performing the next most wanted policy change by 35%.

In office, Hosokawa effected political reform, but only after brokering a diluted compromise with the LDP after his stated December 1993 deadline. This perhaps hurt his popularity, but not more than charges that his fragile coalition had no economic policy, that he bungled an attempt at tax reform and, most importantly, that he admitted receiving a \$1 million loan from the *Sagawa Kyubin* trucking company.

For the future, numerous scenarios are possible. It is certain, however, that the sea change which brought Hosokawa to power will continue to provide incentives for carrying on the process of reform. Unfortunately, it is not clear how a new cabinet can maintain a safe distance from major scandal long enough to continue the reform process and remain in good public favor.

Endnotes:

¹ The "Opposition" refers to those parties which are not part of the government.

² *Asahi Nankan*, 1993.

³ Previous work shows that Japanese voters had been willing to punish the LDP in Lower House elections by not voting, or casting a 'protest' vote for one of the Opposition parties, but were never willing to vote it out of power. See, for example, Gerald Curtis, *The Japanese Way of Politics* (New York: Columbia University Press, 1988).

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