

Asia Maior. The Journal of the Italian think tank on Asia founded by Giorgio Borsa in 1989.

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ISSN 2385-2526

ISBN 978-88-3313-044-6 (paper)

ISBN 978-88-3313-045-3 (e-book)

Annual journal - Vol. XXVIII, 2017

Published jointly by Associazione Asia Maior & CSPE - Centro Studi per i Popoli extra-europei "Cesare Bonacossa" - Università di Pavia

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Paper version	Italy	€ 50.00	Abroad	€ 65.00
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CENTRO STUDI PER I POPOLI EXTRA-EUROPEI “CESARE BONACOSSA” - UNIVERSITÀ DI PAVIA

ASIA MAIOR

The Journal of the Italian think tank on Asia founded by Giorgio Borsa in 1989

Vol. XXVIII / 2017

Asia in the Waning Shadow of American Hegemony

Edited by

Michelguglielmo Torri, Elisabetta Basile, Nicola Mocci

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JAPAN 2017: DEFENDING THE DOMESTIC AND INTERNATIONAL STATUS QUO*

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The year 2017 proved a transitory testing time for the Abe administration, because the prime minister faced a series of new international and domestic hurdles. While the North Korean crisis dominated Japanese media, China and the US remained Japan's main strategic concern. Following the US's withdrawal from the Trans-Pacific Partnership agreement, Abe engaged the Trump White House and defused its protectionist and potentially isolationist «America First» doctrine. Trump's focus on the DPRK missile and nuclear threat translated into a relatively moderate China policy. To hedge against the risks of a transactional US-China détente, Abe made symbolic pledges of cooperation with Beijing. Meanwhile, as US-China rivalry in the economic and military domain resurfaced, the Japanese and US governments pushed for an Indo-Pacific strategy that more confidently balanced China's regional influence. At the domestic level, Abe confronted a series of political scandals that involved himself and some of his closest political allies. In an attempt to mend public support for his promises to reform Japan's economy and to revise the post-war state, Abe dissolved the Lower House and, in the ensuing elections, confirmed the supermajority enjoyed by the coalition government. As a result, the LDP has consolidated its one-party dominance, while the opposition remains fragmented and weak. In summary, our review of 2017 suggests that Japan's overall foreign policy line remained unchanged, while Abe has successfully consolidated the status quo of LDP one-party dominance.

1. Introduction

The North Korean crisis garnered most of the news media's attention during the year under review, but China remained Japan's main strategic concern. In Prime Minister Abe's own words: «How to deal with China is the most important issue of the 21st Century. I have spent a considerable amount of time with Trump on this very subject. While Japan surely wants to build friendly relations with China, in the field of the security we must channel China and its expanding military in the right direction through a

*. The present chapter is the outcome of a joint research effort. The final draft of the short introduction and parts 2 were written by Giulio Pugliese, whereas the final draft of the abstract and of part 3 were written by Sebastian Maslow. The authors are indebted to Michelguglielmo Torri, Nicola Mocchi, and two anonymous reviewers for their helpful comments.

stronger Japan-US alliance».¹ In short, while Japan's overall foreign policy line did not change in 2017, efforts to reform Japan's national security and economic institutions continued. Yet, the year proved a transitory testing time for the Abe administration, because the prime minister faced a series of new international and domestic hurdles.

At the international level, Abe had no choice but to engage the Trump White House and defuse its protectionist and potentially isolationist «America First» instincts. Following Trump's decision to disengage from the Trans-Pacific Partnership agreement, the Japanese government decided to revitalise the ambitious multilateral Free Trade Agreement (FTA) with the remaining 11 signatories and to finalise the long-awaited EU-Japan Economic Partnership Agreement. Moreover, Trump's fixation on the North Korea issue translated into a relatively moderate China policy during most of the year under review. To hedge against the risks of a transactional US-China détente, Abe made symbolic pledges of cooperation with its neighbour.

At the domestic level, Abe confronted a series of political scandals that involved himself and some of his closest political friends, such as Defense Minister Inada Tomomi. Ultimately, however, Abe dissolved the Lower House and, in the ensuing elections, confirmed the supermajority enjoyed by the coalition government in the face of an atomised and inconsistent opposition. As a result, by the end of 2017, it was clear that one-party dominance of the Liberal Democratic Party (LDP) was further consolidated and that Abe was set to become the longest serving prime minister in the entire history of modern Japan. Finally, as US-China rivalry in the economic and military domain had resurfaced by the end of the year, the Japanese and US governments pushed for an Indo-Pacific strategy that more confidently balanced China's regional influence.

2. Japan's foreign policy outlook: between proactive contribution to (regional) peace and global economic strategies

In 2017 Japan's Maritime Self Defence Forces signalled a growing «commitment by presence» in critical areas around and far off the Japanese archipelago.² In line with developments highlighted in earlier essays, the

1. Shinzō Abe, Lower House Budget Committee No. 11 (193rd Diet), 14 February 2017 (<http://kokkai.ndl.go.jp/SENTAKU/syugiin/193/0018/19302140018011.pdf>), p. 26.

2. Alessio Patalano, «Commitment by presence»: naval diplomacy and Japanese defense engagement in Southeast Asia, in James D.J. Brown & Jeff Kingston (eds.), *Japan's Foreign Relations in Asia*, London and New York: Routledge, 2017, pp. 100-113; Chiyuki Aoi, 'Japanese Strategic Communication: Its Significance as a Political Tool', *Defence Strategic Communications*, Vol. 3, Autumn 2017, pp. 71-102.

