Implications of the Japanese 2014 Election

Craig Mark, Kwansei Gakuin University, Japan

The Asian Conference on Asian Studies 2015
Official Conference Proceedings

Abstract
As widely expected, Japanese Prime Minister Shinzo Abe led his conservative Liberal Democratic Party (LDP) to a landslide victory in the snap election held on December 14, 2014. With the support of its coalition partner the Komeito Party (KP), Abe’s government enjoys a two-thirds supermajority of 326 seats in the Lower House of the Diet. Abe’s success was mainly due to the unpreparedness and general disarray of the Opposition parties, rather than any great enthusiasm for the LDP, which effectively won by default. The LDP was aided by a record low voter turnout of only 52.63%, cynically encouraged by holding the election in winter. The short, low-key official campaign of only two weeks enabled the LDP to evade proper scrutiny of its policies and performance. The election was promoted by Abe as a referendum on his economic policies, popularly termed ‘Abenomics’. Abe pledged to delay another raise of the consumption tax until 2017, after the last increase from 5 to 8% in April 2014 blunted consumption and tipped the economy into recession. Abe is likely to continue the core policies of Abenomics: the Bank of Japan’s massive quantitative easing, and fiscal stimulus spending. There is speculation though that Abe will continue to delay the more complex and wide-ranging ‘third arrow’ of proposed structural reforms, putting off the difficult and unpopular tasks of deregulating the energy, agriculture, health, insurance and finance sectors, and cutting welfare. Enjoying a supermajority in the Diet, Abe will be able to pursue his treasured goal of reinterpreting the constitution, to allow Japan to participate in ‘collective self-defence’ with its allies. The Abe government is also likely to continue to increase defence spending and begin arms exports. Abe’s decisive win entrenches his hold on the LDP leadership, and secures his government towards the next lower house election, now due in 2018, putting him on course to be the longest-serving postwar Prime Minister of Japan.
Abe’s Early Election Gamble

Prime Minister Shinzo Abe achieved a remarkable political comeback in 2012, returning to lead Japan’s conservative Liberal Democratic Party (LDP) back to office in the December Lower House election that year, defeating the Democratic Party of Japan (DPJ), which had endured a three-year term of office marked by the 3.11 Tohoku disaster, an ongoing economic slump, and an annual turnover of Prime Ministers. Abe consolidated this victory in the Upper House elections in July 2013. However, the decision to raise the consumption tax in April blunted the economic recovery briefly enjoyed under Abe’s signature stimulus policies, marketed as ‘Abenomics’. As consumer confidence and aggregate demand was blunted, the economy slipped back into recession in mid-2014.

With declining approval ratings, and a Cabinet reshuffle derailed by scandal and resignations, it may have seemed politically counter-intuitive for Abe to have sought an early election, just when the economy had endured a recession. But following his return from the Brisbane G20 summit, he did so nevertheless. Although an election was not constitutionally required until late 2016, Abe called a snap election for the Lower House of the Diet on November 18, only half way through the government’s first term. The Diet was dissolved on November 21st; and the election campaign proper commenced December 2nd, with the election set for December 14, for the ruling LDP-KP coalition to defend its comfortable majority of 325, out of the 480-member House of Representatives. Cabinet had been due to decide whether to proceed with a further raise of the consumption tax to 10% from October 2015; Abe switched the narrative to base the election campaign on seeking a mandate to delay the raise until April 2017 (BBC News, 2014a).

An election was not required for the delay though, as the opposition parties generally did not favour the increase, and so any required amending legislation for a delay would have easily passed the Diet. The consumption tax delay was therefore used rather artificially as a pretext to call the early election, and thus served the purpose of being a political circuit-breaker for the LDP. The Diet approved a supplementary budget before it dissolved, aimed at providing more stimulus spending of over ¥2 billion, particularly directed towards rural and regional areas already confronting stagnation, from their aging and shrinking populations; the supplementary budget also provided a useful coffer for election spending promises in the LDP’s rural support bases. The main tactical motivation for the timing of Abe’s decision for a snap election though was to press an advantage against the opposition parties, which remained weak and divided. The DPJ remained far behind in opinion polls, at only a 7.9% support rating, compared to 36.6% support for the LDP. Abe and the LDP thus hoped voters still regarded the DPJ as unfit to return to office, having presided over their politically inept period of government from 2009 to 2012, under a rotating series of Prime Ministers (Sieg, 2014a).

