

Why Japan Can't Lead

*F*in de siècle discussions in Japan focused on the pace and profile of the country's economic recovery. Can Japan transform itself into a knowledge economy, where a premium is placed on innovative services rather than goods? Will the financial and high-tech industries regain their competitiveness? Elements of Japan's political economy appear up to the task; business models are changing and government agencies have been restructured and reorganized. But there are lingering doubts about whether political leaders, irrespective of party affiliation, will take on the more difficult problems of labor market, pension, and fiscal reform.

Yet despite the economic gloom of the past decade, the conventional wisdom regarding Japan's politics has not changed in the new century. The perception remains that Japan's political ills were remedied by the change brought on by the reform bills of 1994 which forced elections in the lower house of the Diet to be held under a new electoral system. However, the prime minister is still elected by members of the lower house and this remains the root cause of the country's continued political malaise.

But there is little debate over the adequacy of the existing political system in large part because Japan, on the surface, appears to have adapted to the economic uncertainty introduced by recent market and banking crises. Currently, angst reaches beyond the domestic economic malaise. Globalization and the information revolution have proven capable of transforming societies. Yet Japan, faced with corporate restructuring, enormous fiscal deficits, and significant demographic change, is still coping with rougher aspects

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The Washington Quarterly • 23:2 pp. 17–21.

of modernity. Given the velocity of change, many more Japanese are now beginning to question if their leaders are fighting yesterday's battles and therefore are risking the nation's future stability and prosperity. In fact, the current stability associated with Japan's status quo politics will prove ephemeral in the next decade.

There are other compelling reasons why Japan needs to undergo a dramatic transformation. Japan enters the year 2000 with a still unscheduled, but constitutionally mandated, election of the lower house of the Diet. The forthcoming elections will be the sophomore attempt at political change; the process began with the historic election of October 1996, held under a new electoral system. Multimember districts were replaced with 300 new single-seat districts where only the top vote-getter obtained office. In addition, 200 seats are apportioned based on each party's election performance in fourteen regional districts. In practice, the parties submitted a list of candidates to fill these seats that would be administered proportionally. Japanese voters dispensed two votes—one for their candidate in their home district and one for their preferred party on the proportional slate. The question no one asked at the time was whether the average voter preferred quantity to quality.

The expectation of most observers was that the new system, after a few election cycles, would work against money politics and eventually encourage a straight debate on policy issues. The old multimember system discouraged public debate and eventually led to political corruption scandals that were directly linked to a tradition of distributive (i.e., "pork-barrel") politics. The new system discouraged accommodation and collusion and sought to inject competition and accountability into the democratic process.

The deeper concern is not about whether one party had dominated the political scene for too long. If the problem were one of political diversity or power sharing, then the solution would rest squarely with the opposition parties—all of which have failed to develop a compelling, or convincing, agenda for positive change.

Four years after the first election under the reforms, political imbalance exists in part because of old-fashioned gerrymandering—a rural vote in the lower house is still worth two urban votes. Recent upper house elections, where the Liberal Democratic Party (LDP) performed poorly in major cities, were a signal of the emerging polarization in Japanese politics. Adding to the rural-urban divide is the country's longevity revolution. There are now more Japanese over the age of 65 than are under the age of 16. In ten years, one-third of the Japanese populace will be over the age of 60. Some of these elders may move to more rural locales, but the majority will grow old where they now work and live, in the major industrial cities. With weak opposition

parties and status quo politicians, an increase in problems along generational and geographical lines is likely to face Japanese society. This scenario is certain to further retard the country's move toward a broader leadership role in the world. Today within the ruling LDP, young lawmakers are desperately trying to change their ossified system. A small group of younger Diet members recently held a mock party leadership election on the Internet—a symbolic gesture of defiance clearly based on generational lines.

Tackling the gerrymandering issue head on will prove to be a difficult proposition. Given the golden rule that all politics is local, there is slim chance that a sitting Diet member will write himself or herself out of office by redrawing electoral districts again. The two traditional functions of parliamentary representatives—to serve as the local delegate representing the interest of a constituency and to act as a trustee in the interests of the nation as a whole—are now treated as mutually exclusive within the divided ranks of the Diet. Simply put, 300 Diet members are responsible solely for the welfare of their respective districts and are expected to be more responsive to the specific needs of their constituencies. The remaining 200—many of whom lost district races themselves, and all of whom were elected via the proportional list method—need only to maintain close faction ties and avoid intraparty disputes to ensure their reelection.

