

Nakasone survives a challenge

This month's elections did no great damage to the Liberal Democratic Party or the premier, but instability persists, reports Daniel Sneider.

The results of the April 10 round of local elections in Japan were awaited with more than the usual level of nervous expectation in political circles. Far more was at stake than the control of 13 prefectural governorships (a prefecture is equivalent to a U.S. state) and seats in prefectural assemblies. The elections were a crucial test for the less-than-six-month-old cabinet of Premier Yasuhiro Nakasone and for the prospects of his continued command of the government.

A serious defeat for the ruling Liberal Democratic Party (LDP) in the local elections, a defeat which did not materialize, would have had two immediate consequences. It would probably have dashed Nakasone's plans to call full-scale national elections to strengthen his position, and it would have strengthened the hand of Nakasone's rivals in the LDP who are gunning to knock him out of the Premier's seat before the year is out.

Nakasone must pass some crucial tests in the coming months, of which the local elections are only the first, if he hopes to survive what many observers in Tokyo believe is a certain political crisis that will strike in the early summer. Nakasone's biggest problem is also his most important political backer, former Premier Kakuei Tanaka, without a doubt the most controversial figure in Japanese politics today. For Nakasone to survive, he must weather the storm surrounding the culmination of the years-long trial of Tanaka and his associates on charges of having received payoffs from the Lockheed Aircraft Corporation in the early 1970s in exchange for arranging purchases of their planes. In the early part of this year, the prosecution presented its summation and its request for conviction and sentencing of Tanaka. Tanaka's defense lawyers are now presenting their defense summary; some time in the fall it is expected that the judges will finally hand down their decision. If Tanaka is convicted, as is expected, the resulting crisis within the ruling Liberal Democratic Party (LDP) could easily topple Nakasone.

Yet Tanaka and his faction remain the most powerful in the LDP, and there is no indication that Tanaka has given up the battle, nor relinquished his dream of being acquitted and becoming Prime Minister again. The challenge for both Nakasone and Tanaka is to strengthen their position in the coming months against rivals within the LDP, including faction lead-

ers Toshio Komoto, Kiichi Miyazawa, and former Premier Takeo Fukuda, who are increasingly open about their aim to topple Nakasone and to destroy the power of the Tanaka faction in the party.

The Nakasone-Tanaka strategy is to force an early dissolution of the lower house of the Diet (the parliament) in coordination with the scheduled elections to the upper house in June—calling a so-called “double election” to the Diet. An LDP victory in the double election would tremendously strengthen Nakasone, perhaps enough to survive the Tanaka-Lockheed crisis. It is a risky strategy: an LDP loss of any significance would virtually ensure, according to Japanese political tradition, the immediate resignation of Nakasone.

The local elections were a crucial first test. Any sign that the LDP was in trouble would have strengthened the hand of those in the party, including Fukuda, Komoto, and Miyazawa, who oppose double elections. Before the elections well-informed sources in Tokyo reported that members of the Diet were already preparing for a June election, raising funds, opening offices, and beginning pre-election maneuvers. The psychological momentum for elections was building up, particularly as the Tanaka faction was well underway in its preparations and the rival factions of the LDP could hardly allow themselves to lag far behind. While Nakasone has only hinted at his desire to hold double elections, his rivals have openly declared that the elections should not be held, and, in apparent contradiction, that if they are held, then Nakasone must “accept responsibility” for any defeat the LDP suffers. Sources report, however, that while figures like Fukuda were publically opposing the elections, key members of his faction were making the rounds of big business houses even before the local elections soliciting election campaign funds.

The local election results were at first glance ambiguous, and in the first couple of days after their announcement were even interpreted as a defeat for Nakasone. This was due to the loss of LDP governorships in two of the key prefectures up for election—the northern island of Hokkaido, and Fukuoka prefecture on the southern island of Kyushu. These were the two elections which political pundits declared would be bellwethers of Nakasone's popularity. Immediately after the results were announced, Fukuda attempted to capitalize

on them, declaring that "both the government and the LDP should humbly reflect the election results." Business leaders like Keidanren chief Yoshihiro Inayama and Japan Chamber of Commerce and Industry head Shigeo Nagano were quoted calling the results (respectively) "truly regrettable" and "alarming." Nakasone himself issued a brief statement saying only that "the present situation is very severe and we are concerned about it."