Japanese navy was engaged around Japan and in the South China Sea (SCS) in reaction to Chinese manoeuvres there, through strategic port calls and multiple joint military exercises along with US warships. These drills included a series of firsts: in the SCS, it was the first time that Japan's helicopter destroyer, the *Izumo*, was deployed, and for several months in the South China Sea; and, around the Japanese archipelago, for the first time Japan engaged in operations aimed at protecting the assets of a friendly country, as per the new legislation.³ This can be seen as a response to the fact that the year under review had been inaugurated by major military exercises by China's aircraft carrier, the *Liaoning*, which was routinising its tours in the China Seas also to showcase its «readiness for war», in the words of the carrier's political commissar.⁴ Along with 13 fighters and one helicopter, the *Liaoning* broke through the so-called «first island chain» for the first time on 25 December 2016 and conducted take-off and landing drills in the South China Sea in early January 2017. The incoming commander of the People's Liberation Army Navy's South Sea Fleet, Vice-Admiral Wang Hai, was aboard the *Liaoning* to signal the importance of such exercises.⁵ By late 2017, the Japanese government was exploring upgrades to its helicopter carrier that would enable the deployment of F-35B stealth fighters, thus augmenting its fleet air defence potential.⁶ Chinese remonstrations and claims that the move would have gone against Japan's constitutional limits naturally followed.⁷

Interestingly, as the *Izumo* toured Southeast Asian waters, Japan's Ground-Self Defense Forces (GSDF) disengaged from South Sudan. The 350-men strong GSDF civil engineering corps had been deployed by the Democratic Party of the Japan-led government in 2012 under UN auspices and was responsible for humanitarian – especially infrastructure-building – missions around the capital of Juba.⁸ Thanks to the security legislation voted in 2015, the Abe government eventually allowed the use of force for collective self-defence purposes, specifically «coming-to-the-rescue»

3. Ankit Panda, 'South China Sea: Japan's *Izumo* Helicopter Carrier Conducts Drill With US Navy Carrier', *The Diplomat*, 19 June 2017; Franz-Stefan Gady, 'Japan Dispatches Biggest Warship to Protect US Navy Vessel, Putting New Security Law to Work', *The Diplomat*, 9 May 2017.

4. 'China declares its first aircraft carrier «ready for war»', *news.com.au*, 16 December 2016; Franz-Stefan Gady, 'China's Aircraft Carrier Testing Weapons in South China Sea', *The Diplomat*, 5 January 2017.

5. Ryōichi Hamamoto, 'Kūbo to anpo hakusho ga shōchō suru Chūgoku no tai-Ajia gaikō' (China's Asia Diplomacy as Exemplified by its Aircraft Carrier and Defence White Book), *Tōa*, No. 596, Vol. 2, pp. 50-55.

6. Nobuhiro Kubo & Tim Kelly, 'Japan considers refitting helicopter carrier for stealth fighters: government sources', *Reuters*, 26 December 2017.

7. 'China urges Japan to follow the road of peaceful development', *Xinhua*, 26 December 2017.

8. 'GSDF completes withdrawal from South Sudan', *Japan Times*, 27 May 2017.

(*kaketsuge keigo*) operations.⁹ Yet, Japan's stringent 1992 Peacekeeping Law allows the participation of its Self-Defense Forces (SDF) in UN-mandated missions only following a cease-fire and for humanitarian purposes; this restricted Japan's Peacekeeping Operations (PKO) to the «safest missions, the safest place in the mission and the safest period of the mission.»¹⁰ By the summer of 2016, the resumption of violence in Juba made Japan's PKO mission potentially illegal and the Japanese public later learned of a cover-up of military logs by Minister of Defense Inada Tomomi, an Abe loyalist. To avoid a domestic backlash and to safeguard Japan's security objectives – most notably seamless cooperation with the US and deepening partnerships with like-minded states aimed at containing China – Abe ended the South Sudan mission and had Inada resign.¹¹ The abrupt end to the South Sudan GSDF mission questioned the effectiveness of the Japanese administration's «Proactive Contribution to Peace», but the lack of major incidents certainly allowed for Japan's concomitant, strategic engagement in the Indo-Pacific waters. Abe's main concerns were China and, to a lesser extent, North Korea.

Japan proactively engaged the Trump administration to maintain strong US-Japan deterrence. Following his impromptu visit to President-elect Trump in 2016, Abe was given the chance to visit the White House soon after Trump's ascendance and to engage in «golf diplomacy» that was reminiscent of the rapport between Dwight Eisenhower and Abe's grandfather, Kishi Nobusuke.¹² Abe, however, could not take the mercurial Trump at face value, in light of his «America First» priorities and his consistently transactional worldview.¹³ Surprisingly, the White House conversations included no mention of Japanese currency manipulation, nor unfair trade practices, nor a bilateral FTA so dear to Trump. Moreover, Trump could have been using political and security issues as ransom for extracting economic concessions from adversaries and allies alike, seeking Japanese investment by exploiting Tokyo's insecurity vis-à-vis Beijing. According to Hikotani Takako, Abe made use of suggestions by multiple psychologists to successfully build a personal relationship with Trump and to defuse his mercenary instincts by delinking the United States' security

9. Prime Minister of Japan and His Cabinet, 'Jieitai no shin-ninmu «kaketsuge keigo» oyobi «shukueichi no kyōdō bōgo»' (New Responsibilities for the Self-Defense Forces: 'coming-to-the-rescue' and 'joint protection of encampments'), 28 June 2017 (<https://www.kantei.go.jp/jp/headline/keigo.html>).

