



Can This Man Save the LDP?

By Michael Auslin

Japan's new prime minister, Taro Aso, faces significant challenges in his first months in office. Forced to grapple with economic downturn and partisan political paralysis, Aso must quickly devise a realistic plan to reform Japan's economy and justify its global role if he and his Liberal Democratic Party (LDP) are to survive.

Taro Aso recently became Japan's third prime minister in less than two years with one goal in mind: survival. He inherits the leadership of the LDP at the most perilous moment in its fifty-three-year history. The LDP has ruled Japan continuously since 1955, except for a ten-month period back in the early 1990s. The LDP's and Aso's fates will be decided by the next general election for the lower house of the Diet, which may come as early as this month. Most observers believe the LDP will likely lose its absolute majority in the lower house to the Democratic Party of Japan (DPJ), thus leading to the first complete opposition takeover of government since 1955. Early indicators are not good for Aso; his approval ratings are below 50 percent, and his most controversial minister, the Nanjing Massacre-denying Nariaki Nakayama, has already resigned as transport minister due to offensive remarks about Japan's minorities, farmers, and teachers.

The LDP's demise, however, will not be brought about solely by Aso's clumsy start, nor because of the failures of his two immediate predecessors, Yasuo Fukuda and Shinzo Abe. In reality, Japan has long been in an extended period of political realignment, stretching back to 1993 and the first loss of power for the LDP at the hands of current DPJ head Ichiro Ozawa. Back then, Ozawa, a brash

young LDP powerbroker, bolted from the party with a few other heavyweights to form the first of several splinter parties. He shepherded a coalition of parties that took power in 1993–94 and ever since has been stirring up Japanese politics by forming and dissolving opposition parties with the goal of taking power either from within or without the LDP. The LDP gained a reprieve during the nearly six-year rule of Junichiro Koizumi from 2001 through 2006, but he in fact helped hasten the majority party's end by attacking the faction system and waging war on LDP leaders who opposed his reform plans.

The endgame of these fifteen years of political instability began in July 2007, when Ozawa's DPJ captured the upper house of parliament, leading to a divided government for the first time in postwar Japan. Novice prime ministers Abe and Fukuda found their legislative agendas blocked by the DPJ, and they were largely unwilling to use the LDP's two-thirds majority in the lower house to ram through bills. Both Abe and Fukuda resigned largely out of frustration at their inability to sell a program to the voters or work with the DPJ to pass legislation. Their sudden surrenders only cemented the image of a party no longer able to govern effectively.

This is where Aso's challenge lies. He must quickly convince Japan's voters that he has inherited the mantle of reform from the popular Koizumi. Aso has to show that the LDP has a

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clear agenda for reviving the economy, continuing reform, slowing the income gap, and improving public services such as health care. He must also make a compelling case for continuing and deepening Japan's engagement with Asia and the world. In addition, he must decide when to call for parliamentary elections and whether to try to pass a supplemental budget to stimulate the economy before such elections.

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All of this is a pretty tall order, especially if Aso decides to call earlier elections in order to capitalize on the newness of his rule. Aso is an engaging if controversial figure in Japan. He is the grandson of the legendary Shigeru Yoshida, Japan's most important postwar prime minister, who held power for seven years and set the country on its pacifist, economically oriented course. Aso is well-known as a fan of Japanese comics, or *manga*, and has a rapport with younger Japanese usually lacking among LDP politicians. As foreign minister under Abe, he promoted a "values-based" diplomacy, yet he is equally known for statements that some see as nationalistic, if not chauvinistic. One such reported comment praised the compulsory education Japan imposed on

Taiwan during its colonial rule of the island before World War II.

Aso's new cabinet largely avoids the unity cabinet appointments of LDP heavyweights that marked the Abe and Fukuda administrations. Aso, it seems, will be the main voice and the public face of his government, and some of his key appointments are first-timers, such as Defense Minister Yasukazu Hamada. He has also continued an LDP tradition of appointing offspring of former premiers, including the daughter of the late Keizo Obuchi as gender minister and the son of LDP statesman Yasuhiro Nakasone as foreign minister.

Given the continuing political uncertainty in Japan, as well as Aso's rocky start, it is unlikely that any key initiatives will be enacted soon. For the United States, which will undergo its own change in administrations next January, there likely will be more months of uncertainty regarding Tokyo's ability to push forward on completing alliance realignment or articulating a global role. Japan's trade partners will also wait to see if Aso jump-starts economic reforms that increase consumption, cut regulation, or liberalize the investment sector. The perception that Japan is in limbo will continue as long as politicians are unable to come up with a comprehensive and effective policy platform.

Asia will be watching as the region's oldest democracy struggles to end its political paralysis. Japan's neighbors and friends will wait to see if the next elections usher in a true two-party system in which the opposition DPJ potentially sets the country on a new course. Even if that does happen, however, the hard questions about domestic reform and Japan's role in the world will remain for the country's new leaders.

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