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## *Part III: Report from Japan*

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# The Liberal Democratic Party: will Suzuki retain the Prime Ministry?

by Daniel Sneider, Asia Editor

*This is the third and final installment of the series by Mr. Sneider based on his recent trip to Japan.*

Political gossip in Tokyo invariably settles on one question: will Zenko Suzuki survive this year as the Prime Minister of Japan? Zenko Suzuki was hardly a household name in Japan, much less outside the country, when he emerged from the political deadlock which followed the summer 1980 death of then-Prime Minister Masayoshi Ohira as a surprise, compromise choice for the succession. Since that time he has been the subject of constant criticism within Japan for being a sharp backroom political maneuverer who is nonetheless failing to provide leadership to the government.

Criticism of Suzuki's leadership qualities is just as strong inside the ruling Liberal Democratic Party (LDP) and among big business backers of the party as it is in opposition circles. Even the LDP majority who support his policies feel he is a weak leader. In the fall Suzuki faces the end of his term as party president; his re-election, and hence retention of the post of Prime Minister, though likely, is far from certain. The challenge to Suzuki, if any, will come from within the LDP. The strongest card in his favor, as I was repeatedly told, is that there is no obvious successor and certainly no agreement among the various party factions on the succession. If Suzuki survives it will be principally for this negative reason; no one is ready, yet, to rock the boat.

One of Japan's veteran political journalists who regularly covers the Prime Minister's office told me, however, that he believes Suzuki will fall this year, that lack of confidence in his leadership within the ruling party will reach a point where a move will be made to oust him as Prime Minister. Such an event would be consistent with the turbulent nature of LDP politics in the previous decade, which saw four Prime Ministers come and go in rapid succession, despite the overall stability of LDP rule for almost the entirety of the post-war period.

At the root of this turbulence is the global economic

crisis, its strategic ramifications, and their reflection into internal Japanese economic and political life. Crises in Japanese politics invariably appear—including to their participants—to be purely internal affairs, often determined by byzantine battles for political power and influence within the ruling party. But the context for these events on the Japanese islands are nevertheless determined by the waves which come pounding in on Japanese shores from outside.

### **Two crises**

The two tests of Suzuki's leadership are the economic situation and the growing tension in U.S.-Japan relations. Either or both of these can provide the crisis circumstances precipitating a successful move to oust him, perhaps even before the party elections in the fall. Even if Suzuki wins the party election, as most observers now think likely, these situations could force new Diet elections in 1983, in which a poor showing by the LDP would force Suzuki to resign.

Despite the Japanese export drive of the past two years, which left Japan in relatively better shape than other advanced industrial countries, it is clear that depressed markets and tremendous protectionism means Japan cannot count on trade to keep the economy moving. Without a shift in American interest-rate policy, the Japanese are left with a choice of either enforcing austerity and suffering deep recession, or trying further domestic stimulation at a time when they are already running a 30 percent government deficit. To try to solve the budget deficit, Suzuki until recently had planned a multi-year budget-cutting policy labelled "administrative reform," pledging to "stake his political life" on its success. In the budget currently before the Diet, virtually every item other than defense, foreign aid, and energy was kept to near zero-growth. The opposition parties, who have the backing of the trade unions, made a big issue over the fact that defense was increased 7.2 percent under American pressure, while

social welfare was cut back. Now, with exports slowing more seriously than expected, big business and certain LDP factions are demanding that the fiscal austerity policy be reversed for the sake of the domestic economy.

As serious as the economic difficulties are, criticism of Suzuki has been even more intense over the foreign policy issues, particularly on relations with America. A cardinal rule of Japanese postwar politics—whose violators either never became Prime Minister or who lost power not long after obtaining it—was to avoid antagonizing the United States even in the pursuit of national interests that sometimes required policy differences with Washington. Memories of World War II, the economic/military dependence on America, and genuine feelings of debt for America's generous and indispensable aid in rebuilding war-devastated Japan all contribute to this attitude.

Some sections of the LDP think Suzuki has violated this cardinal rule by a European-type distance from the anti-Soviet confrontationism of the Reagan administration, including resisting Washington's pressure to further hike Japanese defense spending. Similarly, there are those who argue for more concessions on trade issues lest protectionist pressures increase even more.