10. Luke Patey, 'Japan's Misadventure in South Sudan', *Foreign Affairs*, 23 August 2017.

11. 'Defense Minister Inada to resign amid allegations of a cover-up of SDF's South Sudan mission logs', *Japan Times*, 27 July 2017.

12. Justin McCurry, 'Golf Diplomacy: Japan's Abe hopes for strokes of genius to seal Trump trade pact', *The Guardian*, 10 February 2017.

13. Charlie Laderman & Brendan Simms, *Donald Trump: The Making of a World View*, London: I.B. Tauris, 2017.

leverage from the economic sphere.¹⁴ In return for the promise of substantial Japanese investments in the US – including the (largely symbolical) pledge of bringing 700,000 jobs to US soil – Abe gained written confirmation of US protection in territories administered by Japan, with explicit reference to the Senkaku/Diaoyu Islands.¹⁵ This was a notable first in US-Japan relations and a diplomatic victory for Japanese negotiators.

North Korea's nuclear breakout and ballistic missile launches increased the room for US-Japan coordination and kept open a channel of communications at the very top. In his annual Policy Speech to the new Diet session, Abe testified to the strong rapport built with Trump through as many as 20 bilateral talks throughout 2017 – including telephone calls.¹⁶ Abe benefitted from Kim Jong-un's escalatory – albeit demonstrative – tests from the very beginning of the Trump administration: on the night of 11 February, Trump and Abe's Mar-a-Lago summit was accompanied by the Democratic People's Republic of Korea's (DPRK) «fireworks», that is the launch of an intermediate range ballistic missile that fell in the Sea of Japan, outside of Japan's Exclusive Economic Zone. This constituted the first «hot» security issue the Trump administration was facing, three weeks after its inauguration. Abe and Japanese diplomats took the lead by framing the impromptu response and by articulately denouncing the missile test, while Trump made a short appearance after Abe's speech to reiterate that the US was behind Japan «100%».¹⁷

The Trump-Abe entente shared the same interest for «big stick diplomacy» vis-à-vis North Korea. Trump has made the DPRK crisis a priority from early on in his presidency, to the point he told aides: «I will be judged by how I handle this»;¹⁸ for this reason Trump decided to abandon his predecessor's «strategic patience» to compel a freeze on North Korea's tests and development of nuclear weapons through coercive diplomacy and new rounds of economic sanctions. Abe's support of Trump's hard line on the North Korea crisis was premised on the need to maintain a strong US-Japan security alliance, and on Tokyo's calculus that Trump was

14. Takako Hikotani, 'Trump's Gift to Japan: Time for Tokyo to Invest in the Liberal Order', *Foreign Affairs*, Vol. 96, No. 5, 2017, pp. 21-27.

15. The White House, 'Joint Statement from President Donald J. Trump and Prime Minister Shinzo Abe', 10 February 2017 (<https://www.whitehouse.gov/briefings-statements/joint-statement-president-donald-j-trump-prime-minister-shinzo-abe>).

16. Prime Minister of Japan and His Cabinet, 'Policy Speech by Prime Minister Shinzo Abe to the 196th Session of the Diet', 22 January 2018 (https://japan.kantei.go.jp/98_abe/statement/201801/_00002.html).

17. 'At Mar-a-Lago, Trump tackles crisis diplomacy at close range', *CNN*, 14 February 2017.

18. Evan Osnos, 'The Risk of Nuclear War with North Korea', *The New Yorker*, 18 September 2017, §2.

not about to initiate hostilities against Pyongyang, but only pressure it.¹⁹ But it is worth remembering that Abe had already supported additional sanctions on North Korea when he was chief cabinet secretary to Prime Minister Koizumi Junichirō.²⁰ Abe's unwavering support of Washington's hard line was reciprocated by Trump's willingness to meet the family of a Japanese girl abducted by North Korean operatives and to mention the so-called «abduction issue» – dear to Abe and fellow nationalist conservatives – during a speech at the UN General Assembly.²¹ Finally, as shown below, in the section devoted to Japan's domestic politics, the North Korean crisis and Japan's resolute stance also legitimised Abe's security activism, and facilitated his electoral campaign.

2.1. Tokyo's changing China policy?

The incognita surrounding the Trump administration's overall Asia policy prompted a timid Sino-Japanese rapprochement. Japan's engagement was half-hearted in the face of continued Chinese regional assertiveness and Abe's personal suspicions towards China; yet, Japan's engagement reflected a novel intra-government split on China policy. On one side stood many ministry of foreign affairs' top officials and the China-sceptical «China hands», who were concerned with China's advancement into the South China Sea. This camp included Yachi Shōtarō, the long-time head of the National Security Secretariat and Abe's influential «diplomatic brain», who has been consistently wary about Chinese intentions.²² On the other side stood Abe's chief secretary and the secretary general of the Liberal Democratic Party, Nikai Toshihiko, a politician sympathetic to the economic embrace of the world's second largest economy. Whereas the latter camp has traditionally been a minority voice in the Abe administration, Trump's early decision to pull away from the Trans-Pacific Partnership, and the new US administration's rather soft China line must have encouraged the Abe government's timid overtures towards China.²³ These included Japan's symbolic participation in Japanese-Chinese joint ventures under

19. Daniel Sneider, 'Abe After The Election - What To Do With Power?', *Toyo Keizai*, 24 October 2017; Makino Yoshihiro, *Kitachōsen kakukiki! Zenuchimaku (The North Korean Nuclear Crisis! The Inside Story)*, Tokyo: Asahi Shinsho, 2018.

