

EAST ASIA INSIGHTS

TOWARD COMMUNITY BUILDING

JCIE Japan Center for International Exchange

June 2010

Hatoyama's Resignation and Japan's Foreign Policy

HITOSHI TANAKA, *Senior Fellow, JCIE*

Less than nine months after he assumed office in an atmosphere of jubilation on the back of the Democratic Party of Japan's (DPJ) historic electoral victory over the Liberal Democratic Party (LDP), Yukio Hatoyama fell from grace and resigned as prime minister. Naoto Kan, the former finance minister, was officially sworn into office on June 8 as the new prime minister of Japan. Hatoyama's fumbling over the Futenma issue, and the money scandals that hit both him and DPJ Secretary-General Ichiro Ozawa, drove Hatoyama's approval rating down rapidly to as low as 17 percent. With an Upper House election looming large next month, this change of government was motivated by the desire of the DPJ to take action against widely predicted heavy electoral losses.

Given these recent events, the question must be asked, what implications will the fall of Hatoyama and the establishment of the new Kan government have on Japan's foreign and national security policy?

The DPJ controls the Lower House, so regardless of the results of the Upper House election the DPJ

will remain the governing party. Further, Kan has retained many of the Hatoyama cabinet's ministers. Therefore, few analysts expect any substantial policy changes as a result of this change at the top. However, the causes behind the fall of the Hatoyama government may have a far-reaching impact on future foreign and national security policy.

Causes behind the Fall

While some analysts have focused on Hatoyama's personality and his inability to deliver on promises, there are two more critical reasons that explain his fall from the top job.

First, the Hatoyama government failed to formulate a solid foreign or national security policy. This was mainly due to fundamental differences with one of its coalition partners, the Social Democratic Party (SDP), which has strong pacifist tendencies. The main issue is that Hatoyama spoke of the need for a more equal US-Japan alliance, but he never defined this rough concept or his expectations for the future of the alliance in concrete terms. In fact,

DPJ policy toward the United States can be explained more simply as an “anything but the LDP” policy. For instance, Japan’s contribution to the “war on terror” was changed when the Maritime Self Defense Force was pulled out of its refueling mission in the Indian Ocean, where it was supporting US-led activities in Afghanistan. (In place of this, the DPJ decided to provide a substantial aid package.) Also, the DPJ had made a campaign promise to move the Marine Corps Air Station Futenma outside of Okinawa. However, Hatoyama publicly set an unrealistic deadline for himself to achieve a resolution on the relocation by the end of May. The critical point here is that once the Futenma relocation became such a high profile issue, coming to a resolution required making agreements with the US government, the people of Okinawa, and the DPJ’s coalition partners. This proved impossible in such a short timeframe, and consequently Hatoyama was forced to go back on his promise, issuing a May 28 joint statement that prioritized the conclusion of an accord with the United States.

Second, there was a lack of expert input in formulating policy. Foreign and national security policy must be based on a very realistic assessment of the international situation and the intentions of other countries in the region. However, looking at the personnel in the Hatoyama government and the Prime Minister’s Office, it is apparent that this expertise was lacking. Furthermore, as part of the DPJ’s campaign promise to reduce excessive dependence on the bureaucracy, the lines of communication for bureaucrats to make policy recommendations to the political leadership were almost entirely cut off, and bureaucrats were, on the whole, routinely ignored.

Lessons for the DPJ

New future-oriented thinking on the alliance

The DPJ must recognize that there is an urgent need for consultations and discussions with the United States to formulate new thinking and define the US-Japan alliance in terms of the changing realities in the region. A change in the balance of power in East Asia is taking place, with power shifting from

traditional powers—the United States and Japan—to newly emerging powers, particularly China and India. Given the continuing economic growth anticipated in China and India, this shift in the balance of power is only expected to intensify. Further, as the emerging powers’ economies grow, interdependence between the traditional and emerging powers is set to deepen, meaning that we will be more dependent on their markets. Therefore, there is a pressing need to manage foreign and national security policy and the US-Japan alliance so that this interdependence can proceed smoothly without an excessive feeling of threat. To facilitate discussions between the United States and Japan toward this end, a joint wisemen’s commission on the future of the US-Japan alliance should be established, comprised of government officials, politicians, public intellectuals, and business leaders.

At the domestic level too, defining the importance of the US-Japan alliance in the future will help garner support and understanding from the Japanese people, and critically the Okinawans. The Futenma agreement, however incomplete it may be, will have to be implemented in a timely manner. Even though the prime minister has changed, this is an agreement made by a DPJ government, and Prime Minister Kan will have to honor it. At the same time, given the heightened expectations of the people of Okinawa as a result of Hatoyama’s flowery rhetoric, implementation has become more difficult, and we can expect strong opposition from affected localities. Given the objective of a politically sustainable US-Japan alliance, it would be preferable to have the agreement of—or at least some degree of understanding from—affected localities regarding government decisions concerning the Futenma relocation.

Over the long term, both the United States and Japan realize that the alignment of forces in the region should be gradually adjusted as the security situation evolves. To that end, strong diplomatic efforts should focus on reducing tensions, and a safer region should provide the basis for corresponding changes to US military levels in the region. However, in the current context, a continued US presence in the region remains necessary. Therefore, formulating new

future-oriented thinking on the US-Japan alliance, and explaining to the people of Japan—especially Okinawans—why it is so important in the context of the changing international situation, is a critical stepping stone toward gaining public support for and understanding of alliance policy.

Policymaking process

The DPJ should also recognize the importance of the policymaking process in shaping foreign and national security policy. In the era of LDP rule, there were three main elements of the policymaking process: expert input from bureaucrats, coordination by the chief cabinet secretary and his deputies, and intensive consultations and discussions among the relevant actors in the Policy Research Council.