The political spectrum of Japan for the 2014 election remained further splintered by a bewildering range of shifting and reforming political parties, which endured even lower levels of public support. They included: the Japanese Communist Party (JCP); the populist and nationalist Japan Innovation Party (JIP), still weakened from the defection of its ultraconservative members, who had formed the Party for Future Generations (PFG); the populist People’s Life Party (PLP) of Ichiro Ozawa; the
neoliberal Your Party (YP), which faced a potential split after losing its leader following a funding scandal; and the remnants of the progressive Social Democratic Party (SDP), which had far from its brief time in government in the 1990s. Numerous Independent candidates also contested the election. The generally high level of political apathy among the Japanese electorate, with around 40% of those polled expressing no support for any party, and voter turnout in recent elections of around 60% also usually played to the advantage of the incumbent LDP government (IIDEA, 2014).

Exploiting this sense of voter apathy, utilising the Thatcherite slogan, “There is no alternative”, the LDP ran a fairly desultory and low-key campaign, emphasising the necessity of continuing the economic plan outlined in ‘Abenomics’, despite the setback of raising the consumption tax. The campaign downplayed potentially controversial upcoming legislation and policies, particularly restarting nuclear reactors, and reinterpreting the constitution to allow participation in collective self-defence with Japan’s allies (BBC News, 2014b).

These unpopular issues could have proved problematic for the LDP in campaign, if the opposition parties had only managed to become competent enough to capitalise on them. The DPJ held talks with the YP, JIP, SDP and PLP to potentially form a coalition against the LDP, but any such alliance would have proved too unwieldy and ideologically fractious to pose any serious threat to the LDP-KP coalition, and nothing seriously came of it. Abe thus presented the election as a judgement on his once-lauded policy of ‘Abenomics’, centred on the combination of fiscal stimulus and extensive Quantitative Easing, although the ‘third arrow’ of widespread structural economic reform had so far proved more elusive. Abe espoused his determination to finally break the Japanese economy out of its decades-long deflationary slump. However, with Japan having sunk back into its fourth recession since 2008, the gloss of Abenomics had definitely worn off (Sieg, 2014b).

**Abe’s Early Election Gambit Pays Off**

As widely expected, Abe led the LDP to a landslide victory in 2014’s snap election, winning a majority of 291 seats out of 475 seats in the lower house of Japan’s parliament, the Diet. With the support of its coalition partner the KP, winning 35 seats, Abe’s government now enjoys a two-thirds supermajority of 326 seats. Abe’s success was mainly due to the unpreparedness and general disarray of the Opposition parties, rather than any great enthusiasm for the LDP, which had effectively won by default. The LDP was aided by a record low voter turnout of only 52.63%, cynically encouraged by holding the election in winter. The short, low-key official campaign of only two weeks enabled the LDP to evade proper scrutiny of its policies and performance (McCurry, 2014). The widespread apathy of the Japanese electorate has become deeply entrenched, with many feeling this early election was completely unnecessary. Nevertheless, the LDP won easily, even despite the economy having fallen into recession, with real wages in decline (NHK, 2014).

Indicating its poor state of readiness, the DPJ could not even afford to run candidates in enough seats to secure a simple majority in its own right. Despite increasing its number of seats to 73, the DPJ is still a long way off from ever returning to government. The Japanese Communist Party more than doubled its seats to 21,
continuing its role as a dissenting voice in Japanese politics. Other minor parties lost support, particularly the JIP at 41 seats; the Party for Future Generations, the Social Democratic Party and People’s Life Party only won 2 each; and Independents won 18, leaving Japan’s political opposition as splintered and isolated as ever (Asahi Shimbun, 2014a).