20. US Embassy in Tokyo, [Secret] 'DPRK missile launches: Ambassador Schieffer's July 5 meeting with Abe, Asō and Nukaga,' 5 July 2006, (<http://wikileaks.org/cable/2006/07/06TOKYO3737.html>).

21. 'Japan welcomes Trump's rebuke of North Korea's abduction of Japanese', *Japan Times*, 20 September 2017.

22. Tsukasa Hadano, 'Japanese government split over China policy', *Nikkei Asian Review*, 8 July 2017. For Yachi's thinking, please refer to: Giulio Pugliese, 'Japan's Kissinger? Yachi Shōtarō: the State Behind the Curtain', *Pacific Affairs*, Vol. 90, No. 2, 2017, pp. 231-251.

23. 'Tokyo weighs options as Washington, Beijing draw closer', *Nikkei Asian Review*, 24 May 2017.

the Belt and Road Initiative and the dispatch of Nikai to attend, along with a Japanese delegation, the May 2017 Belt and Road Forum.²⁴

Sino-Japanese relations were on an upward trend also in light of Xi and Abe's consolidation of power. According to a recent book by President of the National Defense Academy and Sinologist Kokubun Ryōsei, Japan has traditionally played a pivotal role in Chinese politics: only after intra-elite power struggles had settled would Chinese leaders resume cordial political relations with Tokyo. The Xi Jinping administration, pending judgement on its nationalistic colours, was no exception.²⁵

In the authors' opinion, the main reason behind the conciliatory Japan-China rapprochement was Japan's «wait-and-see» posture on US-China relations. In fact, Trump gave Beijing the benefit of the doubt throughout most of 2017 and prioritised the DPRK threat, and hinted to Beijing of a trade-off between the SCS and DPRK issues.²⁶ By late autumn 2017, however, Trump changed track on China. Beijing's failure to curb North Korea and its continued assertiveness in the South China Sea meant that Trump endorsed Japan's Indo-Pacific vision (see below) and Washington participated in the US-Japan-Australia-India quadrilateral security initiative, strongly supported by Abe. Moreover, by late 2017, the US government unveiled a US National Security Strategy (NSS) that labelled China and Russia as revisionist powers, and identified inter-state competition as Washington's primary concern.²⁷ In all likelihood, this document showcased the formidable influence of four-star generals in US foreign policymaking.²⁸ At the same time, Trump's muscular NSS hinted at a growing bipartisan consensus in Washington, according to which engagement and enmeshment of China in the so-called liberal international order was considered a failure.²⁹

This being the situation, Japan closely monitored Chinese economic moves on the international chessboard. China's generous investment in the construction or expansion of port facilities across the Eurasian landmass – all the way to Italy's Genoa and Trieste – was bound to allow Beijing to exert

24. 'LDP exec Nikai to attend Beijing forum, deliver letter from Abe to Xi', *Japan Times*, 12 May 2017.

25. Ryōsei Kokubun, *Chūgoku seiji kara mita nichū kankei* (Sino-Japanese Relations Seen from Chinese Politics), Tokyo: Iwanami Shoten, 2017, pp. 221-233.

26. Dan De Luce, 'With Trump Focused on North Korea, Beijing Sails Ahead in South China Sea', *Foreign Policy*, 16 November 2017.

27. The White House, 'National Security Strategy of the United States of America', 18 December 2017, (<https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf>).

28. James Mann, 'The Adults in the Room', *New York Review of Books*, 26 October 2017.

29. Walter Russell Mead, 'Left and Right Agree: Get Tough on China', *Wall Street Journal*, 8 January 2018.

greater political influence in recipient countries.³⁰ In addition, China was rapidly adding military outposts to some of its newly inaugurated facilities, heightening Japan's sense of urgency. Only a few months following the completion of the Chinese naval base in Djibouti reports suggested that the Pakistani port of Gwadar would host China's second overseas military base.³¹ As a reaction, Japan pushed for a «Free and Open Indo-Pacific strategy» premised on economic incentives for key developing countries and the development of alternative port facilities, also through cooperation with third parties, such as India.³²

Since China's material capabilities were outpacing Japan's, Japan's Indo-Pacific Strategy necessarily worked with like-minded states, such as the United States, Australia and India. In the latter part of 2017, the comeback of quadrilateral security consultations – testified by a meeting on the fringes of the November 2017 East Asian Summit held in Manila among the above countries – and Trump's appropriation of the «Indo-Pacific» concept to define the region – first used by Abe in a 2007 speech to the Indian parliament – testified to Japan's consistent and successful leadership.³³ Abe's proactive engagement of Trump, China's relentless regional assertiveness and Japan's consistent strategic thinking impacted on US policymakers. Ahead of Donald Trump's November trip to Asia, Secretary of State Rex Tillerson even endorsed collaboration between like-minded states in the international financial sector to counter China's stated «predatory economics».³⁴

2.2. Japan's strategic economic outlook: confronting «China First», defusing Trump's «America First»

During the year under review, international economics and contestation over market distortions, as well as trade and investment practices, took centre stage. On 17 January, Chinese President Xi Jinping made a landmark keynote speech at the 2017 World Economic Forum in Davos. In a jab against Trump's «America First» policy and his anti-

30. 'Italian ports are strategic for China's One Belt One Road initiative', *PortSEurope*, 16 May 2017.

