

Can the DPJ really move « From concrete to people » and « From Bureaucratic Sectionism to Political Leadership » ?

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**Can the DPJ really move
‘from concrete to people’ and
‘from bureaucratic sectionalism
to political leadership’?**

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**University of Tokyo
Akamon (Red Gate)**



Institute of Social Science

Welcome to the Contemporary Japan Group (CJG) !

Akamon General Research Building
赤門総合研究棟

Shaken front entrance
東京大学 社会科学研究所



I. Introduction

- **Thanks to Prof. Lecler for invitation**
- **Want to examine DPJ's three main election promises in light of Japanese political history**
- **Surprising conclusion:**
 - DPJ *has* honored its promises and further change is likely
 - But not necessarily the point: real problems are elsewhere

II. 2009 Election: Themes and significance

- **A. Long-term LDP dominance**
 - Countryside, small towns
 - Older voters
- **B. Exceptions**
 - 1993-1994: Non-LDP coalition cabinet
 - Sometimes LDP was forced to form coalition alliances to keep stable majority
 - Upper House since 1989
- **C. Still, LDP usually had more than twice as much support as second largest party**
 - LDP not always completely dominant, but no real alternative

Background to epic election of 2009

- **Electoral reform (passed 1994)**
 - 300 of 500 (later 480) Single-Member Districts (SMDs), as in UK, US
 - Pushed toward two-party system (“Duverger’s Law”: $N + 1$)
 - Center-left mergers → DPJ emerged as credible challenger to LDP
- **Extended economic and fiscal weakness (“lost decade”)**
- **Backlash against Koizumi’s neo-liberalism**
- **PM Abe’s Stupidity/bad luck (scandals; pension records)**
- **2007 HoC (Upper House) election: DPJ got foothold**
 - Media coverage, legitimacy
 - Frustrated LDP PMs (Abe, Fukuda, Aso)

III. 2009 DPJ Platform (“Manifesto”)

- Party platforms increasingly important, especially since 2003
- Several Elements
 - 政権交代: alternation in power
 - i.e. “time for a new party to run Japan”
 - cf. US, Obama’s “Change you can believe in”
 - Natural slogan for the party out of power, especially one long out of power
 - あなたの暮らしを良くします: We will improve your livelihood

DPJ Manifesto 2009 “Alternation in Government”



DPJ Manifesto 2009

Change ruling party to create politics aimed at popular livelihood
Five principles and five policies

暮らしのための政治を。

ひとつひとつの生命を大切に、個人の幸せを自らの幸せと認められる社会、それが、私の目指す社会です。社会のムダづかいを徹底的になくし、国民生活の立て直しに努む。それが、民主党の政権交代です。

命を大切にすることも、ムダづかいをなくすることも、当たり前のことかもしれません。しかし、その「当たり前」が、壊れてしまっているのです。

英子様、御手紙にも高校にも行けない子どもたちがいる、病気になる、病院に行けないお年寄りがいる。全国で毎日、自らの命を絶つ方が100人以上もいる。

この現状を撤回して、コンクリートの動物には巨額の税金を注ぎ込む。一体、この国はどこに迷走があるのでしょうか。

政治とは、直接や手紙のやり取りを決めることです。私は、コンクリートではなく、人間を大事にする政治にしたい。官僚任せではなく、国民の皆さんの手で考えていきたい。

暗に結びつく利益社会ではなく、開けつながら合う「さずな」の社会をつくりたい。すべての人が、互いに助け合え、経済発展を見出すことのできる社会をつくりたいのです。

民主主義は、「国民の生命が第一」と考えます。その新しい理念の理念に基づいて、すべての市民を代表し、子育て・教育、年金・福祉、地域主権、雇用・経済に、積極的に関与します。

生活の安定が希望を生み、富強になりましたが、この国を維持し上げていきます。国民を苦しめていられない仕組みを確立させ、

すべての人が生きがいと誇りがあふれる社会を、

あなたと民主党でつくり上げようではありませんか。

いよいよ、政権交代。

民主党代表 鳩山由紀夫



鳩山政権の政権構想

5原則

- 原則1 官僚丸投げの政治から、政権党が責任を持つ政治家主導の政治へ。
- 原則2 政府と与党を使い分ける二元体制から、内閣の下で政策決定に一元化へ。
- 原則3 各省の縦割りの省益から、官邸主導の国益へ。
- 原則4 77型の利権社会から、コロンビアの社会へ。
- 原則5 中央集権から、地方主権へ。