Having secured his election mandate, Abe pledged to delay another raise of the consumption tax until April 2017, after the last increase from 5 to 8% in April blunted consumption and tipped the economy into recession. While being likely to continue the core policies of Abenomics: the Bank of Japan’s (BoJ) massive quantitative easing, and fiscal stimulus spending, doubts remain over whether Abe will continue to delay the more complex and wide-ranging ‘third arrow’ of proposed structural reforms, putting off the difficult and unpopular tasks of deregulating the energy, agriculture, health, insurance and finance sectors, and cutting welfare (Asahi Shimbun, 2014b). The LDP aims to restore the budget to surplus by 2021, but little detail on achieving this was given in the campaign. Abe pledged he will push for completion of the Trans-Pacific Partnership trade negotiations, and he also remained determined to restart Japan’s nuclear reactors, despite ongoing public opposition. Japan would also restructure and continue its ‘scientific whaling’ program, despite longstanding international opposition (Economist, 2014).

Enjoying a supermajority in the Lower House of the Diet brings Abe closer to his treasured goal of reinterpreting the constitution, to allow Japan to participate in ‘collective self-defence’. The Abe government is likely to continue to increase defence spending and begin arms exports. The LDP also wishes to press ahead with the drawn-out relocation of US bases on Okinawa from Futenma to the coastal area of Henoko, despite widespread protests from locals, who desire the total removal of the American military presence. The LDP lost all their Okinawan seats, their only regional setback (McCormack, 2015).
The LDP can also continue to implement its State Secrets law, already in effect, which has harsh penalties of imprisonment for public servants, journalists (and academics) who reveal or criticise classified government information. This law compounds rising fears by lawyers and civil libertarians that the LDP is steadily encroaching on overall freedom of expression, subtly pressuring the media to support a government-friendly perspective (Kingston, 2014). Following the APEC and G20 2014 summits, Abe hoped to improve relations with China and South Korea. However, these efforts at reconciliation have been undermined by numerous LDP Diet members continuing to downplay Japan’s historical record of atrocities in the Second World War (Adelstein, 2014).

Abe’s decisive win entrenches his hold on the LDP leadership, and secures his government to the next lower house election now due in 2018, putting him on course to be the longest-serving Prime Minister of Japan since the 1970s. The challenge for Abe will be whether a reboot of Abenomics can see Japan’s economy recover, confronted with ongoing deflationary stagnation, and long-term population decline (Schoppa, 2014). Weak consumption has been further hurt by the rising cost of imports, as the yen continues to decline, having fallen some 30% against the US dollar since 2012. Japan’s public debt, now 245% of GDP, will continue growing until a budget surplus is finally achieved (Sano, 2014). Following his election victory, Shinzo Abe was left almost unimpeded to further unsheath his ‘fourth arrow’, of revitalised Japanese nationalism.
Political Implications of the 2014 Election

Abe’s snap early election echoed a previous era of LDP dominance, of frequent early elections to keep the opposition off balance, taking advantage of favourable timing in the economic and political cycle. While on the surface, the 2014 election result did not seem particularly impressive, with the LDP actually losing three seats, and the DPJ managing to gain sixteen, and the JCP nearly tripling its strength from 8 to 21 (largely at the expense of losses from the JIP and independents), the early election still exposed the relative overall weakness of the Opposition parties compared to the ruling LDP-KP coalition. After the election victory, Abe reappointed his new Cabinet, unchanged except for a new defense minister, Gen Nakatani. A former junior SDF officer, Nakatani had been an advocate for a more active role for SDF. However, the appointment had been required due to outgoing minister Eto being implicated in yet another misuse of electoral funding, demonstrating that the lingering risk of the taint of scandal will be an ongoing irritant, if not a potential wider electoral danger for Abe and the LDP (CPRV, 2015).

With the LDP’s retention of power, Abe claimed Abenomics would remain his government’s priority, while also continuing engaged and active diplomacy, with the aim of restoring relations with China, Korea. Abe was also determined to press ahead with introducing security bills to reinterpret the right to collective self-defence in 2015. The goal of a new permanent law to allow overseas dispatch of the SDF, and logistical support for allied forces in was in preparation, although the LDP faced restrictions from its doubtful coalition partner Komeito. A permanent law would aims to replace the restrictions of previous ad hoc laws authorising deployments of SDF, as during the Koizumi government, for the logistic support operation to Afghanistan, and the stabilisation force deployment to Iraq. The State Secrets law was already in operation by the time of the election, with over 400 ‘secrets’ already notified by various government departments and authorities (Japan Times, 2014).