31. 'First Djibouti ... now Pakistan port earmarked for a Chinese overseas naval base, sources say', *South China Morning Post*, 5 January 2018.

32. Rupakjyoti Borah, 'To Counter China's Belt and Road Initiative, Japan, India Can Look to Iran's Chabahar Port', *Japan Forward*, 16 November 2017.

33. 'Diplomatic initiative revived to counter China's growing influence', *Financial Times*, 14 November 2017; Ministry of Foreign Affairs of Japan, '«Confluence of the Two Seas», Speech by H.E. Mr. Shinzo Abe, Prime Minister of Japan at the parliament of the Republic of India', 22 August 2007 (<http://www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html>).

34. Matthew P. Goodman, 'Predatory Economics and the China Challenge', *CSIS Global Economics Monthly*, Vol. VI, Issue 11, November 2017.

globalisation *Zeitgeist*, Xi emphasised that: «The problems troubling the world are not caused by globalisation.»³⁵ Moreover, after claiming that the Chinese economy «contributed to over 30 percent of global growth every year on average [following the 2008 financial crisis]», he qualified the Chinese economy as a leading engine of global growth: «We will open our arms to the people of other countries and welcome them aboard the express train of China's development.»³⁶ Of course, China and other major developing countries, such as India, had arguably the greatest stakes in the sustained openness of the world economy, while an embittered western middle class attributed growing economic difficulties to too much globalisation.³⁷

Interestingly, Xi perorated the cause of globalisation because there was a growing consensus surrounding Chinese economic malpractice among OECD countries. This was demonstrated by the joint letter signed by the US, the European Union and Japan to deny China market economic status within the World Trade Organization.³⁸ Contrary to expectations prior to its 2001 WTO accession, China lacked transparency, providing scarce protection against (if not condoning and allowing, through cyberespionage) the theft of intellectual property rights, and discriminating against foreign firms through its distorted market system that favoured its «national champions». Moreover, the Chinese economy was rapidly moving up the added-value chain: thanks to sustained economic growth, innovation, aggressive mergers and acquisitions, distortions against foreign competition, outbound investments in high-tech companies and established brands, China was gradually ditching its role as the «World's Factory». By taking advantage of the enormous domestic market, Chinese companies in the IT sector were already going global and moving away from a «Made in China» model towards a future of «Made by China» products. For instance, the largest PC maker in the world is Chinese and three Chinese companies (Huawei, OPPO and VIVO) hold the third, fourth and fifth largest market shares in global smartphone sales.³⁹ Substantial private and public investments into research & development for high-end technology, such as Artificial Intelligence and robotics, will mark the third stage of Chinese economic development, where

35. 'Xi Jinping delivers robust defence of globalisation at Davos', *Financial Times*, 17 January 2018.

36. 'Full Text of Xi Jinping keynote at the World Economic Forum', CGTN America, 17 January 2018.

37. Branko Milanovic, 'Winners of Globalization: The Rich and The Chinese Middle Class. Losers: The American Middle Class', *New Perspectives Quarterly*, Vol. 31, N. 2, 2014, pp. 78-81.

38. 'U.S., EU, Japan slam market distortion in swipe at China', *Reuters*, 12 December 2017.

39. Johan Nylander, 'How Lenovo Became the Largest PC Maker in The World', *Forbes*, 20 March 2016; Scott Cendrowski, 'How China's Smartphone «Big Four» Are Fighting for Global Customers', *Fortune*, 25 January 2017.

the service sector already counts for 50,2% of China's economic activities.⁴⁰ The Xi administration's unveiling of an ambitious «Made in China 2025» industrial policy gave further proof of Beijing's *dirigiste* instincts on strategic sectors. With regard to China-led Belt and Road infrastructure projects, the overwhelming majority of the contractors (89%) come from China.⁴¹ Scraping the surface of Xi's «win-win» rhetoric, Beijing abided and benefitted greatly by a tacit «China First» vision.

Abe's Japan exercised substantial strategic leadership in limiting the ripple effects of Trump's protectionist agenda and of Xi Jinping's «China First» economic outlook. In spite of his ostentatious closeness to Trump, Abe resuscitated the Trans-Pacific Partnership – now labelled Comprehensive and Progressive Agreement for a Trans-Pacific Partnership (CPTPP) – with the remaining 11 signatory countries. While engaging in bilateral trade talks with the United States, Japan effectively defused Trump's bilateralism and gained substantial economic leverage vis-à-vis the US.⁴² Canada's prime minister's no show at the CPTPP signature ceremony, which took place on the side line of the APEC summit, would still lead to an agreement early in 2018. More notably, the Japanese government finalised a landmark EU-Japan Economic Partnership Agreement on 8 December 2017. The deal, which involves 30% of the world economy and 40% of global trade, generates the removal of custom taxes and non-tariff barriers and, according to Brussels, will allow a growth of EU exports to Japan from € 80 - 100 billion.⁴³ These moves demonstrate that Abe was *de facto* circumventing Trump and China's protectionist stances. In the process, Japan insisted that it was defending the so-called liberal and rules-based international order.