The reformed election system has created a Japanese government run by an even more hierarchical system of competing interests. In effect, Japan is led by varsity and junior varsity teams. In practice, the junior varsity squad, those elected via the proportional slate, can engage in long-term policy issues, but will their colleagues on the varsity team listen to what they have to say? This unhealthy division is having a corrosive effect on Japan's hierarchical and seniority-driven party infrastructure. The incentive for strategic thinking is shifting toward weaker political actors. But the current arrangement is unlikely to change as it is plainly evident that smaller opposition parties benefit most from the proportional vote. So Japan's political process risks becoming more opaque with this emerging two-tiered caste system.

Japan needs to find an innovative solution—one that will release expanding generational pressure, temper the growing divide in the Diet, and ensure a straight debate over the tough policy issues that inevitably lie ahead. If Japan is truly looking to break free of the constraints of "old-think" brought on by its consensus-based and seniority-biased culture, then it will need to directly empower its electorate to introduce positive innovation. One way to

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cut the Gordian knot in Japanese politics is to modify the current electoral system and allow for the direct popular election of the prime minister, as is the case in Israel. Giving voters the opportunity to elect directly their prime minister will bring further clarity and seriousness to the political process and can be had for relatively little political cost.

Opposition parties are naturally inclined to support the direct election of the prime minister, given the leapfrogging potential. But unlike recent gubernatorial races in Japan where media personalities have won over a skeptical electorate, those seeking to become prime ministers would need extraordinary leadership and management skills given the future profile of Japan. For the ruling LDP, this change would soothe growing internal generational tensions. Given the fact that the LDP supported a socialist prime minister in the last decade, arguments over whether the pacifist left can govern is moot. The reality is that the Japanese electorate, like almost every other democracy in the post-Cold War, is only “extreme” with regard to its centric view of politics.

Direct election of the prime minister would also force those thinking about rewriting Japan’s postwar constitution to consider more seriously and broadly its geopolitical implications. Current thinking on rewriting the constitution is dominated by a single issue: Japan’s right to collective self-defense. The public should understand that, if this right were to be exercised in a time of conflict, it would require a strong political leader who has the support of the Japanese people. Recent changes such as requiring the prime minister to field questions from the opposition (for 40 minutes) on a weekly basis is a very modest first step in the right direction given the great aversion for both public confrontation and individual accountability.

In short, a direct election of the prime minister would put Japan’s domestic and international agenda in clearer terms both for its own citizens and for partners abroad. It would also force the current political parties to articulate a national vision more in line with the changed economic and political realities of the new century.

With the close of the twentieth century, there is a new volatility, the origin of which lies with the geopolitical uncertainties and national expectations brought on by the collapse of the Soviet Union. To its credit, Japan has learned from, and improved upon, its experiences in the Persian Gulf War, in the United Nations (UN) intervention in Cambodia, and with the continued instability on the Korean peninsula and across the Taiwan strait. More importantly, there is acceptance by all of the major political parties of the strategic importance and constitutionality of the country’s self-defense forces and its commitment to the U.S.-Japan Security Treaty.

Those in Japan who oppose direct election of the prime minister argue that Japan’s consensus style of decision making, though slow to move, deliv-

ers a stronger political response when faced with a major problem. From the perspective of U.S.-Japan relations, the absence of a single, forceful voice from Tokyo is frustrating. But in many ways the United States does the same in crafting foreign policy, accepting domestic political compromise before moving on to any strategic question.

However, will Japan's consensus style of leadership—with its heavy reliance on political compromise and backroom maneuvering—be adequate in a geopolitical age where the twin trends of instantaneous global media and market coverage can force critical foreign policy decisions in a matter of days? For example, could a Japanese prime minister—without strong popular appeal—act in the same manner as Great Britain's Tony Blair did during the North Atlantic Treaty Organization (NATO) campaign in Kosovo? Or does Japan's political will have to manifest itself in decidedly different terms when faced with decisive action? Putting aside the issue of Japan's historical legacy, do the answers to these questions lie with cultural differences and societal expectations (the English, for example, do not directly elect their prime minister), or do they rest with the current form of Japanese leadership? The problem lies with the latter, and the solution rests with further modernization of Japan's process to elect its leader.

The forthcoming elections will be the sophomore attempt at political change