Following the DPJ’s defeat, and the resignation of leader Banri Kaeda, a party leadership ballot on January 18th saw Katsuya Okada elected the new DPJ President and party leader, term that will last to September 2017. Okada will have the heavy burden of restoring the DPJ’s fortunes after yet another defeat, amidst widespread public apathy. The JIP also faced a leadership vacuum, with Hashimoto temporarily stepping aside as co-leader. The JCP’s increased numbers now allow it to sponsor legislation, although none of it is ever likely to pass; this higher profile nevertheless present the JCP with more opportunities to raise issues of concern and criticise the Abe government. New DPJ leader Okada faces the challenge of uniting a demoralised, factionally divided party, at risk of further splits between the more leftist ex-Socialist Party members, and the more centre-right ex-LDP members. The fundamental obstacle for the DPJ is that it needs to develop and successfully promote a coherent and relevant policy platform and agenda. There are plenty of opportunities to exploit the unpopularity of many of Abe’s policies, but it presently appears that the DPJ lacks the sense of political aggression and tactical ability to do so. The main policy positions of the DPJ in the 2014 election had centred on restoring the position of the middle class, greater environmental protection, and opposing collective self-defence; however, this had failed to make an impact on the public (Ito, 2015).

With the next round of the stimulus package in the FY2015 budget approved by
Cabinet and passed by the Diet, a corporate tax rate cut of 2.51%, to 32.11%, with further future reductions was mooted, proposed as part of possible future tax reform package. A partial public float of Japan Post was also planned, indicating that the LDP was finally prepared to proceed on the privatisation objectives originally proposed under the Koizumi government. However, in a post-election poll, the majority could see no direct benefit from Abenomics, and were also opposed to reactor restarts, or reinterpreting the constitution. Following Abe’s speech opening the first post-election Diet session, on February 16th, Abe clearly stated his aim of implementing permanent legislation to allow the overseas dispatch of SDF, including the possibility of wider involvement in authorised peacekeeping operation. He also pledged to authorise extra ODA to the Middle East and Southeast Asia, and committed to pursue the relocation of the US base in Okinawa from Futenma to Henoko. In his first Diet Question Time prompting from new Opposition Leader Okada, Abe also denied there was a serious income inequality gap in Japan, since people supposedly have a firm awareness of their ‘middle class status’ (DPJ, 2015).

April Local Elections

The next opportunity for political contest came with the launch of the April election campaign for local governments, along with gubernatorial elections for ten prefectures. The main issues for the April local elections included local and regional development, addressing population decline, and nuclear power restarts. The LDP was hoping to limit any potential losses; the other parties were hoping to make inroads, particularly the DPJ, facing its first major test under new leader Okada. The JCP was hoping to build on the momentum of its 2014 Lower House gains, emphasising issues such as cost of living pressures and child care (as well as opposing the TPP, and collective self-defence – despite these not directly being in the jurisdiction of local government). As well as continually deteriorating voter apathy, there was also a gradual decline in the number of candidates contesting the elections (NHK, 2015a).

In the first round of local elections on April 12, the LDP and Komeito were encouraged by the results; ruling coalition-backed candidates swept all 10 governorships, and increased their share of the vote in 41 elections held out of 47 prefectural assemblies, except for Osaka city, which was won by the JIP. The LDP won 1,154 seats, up from 1,119 in 2011; it won 2,284 assembly seats, the largest overall majority since 1991, enjoying a single majority in 24 prefectures. All of Komeito’s 169 candidates were successful, its best result in eight years. DPJ representation declined, in another demoralising loss; it only won 264 assembly seats, down 82 from 2011, out of only 345 candidates, 40% fewer than 2011. This poor showing indicated the DPJ’s lack of personnel, funding, and sorry state of morale since the 2014 national election defeat (Japan Times, 2015a).