Summing up, in the year under review while Japan and China relations showed signs of a *détente* in the making, the strategic rivalry between the two nations and the fleshing out of their opposing visions of regional, if not global, order persisted. It should be noted that, at the same time, Sino-Japanese economic relations thrived as a record number of Chinese tourists visited Japan and as Japanese investment into the Chinese economy grew. At the same time, the victory of Abe's coalition government in the 2017

40. Yasuhiro Gotō, 'Meian konzai suru Chūgoku Keizai no genjō to Nihon kigyō no senryaku' (The Bright and Shady Parts of the Chinese Economy, and Japanese Strategies' Response), *Tōa*, No. 596, February 2017, pp. 10-23; Irin Chō, 'Inobeshon no jūyōsei ga takamaru Chūgoku no dōkō to kadai' (Issues and Developments in Chinese Innovation, which is of Growing Importance), *Tōa*, No. 597, March 2017, pp. 22-30.

41. 'Chinese contractors grab lion's share of Silk Road projects', *Financial Times*, 24 January 2018.

42. Anthony Fensom, 'TPP Survives After Canadians «Screwed Everybody»', *The Diplomat*, 14 November 2017.

43. European Commission, 'EU and Japan finalise Economic Partnership Agreement', 8 December 2017 (<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1767>).

elections suggested that his personality will have no small role in Japan's international engagements.

3. *Japan's domestic political outlook: between crisis and consolidation of one-party LDP dominance*

In the five years since his return to power in December 2012, Abe has successfully restored the dominance of his Liberal Democratic Party (LDP) while consolidating his own leadership within the party. Commencing 2017, Abe was already Japan's fourth-longest serving prime minister, successfully ending the series of short-term governments that marked Japanese politics during the 2006-2012 period. Abe's reign is likely to continue as the LDP passed a historic revision of its statute in early March, allowing the same person to have three terms as party president, thus paving the way for Abe's re-election as LDP leader in September 2018. If elected, Abe will be given the opportunity to stay in office until 2021 and thus to become the longest serving prime minister of post-war Japan surpassing Satō Eisaku, who led the government from 1964-1972.⁴⁴

The year 2017 offered more evidence that Japanese democracy was relapsing into single-party dominance, despite earlier hopes of an evolving Westminster-style two-party democracy.⁴⁵ Since the LDP's establishment in 1955, the conservative party has held power for 58 years, either alone or in coalition with smaller parties, renewing academic interest in Japan's brand as an *Uncommon Democracy* characterised by one-party dominance.⁴⁶ However, the Japanese one-party dominance was limited by a strong opposition in the form of the 1955-established Japan Socialist Party (JSP) – hence the label «1955-system», which defined the peculiar Japanese form of dominant party democracy. With a credible political left in and outside of the Diet, this system entrenched the norms and principles of post-war constitutional pacifism. Embedded within the framework of the US-Japan security alliance and protected by the US nuclear umbrella, LDP leaders upheld the constraints on Japan's military posture and directed their focus primarily on economic and industrial growth.

44. Kana Inagaki, 'New rules give Abe shot at being modern Japan's longest serving PM', *Financial Times*, 6 March 2017.

45. Takenaka Harukata, 'Japan in Pursuit of Westminster Democracy', *Nippon.com*, 25 September 2013.

46. This brand goes back to a research project led by T.J. Pempel and published in 1990, examining the roots of single-party dominance in parliamentary democracies. Arthur Stockwin, 'Explaining one-party dominance in Japanese politics', *East Asia Forum*, 19 January 2018. The exceptions are the periods between 1993-1994 and 2009-2012, when the LDP was replaced by a patchwork coalition of eight parties, and the Democratic Party of Japan (DPJ)-led coalition respectively.

3.1. *The State of Abenomics, constitutional revision, and the anti-conspiracy law*

Entrenching conservative power under the LDP, Abe has challenged this equation, aiming at redeeming his pledge – dating back to the 2012 general election – to «take Japan back» from the constraints imposed by the pacifist post-war regime.⁴⁷ In doing so, he has combined reforms of Japan's national security system with plans to end Japan's «lost decades» of deflation and economic stagnation. The years between 2012 and 2017 have thus seen a series of fundamental changes including the reinterpretation of the 1946 constitution in July 2014, enabling Japan's participation in collective self-defence operations. Other major reforms during the past years included the establishment of a National Security Council and the introduction of a National Security Strategy as a blueprint for the doctrine of «proactive contribution to peace» (*sekkyokuteki heiwashugi*), and the lifting of Japan's ban on arms exports.⁴⁸ The new security law, passed in 2015, was applied for the first time in May 2017, allowing Japan's *Izumo* helicopter carrier to escort US navy vessels from their home port in Yokosuka towards the coast off the island of Shikoku.⁴⁹

Abe has continued his effort to bolster Japan's defence capacities by increasing the defence budget throughout his tenure. In the face of North Korea's missile and nuclear threat, in December 2017 the Abe government approved a record-high military budget of ¥ 5.19 trillion (US\$ 46 billion). The new budget earmarked spending on the improvement of established missile defence systems and procurement of new ones such as the Joint Strike Missile. Summing up, the defence allocation in budget for fiscal year 2018 (or budget 2018-*nendo*)⁵⁰ saw a 1.3% rise compared to the previous fiscal year, marking its sixth consecutive increase since 2012, when Abe returned to power.⁵¹