5策

- 策1 政治に大臣、副大臣、政務官(以上、政務三官)と閣内閣外との関係は1対1を原則とし、経費削減を中心とした行政改革を推進、実施する。
- 策2 各大臣は、自身のとしての役割を明確に、内閣の一員としての役割を明確にする。「閣内閣外」の区別により、閣内閣外に閣内閣外は閣内閣外として役割を明確にする。閣内閣外は閣内閣外として役割を明確にする。
- 策3 官邸主導の政治から、政治家主導の政治へ移行し、国民の代表者として責任を負う。閣内閣外は閣内閣外として役割を明確にする。
- 策4 閣内閣外、閣内閣外との関係は、政治家主導の下で閣内閣外に閣内閣外として責任を負う。閣内閣外は閣内閣外として役割を明確にする。
- 策5 閣内閣外、閣内閣外との関係は、政治家主導の下で閣内閣外に閣内閣外として責任を負う。閣内閣外は閣内閣外として役割を明確にする。

But also surprising—even puzzling--focus on political process

- 原則1: 官僚丸投げの政治から、政権党が責任を持つ政治家主導の政治へ。
- 原則2: 政府と与党を使い分ける二元体制から、内閣の下での政策決定に一元化へ。
- 原則3: 各省の縦割りの省益から、官邸主導の国益へ
- **Principle No. 1:** From government delegated to the bureaucracy [literally “abdicated to the bureaucracy”], to politician-led government in which the ruling party holds full responsibility.
- **Principle 2:** From a two-track system in which policy-making proceeds in parallel in government and in the ruling party, to a unitary system of Cabinet-centered policy-making.
- **Principle 3:** From the ministries’ pursuit of their own compartmentalized interests to the pursuit of the national interest led by the Prime Minister’s Office.

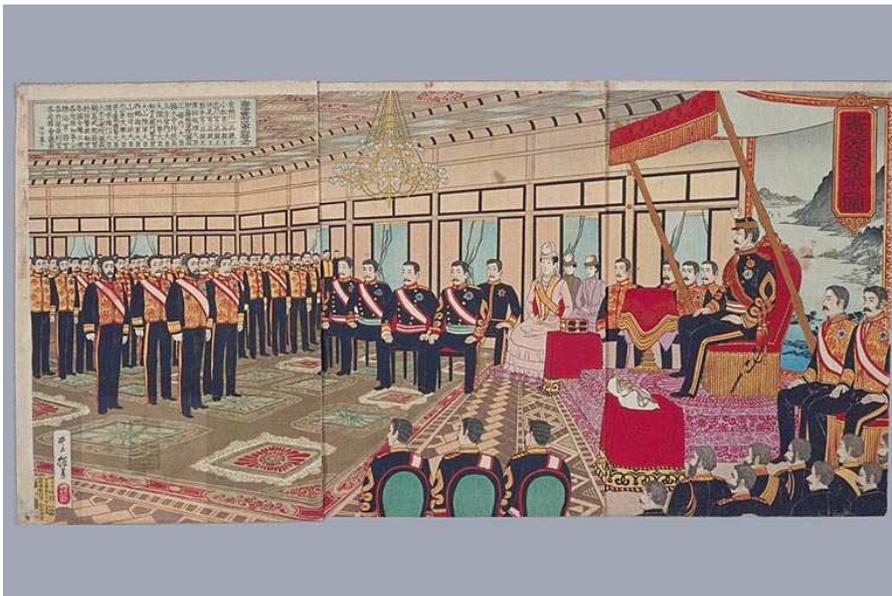
Why this emphasis on political process? Let’s take historic review of Japanese policymaking from perspective of city-dwellers on center-left

IV. 1950s: Ruling triumvirate, esp. bureaucratic dominance

A. Bureaucracy

- History of elite nation-building under Meiji constitution
- Each ministry responsible directly to Emperor, national interest
 - Powerful, but lack of coordination, overall leadership
- Only major organization not purged by Allies after WWII
- Provided most of the immediate post-war prime ministers
 - Yoshida; Kishi; Ikeda; Sato; Ohira; Nakasone, Miyzawa, etc.
- Early retirement (“Up-or-out rule”)
 - Amakudari 天下り (“descent from heaven”) posts often greater concern than national interest