The JCP built on their 2014 election improvement, fielding 275 candidates, a 50% increase, and gained representation in all assemblies, winning 136 seats, up from 80, its highest number in over eight years. This aided the JCP’s growing reputation as the more effective party of protest in Japan. The JCP now outranked the DPJ, with more representation at the local level; the DPJ was now only the fourth-largest party, after the LDP and KP. The JCP claimed its strength was now 300,000 members, with 10,000 recruited in 2014; the daily circulation of its newspaper Akahata (Red Flag)
was at 1.2 million (the LDP claims to have 790,000 members). Encouraged by this continuing relative electoral success, the JCP felt emboldened to press ahead with promoting its long-held policies: ending the US military presence in Japan, abolishing the SDF, and opposing consumption tax hikes, corporate tax cuts, nuclear power restarts, and the TPP. With its increased strength in the Diet after the 2014 elections, its planned to introduce bills aiming to further restrict corporate donations to political parties, and improve the rights and conditions of younger workers exploited by ‘black’ companies; while the JCP has no hope of getting these bills passed, they at least hope to raise attention for these issues on its agenda (Economist, 2015).

The LDP promoted regional revitalization in the local elections as key part of Abenomics, and promised it could deliver increased cooperation with more LDP-aligned prefectural governments. But, as with the 2014 elections, the local elections again appeared to be more the case of a weak opposition failing to mount an effective challenge, rather than any great enthusiasm for the LDP. The DPJ backed independents also supported by the LDP in joint tickets in 6 out of 10 gubernatorial races, and did not even both fielding candidates in 2 others – only in Hokkaido and Oita prefectures did the DPJ (unsuccessfully) contest against the LDP. In the assembly elections in 41 prefectures, 17 cities, and mayoral races in five cities, a total of 3,272 candidates contested 2,284 prefectural assembly seats, and 1,476 candidates for 1,022 municipal assembly seats. Out of 960 local elections, in candidates ran unopposed in 501 of them. This was a competition ration of 1.55, giving local political candidates in Japan a relatively high chance of being elected.. 379 women candidates won 200 seats, up from 180 in 2011 (Hongo, 2015).

The JIP did fairly well in Osaka’s municipalities; however, the JIP failed to gain a majority in Osaka prefectural assembly. Average voter turnout was 47% for the gubernatorial elections, and 45% for the assembly elections, varying at 40-50% between prefectures. This was the lowest ever recorded turnout for local elections, demonstrating that voter apathy was still widespread, although local elections always tend to have less prominence than national ones. The second round of local elections was held on April 26 for local assemblies, in 911 separate polls; however, only 728 were actually conducted, since the remainder ran unopposed. Second round elections were also held for the mayors of 62 cities, 69 towns and villages, and 11 out of Tokyo 23 wards. There was also voting for assembly members in 281 cities, 284 towns and villages, and 21 Tokyo wards. Mayoral voter turnout was at a record low of 50.53%, down from 52.97% in 2011; assembly turnout was also at record lows of around 50%. The LDP failed to win in two out of five prominent mayoral races, for Shibuya and Setagaya in Tokyo; but otherwise the LDP generally maintained its momentum of the first round of elections (Nikkei Asian Review, 2015).

Voter turnout suffered a particularly sharp drop in rural and regional areas, from around 70% to 55% on average; the rising proportion of the elderly population in rural areas is considered partly responsible, adding to generally higher apathy among younger voters. Out of 222 mayoral positions, only 4 were won by women; there are now two female governors, and 24 mayors. With only 8% women in senior private sector positions, 6% in the private sector, there is a long way to go to reach Abe’s ‘women can shine’ objective of women holding at least 30% of senior positions in society. Japan is only 115th in the world ranking on women in parliament, one of the worst of any developed country (Daily Mail, 2015).
Prospects for Abe and the LDP

Following the April elections, Abe embarked on a visit to the US, where he gave a joint address to Congress, which heralded his intention to introduce the bills to allow Japan to engage in collective self-defence with friendly countries, principally the USA (MoFA, 2015). Security guidelines between the US and Japan were also updated during the US visit (DoD, 2015). After holding deliberations with its coalition partner the KP, the LDP introduced the controversial bills into the Diet in May, following their approval by the Cabinet. The Diet debate soon became bogged down, amid stronger-than-expected criticism by the Opposition parties, particularly the DPJ and JCP. In an extraordinary development, the LDP and KP decided to confirm an extension of the regular 150-day Diet session by 95 days, to September 27, indicating the determination of the LDP to pursue passage of the security bills. This is the longest ever postwar extension of the Diet, surpassing the record of 94 days in 1982 (Mainichi, 2015).

