

# INTERNATIONAL AND STRATEGIC STUDIES REPORT



MAR 25, 2015

ISSUE. 20

Institute of International and Strategic Studies, Peking University

## Trends of Abe Administration and Sino-Japan Relations

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### 1. View on recent political trends in Japan in light of the House of Representatives Election at the end of 2014

The voting system used to elect the House of Representatives in Japan is a parallel system, which consists of the first-past-the-post voting and the party-list proportional representation. In the first-past-the-post voting, voters vote candidates directly; the candidate that receives most votes wins. In the party-list proportional representation, voters vote political parties; seats get allocated to each party in proportion to the number of votes the party receives. Judging from the votes each party received in the party-list proportional representation, the Liberal Democratic Party (LDP) got 17.65 million votes in the House of Representatives election

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at the end of 2014, and that number actually did not have an overwhelming advantage, was even lower than the number of votes in the House of Representatives election in 2009. The Democratic Party of Japan (DPJ), which got nearly 30 million votes and took the power in 2009, was frequently criticized by the people for its failure in dealing with a series of domestic and foreign problems. In 2014, the votes DPJ got dropped to a third of the votes in 2009; in last year's election, its votes were also stagnating. Meanwhile, the Japan Innovation Party, led by Mayor of Osaka Hashimoto Toru, also got fewer votes. The Komeito, which is mainly supported by religious organization Soka Gakkai, got relatively stable number of votes.

With the analysis of the change of votes each party received and the ratio of votes, especially considering the liberal DPJ got an overwhelming majority of votes in 2009, we can conclude that the development of the "rightist" tendency in Japanese politics in recent years is not linear.

## **2. Recent policies of Abe Administration**

After two a half years in office, Abe Cabinet now is facing two major issues. The first one is the right of collective self-defense, and the second one is the content of the speech Prime Minister will deliver at the "70th anniversary of the end of war".

Since Japan's defeat in the war 70 years ago, the Japan Self-Defense Forces (JSDF or SDF) have never been engaged in wars and killings in foreign countries, and no JSDF personnel was therefore killed. Japan's postwar security and defense policy is very special for two reasons: according to the Constitution, Japan should not have an army, but only can have the SDF; two are not in the SDF overseas activities. There were only two exceptions. The first one was the SDF's involvement in UN peacekeeping operations in Cambodia and South Sudan. However, parties

involved in the conflict in the two countries had agreed to a cease fire, and were in a truce at that time. The second one is that Japan had sent the SDF to Samawah area in the Iraq war, but the area was not a combat zone, and the SDF only participated in logistical support work.

Last year, there was an important change in Japan's security and defense policy, which was that the Cabinet approved the resolution of changing constitutional interpretation and lifting the ban on the right of collective self-defense to allow the SDF to expand the scope of the exercise of force when Japan's security is threatened. According to the Cabinet resolution, the government is promoting legal rectification, and is expected to pass related bills in 2015. There are two examples about the circumstances under which Japan can exercise the right of collective self-defense. If there is a military conflict on the Korean peninsula, when local Japanese citizens are on an American ship to seek refuge in Japan, and the ship is attacked, it can be considered as a threat to Japanese citizens, and the right of collective self-defense can be then exercised. If a Japanese ship is attacked by torpedoes or other weapons in the Persian Gulf, the right of collective self-defense can be also exercised. These provisions open the way for Japan's military activities overseas. They are the major changes in defense policy of Abe administration.