Meiji Emperor presides



Itō Hirobumi

Founder of executive-led politics in Japan



Prime Minister Kishi Nobusuke, 1957-1960

(tough ex-bureaucrats didn't need to be attractive)



Conservative parties (merged in 1955 to form LDP)

- Anti-communist, pro-American
- Supported farmers, business, local notables
- SNTV electoral system 中選挙制/単記非移譲式投票
 - Mostly 3-5 seats/district
 - Intra-party competition (to win majority, LDP needed 2 seats per district)
 - Factions, lack of unifying ideology or even policy stance
 - Result: weak leadership, little coordination by cabinet
- Policy
 - LDP provided broad direction (e.g. restrained calls by welfare bureaucrats for more generous, uniform programs)
 - Directed allocation of pork barrel spending (credit claiming)
 - But left most policy details to individual ministries
 - 省益、天下り
 - Ministerial interest, Amakudari

Big business (especially Keidanren)

- Financial support to LDP in return for access to prime minister
- Resistance to labor unions, welfare spending
- Huge investment powering rapid growth (esp. up to 1973)
- Not *that* powerful even in 1950s, and less since then (and so far, shut out by DPJ)

Keidanren

Old building



Keidanren Kaikan (2009)



IV. Early 1960s-mid-1990s: Pluralization and politicization

Farmers, rural areas, small businesses left behind by rapid growth → sought government support

- Huge spending on public works
- Agricultural protection
- Subsidies, cheap loans to small business
- Less attention to growth, efficiency, cities, and internationally-oriented big businesses
- Some increase in health and welfare spending, but fragmented

LDP-PARC committees (政調会 部会) more than cabinet or Diet as key site for policymaking/veto

Public works spending: Crucial support for LDP
Tanaka Kakuei brings Shinkansen to Niigata



Gaudy “citizens centers” in rural areas
体育館、文化会館、市民センター等
(Matsudai, Niigata, pop. 4,245)



Tokyo

The concrete-enclosed Meguro-gawa, my neighborhood



\$5.2 billion Yamba dam, Naganohara

ハツ場ダム事業、長野原町—or is it a Steven Spielberg movie...
(DPJ is trying to cancel)



Yamba dam towers over gorge



Yamba dam

If you cannot make money growing rice, build a dam and flood the fields



Yamba dam

Go ahead and cover villages, shrines and cemeteries



Struggling small businesses



Aging bosses, tight spaces



Struggling to pass on small factories to children



Politicians are always anxious to help
(in this case, DPJ's Saito Susumu 齊藤 進)



Not just small factories—
Small restaurants



Liquor stores were always staunch LDP supporters

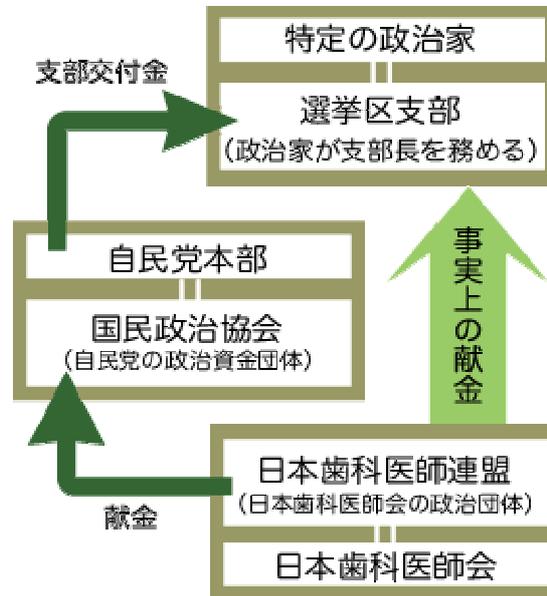


Dr. Takemi Taro, JMA head, 1957-1982

distinguished physician, intimate of LDP leaders, father of LDP MP,
relative by marriage of later PM Aso Taro



JMA, JDA contributions to LDP pols



JMA (Kagoshima branch)-backed candidate Kajiya Yoshito (LDP) wins election to House of Councillors