By far, the majority of the LDP basically supports Suzuki's policies, but even these supporters feel that he has not handled either the economic issues or the relationship with the United States skillfully, or with the strong leadership and statesmanship that the difficult times require. Suzuki's stress on maintaining "harmony," both inside the LDP and in terms of international relations, is seen as a weakness, preventing bolder, more adroit initiatives.

Under these circumstances, the threats emanating from the United States of trade war, combined with pressures to toe a tough line toward Moscow and the Third World, could be the crucial factor in unsettling the political scene. This factor, combined with economic and budget problems, will shape the political intrigues.

### **The inner party battle**

In order to understand the political scene we must shift from this higher ground to the often murky inner world of LDP power politics. The ruling party, which in genealogy is a combination of the two major pre-war capitalist parties plus lesser elements, has ruled Japan virtually uninterrupted during the postwar period with majority votes ranging from slim to comfortable. The Opposition is made up by the Japan Socialist Party, the Communist Party, the Democratic Socialist Party and the Bhuddist Komei (Clean Government) Party, who are too divided amongst themselves and insufficiently popular to pose any prospect of taking power in the near future.

Therefore, most policy debates and political fights

in Japan take place within the LDP, which is made up of five major factions. These factions are not ideological formations for the most part, but political personality and patronage machines, grouped around individual party leaders. Though an historical policy and factional lineage can be traced, they are held together by their ability to "deliver the goods," not just to their constituents, but more so to the members of the faction. The death of a faction leader or his political demise can often lead to desertations from the faction or a splintering of it rather than simply its inheritance by a new leader. At present, the five major factions are: the Suzuki faction, formerly headed by Ohira; the Fukuda faction, headed by former Prime Minister Takeo Fukuda; the Tanaka faction, headed by former Prime Minister Kakuei Tanaka; the Komoto faction, led by cabinet member and former businessman Toshio Komoto and including former Prime Minister Takeo Miki; and the faction led by Yasuhiro Nakasone. Among lesser groupings, the most significant is the new faction around Ichiro Nakagawa, currently Minister of Science and Technology.

The Suzuki cabinet is an all-faction cabinet, but its support rests on the three main factions—those of Tanaka (the largest), Suzuki, and Fukuda. Unless Tanaka or Fukuda withdraw support, Suzuki can hold onto power. Suzuki's compromise selection as Prime Minister was largely a product of the efforts of Fukuda and Tanaka to block each other's choice. A sort of Japanese Robert Strauss, Suzuki's skills as a master political operator able to balance different factions and create "consensus" were seen necessary after years of internecine strife.

In the Japanese system, specific domestic and foreign policies emerge, not so much from the Cabinet or Prime Minister, but from the combination of the permanent bureaucracy, key business leaders, and some top political leaders, who may or may not be former bureaucrats, as Fukuda and Ohira had been. Except for extraordinary individuals, the Prime Minister's role is not to initiate specific policies, but to give a general direction to policy and to arbitrate the disputes among policy options presented by the above-cited groups. Suzuki is the extreme case of the mere arbiter, rather than policy formulator, though he does possess considerable nationalist instincts.

For the past 10 years, the internal life of the LDP has been dominated by a bitter seesaw battle between two powerful rivals—Tanaka and Fukuda. These two men are the yin and the yang of the political scene. Fukuda is the quintessence of the traditional ruling politician, a graduate of the elite German Law Faculty of the Tokyo Imperial University, a bureaucrat in the Finance Ministry from the early 1930s, and the successor to conservative political boss (and pre-war figure)

former Prime Minister Nobusuke Kishi. Tanaka is the first postwar Prime Minister to break that mold—an elementary school graduate who built a political/financial base as a construction kingpin and who then built a political machine down to the local level that would make the late Mayor Richard Daley green with envy. When the late Prime Minister Eisaku Sato (Kishi's half-brother) left office in 1972, Fukuda was the expected, and natural, successor. He was beat out in a rough and tumble party convention by Tanaka, a battle which, it is rumored, saw tens of millions of dollars passed out to buy the votes of LDP Diet members. That was only one scene in the bitter rivalry—Tanaka was ousted from office two years later under the cloud of a corruption scandal, to which, a year later, was added the famous Lockheed bribery scandal for which Tanaka and others have been on trial for the past several years. It is widely believed that Fukuda, using his extensive Finance Ministry networks, helped to leak the information which created the scandal. Tanaka got his revenge when he backed Masayoshi Ohira's successful effort to oust Fukuda as Prime Minister in 1978, only two years after Fukuda had obtained the office. (Takeo Miki was Prime Minister between Tanaka and Fukuda.)