Let's look at the second issue. Prime Minister Abe will deliver a speech in August this year to commemorate the "70th anniversary of the end of war". 20 years ago, at the 50th anniversary of the end of World War II, the then Prime Minister Murayama Tomiichi released the famous "Murayama Statement". The key point of the statement is that it recognizes Japan's "policy mistakes" to launch a "war of aggression", and expresses Japan's "deep reflection" on that. To what extent will Prime Minister Abe inherit the Murayama Statement reflects his view of history and diplomacy. Abe once said that because the definition of "aggression" is not yet conclusive

in the science of history, he was skeptical of the use of this term at the political level. Abe also believed that it's not necessary to stick to wordings such as "deep remorse" and "heartfelt apology" in the Murayama Statement. China and South Korea expressed strong opposition to these statements of Abe, and the U.S showed concern towards them, too. Generally speaking, Abe's statements on political issues are strong at first, and are then adjusted depending on public reaction. This is Abe's style of politics. The preparatory process of the speech at the anniversary also reflects his style: in the beginning, he said he will no longer use the keywords of the "Murayama Statement"; then as he observing the response, he moderated his remarks gradually. Chief Cabinet Secretary Suga Yoshihide is responsible for the coordination of the matter. He convened 16 members, including historians and international politics scholars, and set up a special symposium. Most of the members have relatively neutral political stand, only except that Professor Nakanishi Terumasa of Kyoto University is highly conservative. Nishimura Taizo, the chairman that presides over the symposium and a famous business leader and the former chairman of Toshiba, has a dove' view of history. The symposium will summarize the views of all members and publish a report in July. It is estimated the report will be written by Professor Kitaoka Shinichi of University of Tokyo. Most scholars in the symposium hold that it should be clearly stated that Japan had launched a war of aggression in the "Abe Statement".

Abe and his staff will discuss details of the statement based on the report, and will also negotiate with China and South Korea in the process of discussion. Therefore, the "Abe Statement" is likely to inherit the content of the "Murayama Statement" to admit the fact of Japan's invasion. One important background reason for this is that the commemoration of the 70th anniversary of the end of World War II not only affects the Sino-Japan and Japan-South Korea relations, it also draws the attention from the U.S., Russia, Europe and Southeast Asia. The world is watching how Japan will

reflect on the past war. They believe that this affects the kind of relationship Japan builds with its neighboring countries and Japan's choice of future development path. Prime Minister Abe seems to have realized this.

I too think that the 70th anniversary statement should be brainstorming and carefully worded, and should reflect the exchange of views with neighboring countries, so that the statement will become the important foundation and guideline for Japan's future foreign policy. Summit talks between China, Japan and South Korea is likely to be held in this fall. If the "Abe Statement" is able to obtain understanding from neighboring countries, it will create a good atmosphere for the summit. After properly resolving the issue, Prime Minister Abe can concentrate on the LDP presidential election in September. If he wins, Prime Minister Abe will be re-elected for the next three years. If he wins the House of Councilors election in the summer of next year, Abe will likely be in office for six years.

A very important campaign issue in the House of Councilors election is constitutional amendment, which has long been Abe's proposition. Since its enactment, the Constitution of Japan has never been modified. It is known as the Peace Constitution, essentially because the Article 9 of the Constitution states that Japan will not maintain its own armed forces. In Japan, the constitutional amendment has a very high threshold: it needs to get support from two thirds of seats in both houses and then pass a referendum. Long supported by the Japanese people, Article 9 cannot be easily amended by Abe. Therefore, even if he wants to amend the Constitution, Abe will start practically from issues like passing new environmental law and modifying the proportion of power in the two houses.

I personally think that the biggest issue for Abe administration is the issues of Japanese economy. For example, the government needs

to decide by the end of next year whether to continue to raise the consumption tax. In the past two and a half years, "Abenomics", the economic reform Abe has been promoting, continues to this day. The content of "Abenomics" is commonly known as the "three arrows". The first arrow is monetary easing, which is implemented by a big buying of government bonds by the Bank of Japan (the central bank) to greatly depreciate yen. Exchange rate of yen has fallen from the former 1 U.S. dollar to 80 yen to the current 1 U.S. dollar to 120 yen. This policy of quantitative easing has indeed promoted development of the export industry. In addition, the depreciation of the yen has also promoted Japan's foreign tourist shopping. During the Spring Festival, when I went to Ginza for interviews, I found that the electric rice cookers, toilet seats and other products that are widely welcomed by people from China were even out of stock. However, this change is a double-edged sword. While the export profitability is increasing, the import-related industries are suffering greatly from the negative impact. The second arrow is the fiscal policy of constructing public infrastructure to promote economic development. This fiscal stimulus will continue to increase deficit, and may have an adverse impact on the future development of Japan. The third arrow is aimed at the structural reforms that promote economic growth. Currently, its effects are poor, and its prospects are not bright. Structural reforms have been strongly opposed by vested interests, because the agriculture and medical industries are involved in the reforms.