Sometimes doctors and dentists run themselves

(Dentist Dr. Ishii Midori (LDP) wins election to HoC)



Economic slowdown: Fewer resources

- **1974 oil shock: end of rapid growth**
- **Late 1980s: misleading “bubble economy”**
- **Increasing budget deficits**
- **Freeze, contraction in government positions**
 - **Fewer opportunities for ex-bureaucrats**
 - **Even more focus on securing/creating Amakudari posts**

V. Mid-1990s-2009: Waves of reform, but only partially successful

- Some moves in early 1980s by Nakasone with prodding from Keidanren, but petered out during financial bubble of late 1980s
- Electoral reform (1994), new opposition parties
 - Put pressure on LDP to adopt more progressive policies
- Hashimoto reforms (1996-1998; in effect from 2001)
 - Strengthened cabinet
 - Consolidated ministries
 - Liberalized financial system

Waves of reform (continued)

- Koizumi (2001-2006)
 - Neo-liberal reform 小さな政府、官から民へ
 - Held line on spending
 - Forced banks to solve non-performing loan problem (NPLs)
 - Privatized/rationalized government banks and postal system
 - Some restrictions on Amakudari
- Stagnation under his successors (and rise of DPJ)

VI. Thus, LDP vulnerable to DPJ Critique

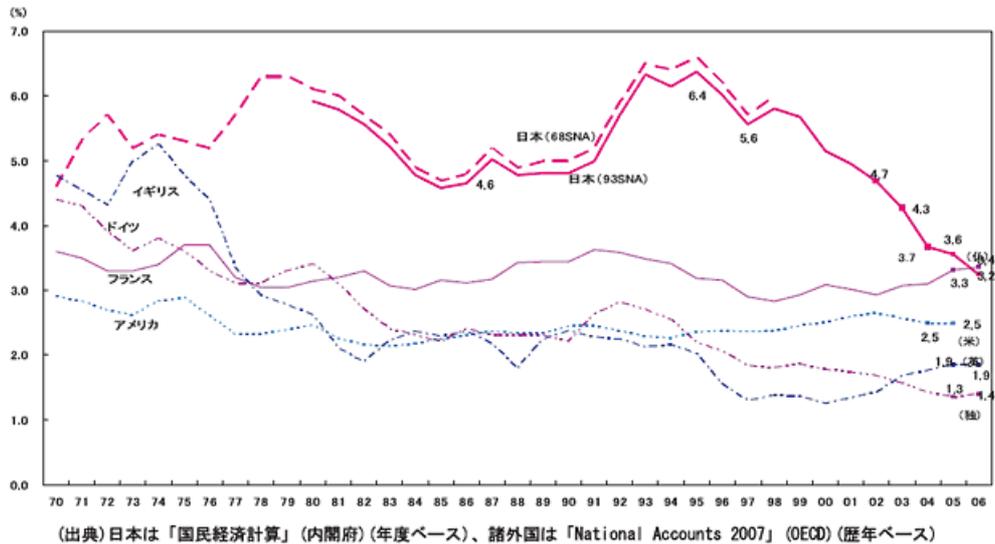
- **Weak economic performance, scandals**
 - DPJ's focus on "livelihood," "party alternation"
- **Excessive focus on public works, agriculture**
 - DPJ's focus on moving "from concrete to people"
- **Bureaucratic sectionalism, lack of political leadership**
 - DPJ's call for Cabinet-centered policymaking

VII. From Concrete to people?

- **Already big decline in public works under Hashimoto and especially Koizumi**
 - Competitive pressures forced LDP to change long before DPJ became real threat
- **DPJ further constricting**
 - Further sharp cut in public works
 - Cancelling/freezing dams, etc.
- ***To be sure*, DPJ not pure, either**
 - (all parties engage in credit-claiming to some extent)
 - Some goodies for DPJ supporters
 - Some attempt to grab LDP supporters, such as farmers
 - Postal reform frozen (→ continued low return on investment)
- **But overall trend has been further away from "concrete"**