Seasoned political observers in Tokyo believe that both men harbor intense feelings of frustrated ambition, including the desire, however unlikely, to return to the post of Prime Ministership. While both men combined to put Suzuki into power—after business leaders made it clear they would not tolerate another factional blood-letting—they did so for different reasons and neither have a long-term commitment to him. Tanaka's backing for Suzuki is stronger, stemming from the impact of the Lockheed trial, heading for a conclusion by next year. Should Tanaka lose, one expert told me, Tanaka's powerful faction may split. Already some leading Tanaka faction members, such as Shin Kanemaru, are considering such a move. This would have a tremendous impact on the entire LDP alignment. Tanaka's own major consideration at this point is to have a Prime Minister friendly—or beholden—to him as the trial comes to a close. Therefore, Tanaka will make no move to oust Suzuki and will support his re-election to another two-year term as party president.

If an oust-Suzuki move takes place, highly placed sources in Tokyo say, it will be led by Fukuda. Though Fukuda, one of the politicians most concerned with policy, has had a crucial foreign policy influence over Suzuki since the May 1980 firing of Foreign Minister Masayoshi Ito, he might move against Suzuki if there were a wider crisis of confidence in the LDP as a whole, a feeling that Suzuki's weak leadership qualities were leading the party and the country into danger. It was Fukuda, backed by Miki, who took the unprecedented step of abstaining in a vote of confidence against Ohira

in 1980 in a move to fell him. While such a move may not necessarily be repeated, some sources believe that Fukuda, charged by personal and "emotional" circumstances, might move against Suzuki in an atmosphere of political crisis.

### **The possibilities**

It is difficult to determine the policy consequences of Suzuki's ouster, or who would replace him. His downfall could bolster Japanese resistance to Washington's Cold War and trade pressures, by strengthening nationalist leadership, or it could even be backed by American hawks who are afraid of Japan's increasing policy independence and who want to engender political chaos.

Part of the reason for the uncertainty of the policy implications is that the factions themselves are often divided on policy. Fukuda himself—who is pro-American but independent-minded—has strong views on policy, some of which his supporters may not agree with. Tanaka, while having strong views on certain issues, is much less concerned with the specifics of policy than of power and patronage. Tanaka's chief lieutenant, Susumu Nikkaido, who is now LDP Secretary-General, had been aiding a Washington-backed oust-Suzuki movement earlier this spring until Tanaka stopped him. Other Tanaka supporters are more nationalist. A victory by this faction would be an occasion for advisers and bureaucrats outside the faction to shape policy.

Should Suzuki fall, one political professional told me, "We may just get another Suzuki, another person who is unknown as a possibility and emerges out of the shadows." Tanaka and Fukuda's efforts to block each other's candidates (e.g. Nikkaido or Fukuda's political heir and Kishi's son-in-law, Shintaro Abe) might yet again yield a compromise candidate. One name mentioned is Toshio Komoto, presently Director of the Economic Planning Agency, whose faction is the smallest of the main five. A businessman turned politician, Komoto is well-liked among some powerful business circles for his economic views favoring fiscal stimulus, high growth, and opposition to Club of Rome "limits to growth" ideology. But his political base is weak. Several "younger generation" leaders, who are by no means young but simply of a later political generation, are named, such as Ichiro Nakagawa, Minister of Science and Technology, or Finance Minister Michio Watanabe.

Whether Suzuki survives, and regardless of who might replace him, the question facing Japanese politics in 1982 is if Japan can produce the kind of political leadership the times require, or if it will remain mired in machine politics that produced good intentions, such as protests against Volcker, without the political will or skill to carry them out.