I once asked Professor Hamada Koichi, one of the most important figures in Prime Minister Abe's economic think tank, to grade "Abenomics". He said the first arrow of monetary easing has a significant effect, he could give it an A; the second arrow of fiscal stimulus has short-term effects, but in the long run there is hidden trouble, he gave it a B; and for the third arrow of structural reforms, he gave an E that represents very poor and unqualified. Putting together, the three grades A, B and E is exactly the English spelling of "Abe".

### 3. Mid-term outlook on Japan's politics

In the 1990s, Japan implemented a significant reform on the electoral system of the House of Representatives, changing the system from the single non-transferable vote multi-member districts to the parallel system of the first-past-the-post voting and the party-list proportional representation. After the introduction of the first-past-the-post voting, each constituency can only elect one candidate, and the one who gets the most votes is elected. This is more difficult for the LDP to get majority of seats, and is beneficial to regime change. The true of regime change occurred in 2009. During the 3 years 3 months' ruling of DPJ, the Japanese government was very unstable. Tensions were provoked on the Diaoyu Islands and the Futenma issues, and the DPJ therefore fell from power. After the LDP returned to power, under the first-past-the-post voting system, the failure of the policy will directly destabilize the regime, which makes the current Japanese politics full of tension. The economic policy may directly determine regime change. Thus, to stabilize the regime, Abe needs to obtain tangible economic results.

Now I want to say something about Japan's "rightist" problem. On the issues of the right of collective self-defense and paying homage to the Yasukuni Shrine, Abe Administration indeed tends to be conservative. But looking back on Japan's politics in the past 15 years since the year 2000, we still cannot say that Japan continues to be conservative. Take the Yasukuni Shrine issue for example. After Prime Minister Koizumi's continuous visit, the DPJ Prime Minister and Cabinet members did not visit the Shrine. The DPJ is a party with liberal and dovish tendencies in Japan's politics. During its three more years' ruling, the conservative tendency of Japan was not reinforced. Particularly, Kan Naoto, who is from the Social Democratic Party and engaged in civic movements when he was young, became prime minister during this period. It's very surprising that a candidate with such a political background was

elected as prime minister. Therefore, it is more accurate to say the politics in Japan is swings between the left and the right rather than to say Japan's conservative force is in a linear development.

One of the factors causing this instability is the development of media. In the past, media in Japan, especially newspapers had a great influence in society. Media collected and summarized public opinion and delivered it to the government, while presented and explained the government's policy to the public. It played the role of a medium in every sense. In recent years, however, politicians and the public frequently bypass the traditional agency of media and communicate directly due to the development of communication technology and new media.

Public opinion now can directly affect the political environment. And it is very difficult for the traditional media to make balanced reports. Take the topic of increasing consumption tax for example. Because this policy will increase the burden on citizens, public opinion should be extensively collected by the media. But it is very difficult to be done. Japan introduced the consumption tax 20 years ago. The rate has increased from the 3% in the beginning to the current 8%, and will further increase to 10%. This reflects that when the economy grows, the expanding cake is shared by everyone; when the economy is in stagnation, the burden needs to be shared by everyone. China is now facing the similar difficulties. It requires politicians and the media to take responsibility together. If China and Japan can exchange experience on these issues, it will be a blessing for both countries.

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