

Post-Coronavirus Populism & Japanese Politics (Part 2)



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Japanese Politics Pre-Coronavirus & Post-Coronavirus – Three Features

What implications does the trend which we have looked at so far have for post-coronavirus Japanese politics? To make a comparative assessment, I will start by pointing out three features of Japanese politics both before and after Covid-19 which distinctively differ from other advanced democracies. First, there were no movements, or extremely weak movements, of populism and polarization before the coronavirus. Professor John Ikenberry of the University of California even asserted that as populism was sweeping through the world before the coronavirus, the role of maintaining a liberal world order was up to both Prime Minister Shinzo Abe of Japan (back then) and Chancellor Angela Merkel of Germany where politics was stable (“The Plot Against American Foreign Policy” by G. John Ikenberry, *Foreign Affairs*, May/June: 3-7, 2017). As this assertion represents, Japanese politics before the coronavirus was the subject of envy among Western countries hit by populist movements.

Second, closely related to the first, resistance to globalization is much smaller. There are possibly two major reasons behind this. One is the small number of immigrants and refugees in Japan. While the percentage of those born in foreign countries across the West exceeds 10%, it is just a little over 1% in Japan. The other is that Japan has enjoyed a long-term current account surplus. Reflecting these trends, the mindset of “globalization is good (positive) for Japan” is deeply rooted among the Japanese public. For example, an online survey which was conducted in the spring of 2021 by Ipsos after the coronavirus showed that of the 25 countries surveyed, Japan had the lowest percentage of those who agreed with the need for import restrictions via trade barriers.

Third, also closely related to the first and the second, Japan was one of the very few countries which did not experience a “rally around the flag” symptom under the coronavirus pandemic. While approval rates for the administrations and the trust in governments across the world jumped up at least temporarily just after Covid-19 hit the world, Japan was the lone exception in advanced democracies where both indicators went down.

Emergence of Populism Unlikely in Japan in the Near Future

What are prospects for populism in Japanese politics? Will they be in line with the global trend? First and foremost, populism is unlikely to emerge in Japan like it did in Western countries before Covid-19 for the time being. The anti-globalization mindset being low among the Japanese public is one factor. An even bigger reason is that Japan has already experienced an “anti-elite” excitement which was akin to populism from the 1990s to the 2000s preceding Western countries. The Japanese public then experienced a huge disappointment after the initial excitement. Such an experience and the memory of it make it more difficult to regain the energy and enthusiasm necessary for a populist explosion.

Researchers have pointed out that financial crises prepare the ground for populism. The subprime loan crisis that occurred in the United States around 2007 developed into a global financial crisis, and European countries were hit even harder than the US. Many critics point to the economic crisis in the late 2000s being one of the root causes of the rise of populism in Western countries. Japan experienced a serious economic crisis nearly 10 years before the subprime crisis. The bubble economy burst in the early 1990s and continuing financial instability led to a financial crisis in 1997-1998. Cases of collusion between financial institutions and bureaucracy came to light one after the other, and numerous banking executives and bureaucrats and central bankers were arrested or forced to leave their positions. Some even committed suicide.

As the economic slump continued through the 2000s in Japan, the anger of the Japanese public was directed towards the elites, especially bureaucrats and bankers, who had played central roles in the Japanese political economy during the postwar high-growth era. The Democratic Party of Japan (DPJ), which was inaugurated in 1998 in the midst of the financial crisis, grew greatly in strength by taking on the criticisms of the traditional Japanese elites. In 2009, the DPJ won a landslide victory over the Liberal Democratic Party (LDP). It was the first time the LDP had failed to sustain its position as the leading party since its establishment in 1955. The key slogan of the DPJ in the 2009 electoral campaign was “*datsu-kanryo*” (de-bureaucratization). The DPJ pledged to deprive the bureaucracy of its power and autonomy and concentrate power in politicians who represent the will of the public.

Whether the movements in Japanese politics back then can be

called populism is debatable, but they have many things in common with the populist movements in the West after the subprime crisis and other populist movements of the past. For instance, one of their key features is an anti-elite political reaction triggered by economic crisis. The policy platform of the DPJ resembled in several ways the assertions of left-wing populists of the US and Europe in the 2010s.

Former US Secretary of the Treasury Lawrence Summers and others have recently pointed out that the US and European economies are following the Japanese economy's path, which experienced long-term stagnation under extremely low interest rates after the burst of the bubble economy. Summers called this the "Japanization" of Western economies ("Larry Summers Worries the World Is Turning Japanese" by William Pesek, *Forbes*, Nov. 12, 2021). As the economy and politics are inseparable, the US and some European countries might be experiencing Japanization in the political sphere as well.

The DPJ administration initiated in 2009, however, failed miserably, especially in its response to the Great East Japan Earthquake in 2011 and relationship-building with the US and China. Another landslide victory occurred in the 2012 election, this time for the LDP, and Abe's administration took over. The DPJ perished in 2016, possibly due to its unpopularity, although key members of the party are still among leaders of the current opposition parties.

The LDP has since won every national election overwhelmingly, most recently the lower house election in September 2021. Since those wins were at a time when populist movements surged in Western countries, the seeming stability of Japanese politics was applauded and envied. However, many overlooked the fact that Japan had already experienced an anti-elite populist movement in the late 1990s and 2000s. Such advanced experience of quasi-populism and its bitter memory might have prevented the Japanese public from making a hasty commitment to another populist movement. Moreover, the public's memory of disappointment with the DPJ administrations evoked distrust in the major opposition parties still led by former DPJ members.