However, the subsequent post-mortem on the results has been much less alarming. For the first time in 15 years the ruling party made gains in its share of prefectural assembly seats, winning 1,486 out of 2,600 seats up for election, a gain of 80 over previous 1979 election levels. The leading opposition party, the Japan Socialist Party (JSP) lost 7 seats and the Communist Party (JCP) lost 37 seats. In the view of many this was far more reflective of political reality than the victory of JSP-JCP-backed candidates in Hokkaido and Fukuoka. Observers point out that the LDP candidates were defeated more on local issues, and on their own somewhat tarnished records, than as a result of an anti-Nakasone vote. Sources in Tokyo now believe that the momentum for double elections is virtually unstoppable.

The Williamsburg summit

However, even if Nakasone manages to pull off double elections, his troubles will be far from over. Firstly, and most obviously, the LDP must do well in those elections. The party, and Premier Nakasone, are going to face a Japanese electorate concerned most of all about two issues—the faltering state of the Japanese economy in the midst of the world depression, and fears over what is perceived as Nakasone's "hawkish" desire to carry out a defense build-up. It was reported, for example, that the LDP local election defeats were due in part to a large anti-Nakasone vote by women concerned about the defense build-up trend and the danger of war.

Nakasone's ability to deal with the twin economic and defense issues is in large part dependent on what the Reagan administration does and on relations between Japan and the United States. It is for that reason that the upcoming Williamsburg summit will be crucial for Nakasone, as it will be watched in Tokyo as a test of his own leadership. Within the ruling party the question of maintaining good relations with Washington and of whether the premier is "in favor" with the U.S. administration can be matters of political life or death, as was the case with former Premier Suzuki, whose controversial visit to the United States was viewed as a crucial factor in his ultimate downfall.

According to Japanese press reports Premier Nakasone is considering making a major initiative at Williamsburg around a plan to finance large-scale infrastructure development projects in the developing sector like a second Panama Canal, a canal across the Kra Isthmus in Thailand, the greening of African deserts, and other similar schemes (see *EIR*, April 5). The plan is drawn from the proposal for the creation of a

Global Infrastructure Fund (GIF) drawn up in 1977 by former chairman of the Mitsubishi Research Institute Masaji Nakajima.

Kyodo news service further reported that Nakasone will call on the advanced industrial countries, including both the U.S. and the Soviet Union, to contribute one percent of their military spending to the fund, with Japan contributing 1 percent of its export earnings. Kyodo reports that the fund is conceived to produce a breakthrough out of the global recession, help the debt-ridden developing countries and check the U.S.-Soviet arms race. Kyodo cites Japanese government sources to report that Nakasone believes that the industrial countries, including the Soviets, have to cooperate in such economic ventures to prevent the global economic crisis from leading to confrontation and war. Sources in Tokyo report that the Japanese foreign ministry is opposed to the idea—as is the U.S. State Department—but that Nakasone is committed to it.

The Williamsburg plan is undoubtedly linked to a similar view in Japanese business and economic planning circles of the need for domestic "public works" pump-priming of the Japanese economy to weather the current economic downturn. In the beginning of April the government authorized the formation of a non-profit corporation called Japan Project Industry Council (JAPIC) which involves 113 businesses and 17 industry organizations and is headed up by Nippon Steel chief Eishiro Saito. JAPIC's purpose is to promote, together with the government, large-scale infrastructure projects in Japan itself to "stimulate demand," including huge river control, roads, and new urban development projects. Saito, who is a strong supporter of Nakajima's GIF idea, stated that JAPIC would also promote the large-scale international projects which he said Nakasone would propose at Williamsburg.

A Nakasone commitment to this development approach places him, in principle, at odds with the anti-growth, pro-austerity policies of the International Monetary Fund towards the crisis of the debt-ridden developing countries. While the U.S. State Department has already voiced its opposition to discussing this plan at Williamsburg, some sources believe that the White House may be more open. Those sources point out that former National Security advisor Richard Allen, who still has considerable influence in the White House and the NSC, is a registered agent for Mitsubishi corporation and, according to Tokyo sources, was consulted by Mitsubishi earlier on the planning of the visit of a Japanese business delegation led by Shigeo Nagano and the head of Mitsubishi to Washington this past February to discuss U.S.-Japan cooperation in the project to build a second sea-level Panama Canal.

Nakasone could also be strengthened from the White House on the defense issue front by Reagan's March 23 announcement of a new defensive strategic doctrine for the U.S. The idea of a defensive strategy against nuclear weapons is potentially very appealing in Japan, where fear of nuclear weapons remains very strong; and if Nakasone hooks

himself to Reagan's concept, he might ward off some of the problems of his "hawk" label.