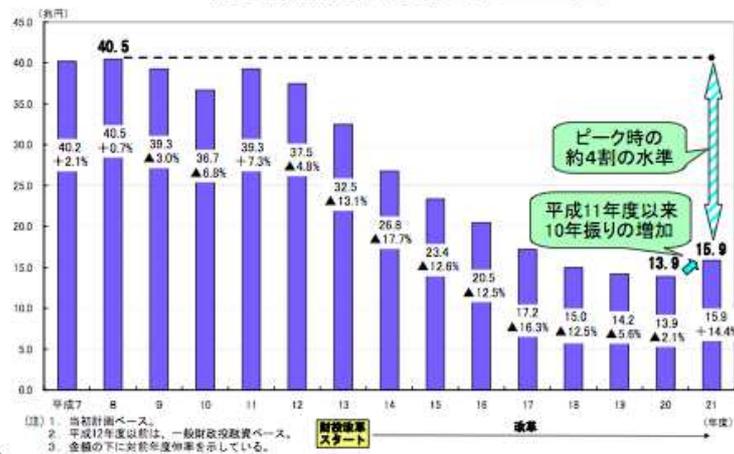
Public works spending/GDP: Japan has become a “normal country”

日本は大きく低下しているが、依然として、欧米諸国の平均より高い水準にあります。

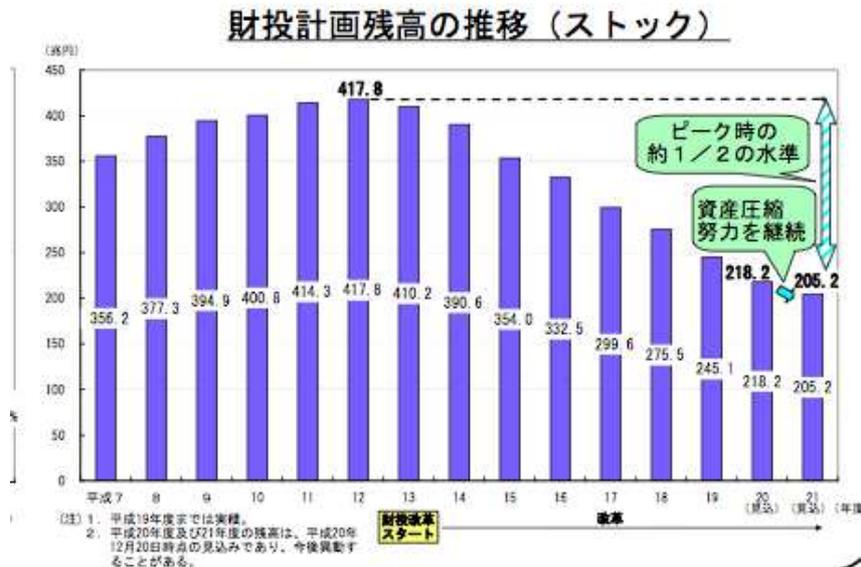


FILP (postal savings, government pensions) Japan’s “second budget”: Declining flows, 1995-2009

財投計画額の推移 (フロー)



FILP: Declining stock, 1995-2009



Last decade of LDP rule:
Particularistic spending down, domestic programmatic spending up

The shift away from particularistic spending in Japan

Policy Type	Policy area	Changes from the late 1990s
Particularistic	Public Works	40% cut in expenditures; less than half as large a share of GDP
	Agriculture	Budget share down more than 40%
	Fiscal Investment and Loan Program (FILP)	Flow: down by 2/3 (about ¼ replaced by agency bonds) Stock: down by more than half Slight decrease from low levels (32.5/1,000 residents vs. 78/1,000 in US).
	Civil servants/amakudari	Moves to restrict amakudari
Programmatic	Social welfare	2000: 35% of general (policy) budget 2008: 48% of general (policy) budget Budget share down, but much less than decline in school-aged population.
	Education	Sharp improvement in teacher-student ratios in primary and secondary schools.
	Research and Development	Spending steadily up since early 1990s.
	Public safety (police, prosecutors, prison guards, judges)	Spending steadily up, and at much faster pace than in 1980s and early 1990s
	ODA	Sharply off from peak of late 1990s (but wide fluctuations)
	Defense	Down slightly in absolute terms (steady, slight decline)

VIII. From bureaucratic sectionalism to political leadership by the Prime Minister and Cabinet?

- Whole series of moves based on study of Britain's Westminster system
- Serious effort to implement terms of the Manifesto
- Attempt, not entirely successful, to cut some spending to pay for new programs