It is important to note, however, that Abe's focus on restoring Japan's military strength in international affairs was accompanied by his sustained attention to economic and social reforms. The main pillar of his domestic policy agenda was his «Abenomics» programme. Pledging to

47. Abe Shinzō, *Atarashii kune e (Towards a New Country)*, Tokyo: Bungei Shunjū, 2013.

48. Sebastian Maslow, 'A Blueprint for a Strong Japan? Abe Shinzō and Japan's Evolving Security System', *Asian Survey*, Vol. 55, No. 4, 2015, pp. 739-765; Christopher W. Hughes, 'Japan's Strategic Trajectory and Collective Self-Defense: Essential Continuity or Radical Shift', *Journal of Japanese Studies*, Vol 43, No. 1, 2017, pp. 93-126.

49. Robin Harding, 'Japan uses new defence law to escort US vessel', *Financial Times*, 1 May 2017.

50. In Japan the financial year begins on 1 April and ends on 31 March and is indicated by the calendar year in which the period begins, followed by the word *nendo* (年度).

51. Isabel Reynolds, 'Japan Approves Record Defense Budget as North Korea Looms', *Bloomberg*, 22 December 2017.

end Japan's chronic deflation, Abenomics amounts to monetary easing and government spending accompanied by structural reform. While the initial target of 2% inflation was not reached, overall economic recovery of Japan under Abe continued in 2017. By May 2017, official data released by the Cabinet Office showed that Japan's economy had continued to expand by more than 2% during the first quarter of the year, pushed by strong export and private and corporate spending. This positive trend was amplified by a record-low unemployment rate of 2.8% and a Nikkei stock index reaching the 20,000 mark in early June, marking an increase of more than 5% in the first half of 2017. Moreover, inbound tourism also increased from 8 million in 2012 to 24 million in 2017, while corporate profit continued to grow.⁵² Thus, in light of these positive indicators, the International Monetary Fund (IMF) declared Abenomics a «success».⁵³ Yet, as Japan struggles with a rapidly shrinking population and growing poverty, critics claim that Abe has so far failed to provide any long-term strategy for growth redistribution and sustainable social welfare.⁵⁴ In addition, the decision in May 2016 to delay a planned hike in sales tax from 8 to 10% has caused some within the LDP to question the direction of Abenomics. Within the LDP, party veterans and former and current member of the Abe cabinet, such as former Defence Minister Nakatani Gen and current Minister of Internal Affairs and Communication Noda Seiko, in May 2017 created a LDP-internal «Study Group on Finance and Social Welfare System», mobilising about 60 participants. Noda, who is seen as a potential contender in the race for the post-Abe LDP leadership, has claimed that the current course of Abenomics will push Japan towards the edge of fiscal collapse.⁵⁵ In addition, others have pointed to the growing poverty and social disparities as a result of Abenomics, as non-regular employment has continued to increase amidst government attempts for «work style reform» (*hatarakikata kaikaku*).⁵⁶

52. Anthony Fensom, 'Abenomics Back on Track as Japan's Abe Marks Longevity Record', *The Diplomat*, 6 June 2017; Heizo Takenaka, 'A midterm review of Abenomics', *Japan Times*, 15 December 2017.

53. Robin Harding, 'Abenomics a 'success', declares IMF', *Financial Times*, 19 June 2017.

54. Okonogi Kiyoshi, 'Abenomikusu wa sōtai toshite shippai shita (Abenomics as a whole has failed)', *Webronza*, 15 August 2017 (<http://webronza.asahi.com/business/articles/2017081000003.html>); see also Saori Shibata, 'Re-packaging Old Policies? «Abenomics» and the Lack of an Alternative Growth Model for Japan's Political Economy', *Japan Forum*, Vol. 29, No. 3, 2017, pp. 399-422.

55. Kujiraoka Hitoshi, *Nichigin to seiji: antō no 20-nen* (The Bank of Japan and Politics: A Twenty-Year History of Secret Strife), Tokyo: Asahi Shimbunsha, 2017, pp. 407-408.

56. 'While Abe touts success of economic policies, benefits haven't trickled down to average Joe and Jane', *Japan Times*, 20 October 2017; Jeff Kingston, 'Labor reforms come up short for Japan's «precariat»', *Japan Times*, 29 July 2017; 'Japan adopts action plan for work style reform', *Nippon.com*, 29 March 2017.

In light of these economic developments, Abe redirected the focus of public debate away from economic reform towards the conservative's main agenda of constitutional revision. Marking the 70th anniversary of Japan's constitution on 3 May, Abe renewed his pledge to revise the constitution. To assuage public opposition to the plan of changing the war-renouncing Article 9 by adding a new paragraph legalising Japan's Self-Defence Forces, the LDP has proposed the insertion of social benefits, such as a right to free higher education, into the new constitution.⁵⁷ Abe's renewed push for constitutional revision unfolded as the LDP-led government emphasised security risks stemming from North Korea's missile and nuclear tests. While public drills have repeatedly been held across Japan since March to prepare the public for the event of a DPRK missile attack⁵⁸, the spectre of the North Korean threat was employed to urge public acceptance of Abe's proposed timeline for constitutional revision before 2020.⁵⁹