The bureaucracy was tasked with providing information, intelligence assessments, and policy recommendations directly to senior political leaders and the prime minister. I recall when I was in charge of negotiations with North Korea during the prime ministership of Junichiro Koizumi. In a period of one year I went to see the prime minister 88 times, and each time I reported the state of affairs of the negotiations directly to him, discussed possible policies and approaches, and tried to obtain his input and endorsement. Every aspect of the negotiations was discussed intensely between the bureaucracy and the political leaders, not just the prime minister but also the foreign minister, the chief cabinet secretary, and so on. While the DPJ has been critical of the LDP for its excessive dependence on bureaucrats, sometimes instructions did come from the top. The 2006 agreement on the reversion of Futenma and the willingness of Koizumi to visit Pyongyang are examples of this. However, the bureaucracy always made sure that this happened with sufficient preparation and expert input.

There was also machinery in the Prime Minister's Office for the coordination of national security policy. In particular, the chief cabinet secretary had two very important roles of coordinating among the government and with the governing parties and acting as a government spokesman. Further, there were three deputy chief cabinet secretaries, two of whom

were politicians and members of the parliament and one of whom was a senior person from within the bureaucracy who had the role of coordinating among the different ministries. Their coordinating roles were instrumental.

There was machinery in the governing party as well. In particular the LDP had the *seimuchosakai*, or Policy Research Council. This council facilitated intense consultations and discussions on all important policy matters between the cabinet members on the one hand and the rest of the governing party and coalition parties and the bureaucrats on the other.

In the less than nine months since the establishment of the Hatoyama government, these three central policymaking mechanisms were completely done away with. To begin with, there has been a significant reduction in consultation with the bureaucrats. A quick analysis of Hatoyama's daily appointments as prime minister reveals that not many bureaucrats came to report to him directly. This was part of the DPJ's election campaign promise to eliminate excessive dependence on the bureaucracy. At the same time, the chief cabinet secretary did not play a substantive coordinating role whatsoever; he merely played the role of a government spokesman. Illustrative of this is the fact that many high-ranking government officials did not even meet with the chief cabinet secretary during the eight and a half months of Hatoyama's reign.

Given Ozawa's declaration that policymaking power should be concentrated in the hands of the cabinet, and that the political party should not interfere in the policymaking process, input from DPJ backbenchers and coalition partners was effectively shut out. A dual power structure was established whereby Hatoyama was in charge of the government, which was mandated with carrying out policymaking, and Ozawa was in charge of the party, which was mandated with dealing with the Diet and elections. But, many policies have significant implications for the DPJ's coalition partners too, and the Futenma relocation issue is a case in point. The DPJ agreed to the Futenma Accord with the United States without due input, consultations, or negotiations with its coalition partner the SDP. Further, the

DPJ expected that the SDP would simply sign off on this. In this way, the DPJ did not give adequate consideration to the maintenance of the coalition, creating a scenario in which the SDP was left with no alternative but to exit.

It is, therefore, evident that there is an urgent and immediate need for the new government to establish appropriate mechanisms for the making of foreign and national security policy. There are two possible ways forward for the DPJ to resolve this policy-making process dilemma.

The first way is to revive the LDP-era policy-making mechanisms. This would involve allowing expert input from bureaucrats, reestablishing the coordinating role of the chief cabinet secretary, and engaging in intensive consultations, discussions, and negotiations among political leaders, the party, coalition parties, and bureaucrats. However, going back to the LDP-era mechanisms may not be politically viable for the DPJ given its reformist campaign promises and need to distance itself from the LDP.

The second possible way to revitalize the foreign and national security policymaking process is to create a new department within the Cabinet Office. In the lead up to the Lower House election and upon taking power last year, the DPJ spoke of establishing a National Strategy Bureau (NSB). The first step toward this was taken with the creation of a National Strategy Office. However, the legislation required to upgrade it to a full-fledged bureau is still under review as foot dragging continues. Under the DPJ's original plans, the NSB was to be mandated with foreign and national security policymaking. However,

whether this is part of current DPJ plans or not remains unclear. Nevertheless, in the absence of other foreign and national security policymaking mechanisms, the NSB should be established as a bona fide bureau, substantiated in terms of staff numbers, and given a broad mandate in relation to foreign and national security policymaking to allow for the formulation of solid, coordinated, and future-oriented foreign and national security policy with appropriate expert input.

◆ ◆ ◆

The resignation of Hatoyama has exposed the DPJ's lack of solid foreign and national security policy. However, the emergence of Kan as the new prime minister offers the DPJ a chance to learn important lessons and correct these shortcomings. Soon after the establishment of the new government, Prime Minister Kan and Chief Cabinet Secretary Yoshito Sengoku started restructuring their relationship with the bureaucracy, calling for a new alliance and bringing in additional bureaucrats as aides. The DPJ also reinstated the Policy Research Council to allow better coordination of policies between the political party and the cabinet. This is a good start, but it will not be until after the Upper House election set for July 11 when we can see if substantive policies will emerge from the Kan government.

Hitoshi Tanaka is a senior fellow at JCIE. He previously served as Japan's deputy minister for foreign affairs.

East Asia Insights

East Asia Insights is an occasional newsletter focusing on East Asia community building from the Japanese perspective.

Published by: Tadashi Yamamoto, President, JCIE

Please direct any comments or questions to eainsights@jcie.or.jp.

Japan Center for International Exchange
www.jcie.or.jp

Japan Center for International Exchange, Inc. (JCIE/USA)
www.jcie.org