Evolution of policymaking system

Issue	Period	Conservative Dominance	Pluralism	Koizumi Transition	DPJ (Initial stance)
Economic growth		Very high	1965-early 1970s: Very rapid 1975-1990: Rapid but less stable 1991-: Slow, unsteady	Modest recovery	
Lower House electoral system		SNTV (1947-)	-1993: SNTV 1994-2000: SMD (300) + PR (180)	SMD (300) PR (180)	Same
Electoral manifestoes		Vague	Vague	Specific (2003-)	Specific, binding
Balanced budget rule		Yes	No	No	No
Budget deficit		No	Steady expansion (except late 1980's)	Slight decline (from high level)	
FILP		Large	Large, growing (until mid-1990s)	Steady contraction	
Public policy companies		Numerous	Even more numerous	Numerous but reduced	
"Preliminary screening" of bills by ruling party		No	Yes (1962-)	Not always	No
Cabinet meetings		Brief, unanimous	Brief, unanimous	Brief	
Administrative Vice-Ministers meeting before weekly Cabinet meeting		Yes	Yes	Yes	No
Political staff in Cabinet		Few	Few	Increase	Further increase
Politicians as Vice-Ministers		Few, weak	Few, weak	Tripled	Same
Policy coordination		Top bureaucrats, LDP leaders	Bureaucrats, top LDP leaders, middle-level LDP members	Top bureaucrats, Prime Minister, CEFP	Cabinet, including State Strategy Council
Private member bills		Significant	Modest	Modest	Ban
Constitutional screening by Cabinet Legislation Bureau		Yes	Yes	Yes	No
Contact between bureaucrats and Diet members		Frequent	Frequent	Frequent	Restrict (building on 2008 law)
Bureaucrats give testimony in Diet, hold press conferences		Yes	Yes	Somewhat reduced	Ban
Amakudari		Common	Very common	Common but contracting	Further reduce

Problems

- **Main architect of Westminster approach, Ozawa Ichiro, chose not to join the Cabinet**
 - Back to dual centers of power (ironically)
- **PM Hatoyama**
 - Unable to chart a firm course, exert discipline?
- **Need to conciliate coalition partners and prepare for HoC election**
 - Dangers of Japan's bicameral system (a highly dubious American legacy)
- **Moral: Need to get party in order before you can direct the bureaucracy—the main problem is not the bureaucracy!**

Problems (continued)

- **Need time to adapt, develop new skills, relationship with bureaucracy**
- **Limited number of political appointments (as in all Parliamentary systems)**
 - Still need active participation by bureaucrats
 - cf. Britain's "Core executive"
- **Difficulty of eliminating Amakudari while private sector still has very limited mid-career hiring ("permanent employment")**
 - Let bureaucrats stay on till retirement?
 - But would require huge cultural shift to working style of bureaucracy
 - Would add (a little) to the deficit
 - Public (stupidly) wants to cut number and salaries of bureaucrats
- **Let bureaucrats move from agency to agency**
 - But would face many of the same problems

IX. Conclusion

- **Despite widespread disillusionment, DPJ is largely keeping its word**
 - “From concrete to people” –part of a longer trend
 - From bureaucratic sectionalism to political leadership—again, following Hashimoto reforms
- **Some immediate steps**
- **Will take time, but moving in that direction**

Conclusion (continued)

Broader problems

- **Slow economic growth, declining population, deflation**
- **Lack of externally-imposed discipline (Japan is not Greece)**
- **Terrible fiscal situation bequeathed from LDP**
 - No resources to implement social democratic policies
 - Cf. Republicans in US: “We can charge wars and tax breaks and drug plans to American Express, but *you* have to be fiscally responsible!”
- **Lack of public consensus**
 - High tax/high benefits?
 - Low tax/low benefits?
- **Record so far: Cabinets that even TALK about increasing taxes pay huge political price**

Prospects: Bleak but not without possibility of hope

- **DPJ looks in bad shape—but LDP looks worse**
 - **recrudescence of smaller parties in 2010 HoC election?**
- **But unlikely to last: electoral system works against it**
- **Fundamental reorganization into two new parties?**
- **Remember: in SMD systems in parliamentary countries, big vote swings are possible (Cf. Canada, UK)**
- **Implication: serious reform will come, but not quite yet**