Critics have pointed out that the dominance of the LDP since 2012 is substantially due to skepticism towards the opposition parties. That is, lack of viable alternatives in political choice might have led to LDP supremacy. Indeed, the approval rates for the LDP administrations for this period have remained moderate at best in historical term and not lived up to the LDP's consecutive landslide victories in national elections. In an interview conducted by NHK in

2019 with leaders of the former DPJ, including former Prime Minister Yoshihiko Noda, all of them acknowledged this point as being a major factor behind the continued dominance of the LDP since 2012. They admitted that, because of the bitter memory of the DPJ administration, the opposition parties could not successfully accommodate public dissatisfaction toward LDP-led governments.

A rise in populism requires both supply and demand ("Populism: Demand and Supply", Centre for Economic Policy Research, DP 11871, 2017). Even if there are public grievances (demand) towards the government and the ruling class, unless there is a viable alternative path provided by other political parties and leaders to take them up (supply), populist movements will not expand. The "stability of Japanese politics" and "absence of populism" envied by other countries might have been due more to the lack of alternatives in addressing public grievances than the public's satisfaction with the government. The Japanese public might have foreseen what lies behind populist excitement and, even if not satisfied with the government, no longer enthusiastically support anti-elite opposition parties led by former DPJ members.

One of the reasons why "rally around the flag" during Covid-19 was not observed in Japan is also explicable in a similar context. In contrast to other national issues, in the case of Covid-19 where local governments played crucial roles, the Japanese public had viable alternatives (i.e., leaders of local governments) to choose from. According to a public opinion poll, trust in Abe's response to the coronavirus was substantially lower than trust in the local leaders, including the governors of Tokyo and Osaka. However, trust in opposition party leaders on this issue was substantially lower even than for Abe. Unlike in other national issues, on Covid-19, leaders of local governments might have taken up public grievances with the government, leading to its low popularity and the high popularity of local leaders.

Again, strong populist movements will not likely occur in Japan for the time being. In addition to the general lack of repulsion over globalization among the Japanese public, an alternative to address the anti-elite grievances of the public is currently lost with the bitter memory of the DPJ administrations. Japan still faces, however, other possible paths for the emergence of populism. One of the largest is the widening of economic inequality. Fumio Kishida, who became prime minister in September 2021, is the leader of a liberal faction within the LDP and is pledging to realize a "new capitalism" to replace neoliberalism. Here, as with other governments of advanced

democracies, the Kishida administration will be put to the test in coping with inequalities when Covid-19 settles down.

Possible Takeaways from Japanese Politics

The rise of populism linked with polarization of parties and people poses a serious problem for the well-being of democracies across the world. In Japan the situation seems, on the surface, more optimistic. The incumbent party (LDP) is winning landslide electoral victories. The electoral results imply politics is stable and people are seemingly united. Japan appears to be one of the few advanced democracies free from populist movement and polarization.

However, as I have mentioned, the Japanese situation is not that simple or idealistic. The bitter memory of the DPJ administration left the Japanese public with few political alternatives. Without viable alternatives, populism cannot prosper. The lack of populism might be a welcome situation for democracy but the lack of political alternatives is not. Japanese democracy needs opposition parties that can credibly run a government. A drastic make-over of current opposition parties and their members is required, not a superficial deception such as changing their names.

In terms of a political party with the ability to run a government, the Restoration Party in Osaka and the Tokyo Citizens First in Tokyo whose leaders are running the local governments of Osaka and Tokyo should be closely watched. How to realize national expansion is going to be a challenge for these regional parties. The Restoration Party is struggling in electoral districts outside Osaka. If other regional political parties emerge, cooperation between them could become a possibility.

Lastly, I will touch on the implications of Japan's experiences for the rest of world. Are there any takeaways? As noted earlier, so-called "Japanization" may progress not only in the economy but also in politics. If so, the path that Japanese politics has taken could serve as a lesson for other countries.

I noted in the first part of this article that, when the coronavirus pandemic settles down, there is a good chance that populism may gain force once again in Western countries. Administrations of those countries will be forced to conduct extremely difficult policy tasks, such as correcting disparities through liberal policies and reconstructing responses to resurging globalization. They will be fiercely attacked by populists on the way. Japan, on the other hand, should remain relatively free from populism.

The Japanese experience can thus be suggestive. Populists are good at criticizing the "enemy", but once the "enemy" is defeated and the government is taken over, they will then be questioned on their own ability to govern. If they fail, as did the DPJ claiming to be anti-elite, once they are back in opposition it will be difficult for populism to maintain the same momentum in the face of public disappointment. If they succeed, they can no longer keep on criticizing others or their enemies. In this sense, handing over the government to a populist political party may be an ultimate way of diminishing the strength of populism.

However, Japan's current situation in which the ruling party continues its "overwhelming victory without enthusiastic support" is not an ideal situation either. How can credible alternatives for public choice be established in Japan after populist enthusiasm turned into disappointment? As the terminology "Japanization" implies, along with other issues such as the aging society and diminishing population, Japan might be experiencing some of the hardships in advance to other countries. Japanese politics could provide valuable takeaways to other countries in the future. **JS**

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