Abe claimed the extension was necessary to complete the passage of bills to implement the most important reforms of the postwar era, including in agriculture, medical care, labour, and international peace. The Diet extension was supported by the PFG, but opposed by the DPJ and JCP. The extension also overlaps into the LDP’s leadership ballot at the end of September, which would create campaigning difficulties for any potential leadership candidates contemplating a challenge against Abe; it is now more likely he will be re-elected unopposed (Shiraishi & Tanikawa, 2015). Overall, there are severe concerns over the collective self-defense bills among academic experts as well as the general public, with a survey showing 56.7% believed the bills being debated in the Diet are unconstitutional. Critics and opposition parties maintain they are unconstitutional, in violation of Article 9; their vagueness in particular could allow the SDF to engage in combat operations, despite the limitations, restrictions, safeguards and restraints claimed by Abe and the government (Japan Times, 2015b).

Abe has been fairly successful so far in restoring the political dominance of the LDP, and initially boosted the economy – although the ‘third arrow’ of Abenomics has only just really been attempted, and is proving to be the most difficult, and most controversial aspect of Abenomics, which may only be overseeing the deeper entrenchment of inequality in Japanese society. The challenges remain of addressing a declining, aging population, a declining tax revenue base, and the highest levels of public debt in the OECD. Whether to raise the consumption tax again is looming as a major controversy, as the economy temporarily fell back into recession, following a decline in aggregate demand after the last increase in the sales tax in April 2014. Abe’s geostrategic restoration may prove the most controversial of all, by altering, or even abolishing Article 9; which could contribute to ushering in a new ‘Cold War’ in the Asia-Pacific. This could even risk armed conflict breaking out, if a more assertive foreign/defence policy means Japan is unwilling to defuse or resolve the Senkakus Islands dispute with China. Overall, Abe’s implicit ‘fourth arrow’ is stronger nationalism; a ‘reformed’ constitution which will allow Japan to regain its status as a ‘great power’ into the 21st century (Bisley & Taylor, 2015).

Abe is now the sixth-longest serving postwar Prime Minister, having passed the record of his grandfather Nobusuke Kishi (1,242 days). Having come so far, Abe
vowed, “I have a long way to go” – indicating his desire to contest and win the LDP leadership ballot in September, and possibly contest the 2018 election– another major reason for his move towards the snap election in 2014 (NHK, 2015b).
References


‘Moody’s downgrade raises doubts about Abenomics’, The Asahi Shimbun, December 2, 2014b

Bisley, Nick, and Taylor, Brendan (2015), ‘War anniversary promises year of difficulty for Asia’s rival powers’, The Conversation, April 24

‘Japan PM Shinzo Abe calls snap election in December’, BBC News, November 18, 2014a

‘What’s behind Abe’s snap election?’, BBC News, December 11, 2014b


‘Just four new female mayors defy Japan’s ‘womenomics’”, The Daily Mail, April 27, 2015


‘Shinzo Abe talks to The Economist’, The Economist, December 5, 2014
‘Red Revival: Communists become Japan’s strongest political opposition in the provinces’, The Economist, April 17, 2015


‘Japanese government, LDP to draw up permanent law on dispatch of Self-Defense Forces overseas’, *The Japan Times*, December 28, 2014

‘Governors prevail in all 10 races; LDP wins majority of prefectural assembly seats’, *The Japan Times*, April 13, 2015a
‘Support for Abe security bills slumps: survey’, *The Japan Times*, June 22, 2015b


‘Ruling coalition decides to extend Diet session until Sept.27’, *The Mainichi*, June 22, 2015


‘Local elections’, *NHK World News*, April 8, 2015a
‘Abe becomes 6th longest-serving postwar PM, *NHK World News*, May 19, 2015b

Sano, Hideyuki (2014), ‘Japan bears bet on Abe victory followed by yen disaster’, *Reuters*, December 10


Shiraishi, Yoichi, and Tanikawa, Kojiro (2015), ‘95-day extension for security bill / Longest stretch of ordinary Diet session to wrap up debate’, *The Yomiuri Shimbun*, June 2
Sieg, Linda (2014a), ‘Japan’s Abe to postpone tax hike, call December election: media’, *Reuters*, November 11, 2014a

Sieg, Linda (2014b), ‘Japan opposition, too weak to take power, aims to dim Abe’s luster’, *Reuters*, December