Why was Kissinger in Tokyo?

It is in this light that a visit by former Secretary of State Henry Kissinger to Tokyo in late March might be explained. The main apparent purpose for Kissinger's visit was to attend a closed meeting, sponsored by the Aspen Institute, of a group which included former German Chancellor Helmut Schmidt, former French Premier Raymond Barre, former British Foreign Secretary (and fellow member of Kissinger Associates) Lord Carrington, and Singapore's Premier Lee Kuan Yew. Speculation in Tokyo circles however focused on the presence in the meeting of the only Japanese participant, former Foreign Minister and LDP aspirant to succeed Nakasone, Kiichi Miyazawa.

The challenge for Nakasone and his ally Tanaka after the local elections is to strengthen their position against LDP rivals. The Japanese electorate is above all concerned about the economy and what is perceived as Nakasone's "hawkishness." U.S.-Japan relations will be a major determinant of whether the premier survives.

In recent months Miyazawa has made no secret of his growing ambition to become Prime Minister and his hostility to Nakasone. He has staked out a position as a "dove" relative to Nakasone on the defense issue, calling on several occasions for the necessity of arms control negotiations and expressing the view, as he reportedly did in the Kissinger meeting, that Japan should not be expected to do "much more than she has already done" to build up her defenses. Miyazawa also has a reputation in Japanese political circles as an "internationalist," unusual in Japanese terms for his ability to speak English well and for his familiarity with U.S. and European elite circles. He was a prominent member of the Trilateral Commission and has been an active participant in various high-level international conferences.

The ostensible subjects of the Aspen-sponsored Tokyo meeting were defense issues and the international economic crisis. Miyazawa apparently found his views perfectly coherent with those of Kissinger, who also pushed the arms control line at the Tokyo meeting according to news reports,

and, in clear contradiction of the position of President Reagan, downplayed the importance of Soviet gains in military preparedness over the U.S. Kissinger was also pushing his view that the Third World debt crisis can be handled. Miyazawa, according to Kyodo, said that the participants agreed that the debt situation "is not a very serious problem" for now and that the IMF should play a greater role "to avoid any catastrophic developments."

Some political observers in Tokyo believe that the pointed choice of Miyazawa was meant to communicate the Henry Kissinger "seal of approval" for his bid to unseat Nakasone and that privately the two discussed precisely this aim. Kissinger is believed in some Tokyo circles to have launched the Lockheed scandal against Tanaka and, according to that view, "distrusts" Tanaka ally Nakasone as an "uncontrollable" Japanese nationalist.

The 'new generation' meets

Miyazawa is only one of a group of so-called "new generation" political leaders in the LDP who are lining up for the eventual succession struggle when Nakasone falls. Prior to the April 10 local elections a meeting was organized of the three leading "new generation" figures, Miyazawa (who is in the Suzuki faction), Finance Minister Noburo Takeshita from the Tanaka faction, and Foreign Minister Shintaro Abe from the Fukuda faction. All three are the "crown prince" successors to leadership of their respective factions.

The reported purpose of the meeting was to form a group called "Washin-kai" or "Harmony Promotion Group" to deal with the anticipated succession crisis, an idea said to be initiated by Ryutaro Namato, the chairman of the LDP Fundamental Problems Research Council. Also reportedly involved are several big-business leaders, including Kansai Electric Power President Shoichiro Kobayashi.

After the group's first meeting, to which Tanaka deputy Takeshita arrived three hours late, the major line of speculation in Tokyo was that Tanaka himself had ordered the delay him because of his opposition to the whole idea of attending the meeting, with its implication that Tanaka himself was no longer a potential premier candidate, and was being pushed to the side in the party and in his faction. Sources in Tokyo also report rumors of a deal being arranged which would have Nakasone succeeded by Miyazawa, who would then be succeeded by Takeshita, and finally by Abe. However, close observers of the often topsy-turvy world of Japanese politics know that even if such deals are being made, events have a way of upsetting the best laid plans.

When Nakasone first gained the premiership, this writer reported that it was highly probable that he would not survive the year, or perhaps even last longer than six months, i.e., past the June elections. The Tanaka problem still looms over Nakasone's future. The calling of June double elections is a gamble for Nakasone, but it is a gamble he is compelled to take or become a sitting duck for Miyazawa, Fukuda, and others.