Despite this mid-term goal of constitutional revision, the Abe government continued to implement crucial changes to the fabric of Japan's post-war state as the Diet passed an anti-conspiracy (*kyōbōzai*) bill on 15 June 2017. This bill provided the state with extensive powers for public surveillance and went into force in July.⁶⁰ While in its initial draft, the bill covered 676 crimes, the final list reduced their number to 277. Yet, even during the Diet debate, Justice Minister Kaneda Katsutoshi remained ambiguous as to what qualifies as «plotting and preparation» for a crime and who would eventually be targeted by government surveillance. Not surprisingly, Abe's measures attracted criticism not only from within the community of Japanese media and legal experts but also from the UN special rapporteur on the protection of the right to privacy in the office of the UN High Commissioner for Human Rights, Joseph Cannataci. In a letter to the Japanese government in May, Cannataci expressed the concern that the bill would «lead to undue restrictions to the rights to privacy and to freedom of expression.»⁶¹ In response, the Abe government rejected this statement as «clearly inappropriate».⁶²

57. 'Abe tying free education to Article 9 amendment raises hackles', *Mainichi Shimbun*, 12 May 2017.

58. Hyun Oh, 'Sirens blare as Japan, fearing North Korea, holds first missile drill', *Reuters*, 17 March 2017; Handa Shigeru, «*Kitachōsen no hiki*» no karakuri: *henshitsu suru Nihon no anpo seisaku* ('The North Korea crisis' trick: the transformation of Japan's national security policy), Tokyo: Iwanami Shoten, 2018.

59. Tomohiro Osaki & Daisuke Kikuchi, 'Abe declares 2020 as goal for new Constitution', *Japan Times*, 3 May 2017.

60. Linda Sieg, 'Japan ruling bloc pushes through anti-conspiracy bill despite privacy concerns', *Reuters*, 15 June 2017.

61. 'U.N. official: Anti-conspiracy bill could restrict rights to privacy', *The Asahi Shimbun*, 21 May 2017.

62. Linda Sieg, 'Japan protests against U.N. expert's queries on bill to fight terrorism', *Reuters*, 22 May 2017.

It is worthwhile noting that attempts at implementing an anti-conspiracy bill on the basis that such measures are required in order to ratify the UN Convention on Transnational Organized Crime had failed three times in the past as the Koizumi administration pushed for such measures in the wake of the post-9/11 international «war on terror». The bill faced broad public opposition, as many critics likened these surveillance measures to the 1925 Public Security Preservation Law which was employed by the wartime totalitarian regime as a key instrument of repression.⁶³ To temper public opposition to the bill, the debate in 2017 stressed the need for surveillance measures with reference to unspecified terror threats in the context of the Olympic Games, to be held in 2020 in Tokyo.⁶⁴

Yet, while Abe has pushed hard to implement his agenda of ending «Japan's post-war regime», 2017 has provided signs that Abe and his LDP have in fact reinvigorated the post-war regime, which for many Japanese bear the marks of money politics, cronyism, and unaccountable political leadership. A series of money scandals involving Abe have challenged the momentum of policy change outlined above.

3.2. Money scandals and the revival of the post-war regime

Public support for Abe and his government began to erode in March, when reports accused the prime minister of misuse of his authority to benefit close associates. At the centre of this controversy were two educational institutions who sought governmental approval for the building of new school facilities. The first was a private school operator called Moritomo Gakuen, based in Osaka.⁶⁵ The scandal emerged in February, when reports suggested that Moritomo's president Kagoike Yasunori was offered a deal for purchasing public land for his Mizuno-no-kuni elementary school for ¥ 134 million, namely a fraction of its actual market price appraised at ¥ 956 million. While the deal raised eyebrows with regard to administrative procedure, attention quickly shifted from the land deal to the record of the Moritomo schools. These were considered models for the kind of nationalist education advocated by organisations such as the ultra-conservative Nippon Kaigi, itself a key pillar of the current conservative movement underpinning Abe's power and his attempt at a «rebirth of Japan».⁶⁶ Kagoike was the head of Nippon Kaigi's Osaka branch. The media soon began to highlight

63. 'Media members align to oppose anti-conspiracy', *The Asahi Shimbun*, 28 April 2017.

64. Philip Brator, 'How the word 'terrorism' can help pass a bill', *Japan Times*, 25 March 2017.

65. Alexis Dudden, 'Abe caught out in school scandal', *East Asia Forum*, 12 March 2017.

66. Tomohiro Osaki, 'Shinzo Abe calls for Japan's «rebirth» in 2020 along with constitutional revision', *Japan Times*, 19 December 2017; Aoki Osamu, *Nippon kaigi no shōtai* (An Anatomy of the Nippon Kaigi), Tokyo: Heibonsha.

the nationalist education at Kagoike's schools, while videos went viral showing children being taught to recite the Imperial Rescript on Education promulgated by the Meiji Emperor in 1890 while singing wartime songs during shrine pilgrimages, and praising PM Abe for passing new security bills to protect Japan's territories claimed by China and South Korea.⁶⁷

Amidst such reports, the public learnt that Abe Akie, the PM's wife, was listed as honorary principal of the new Mizuho-no-kuni elementary school. As the public and the Diet called for scrutiny of PM Abe's ties to Moritomo, Kagoike testified in parliament in March stating that his school had received a ¥ 1 million donation from Abe's wife. As the debate unfolded, the premier was accused of intervening to facilitate the land sale to Kagoike, though evidence has not emerged to substantiate such claims, as the involved ministries claimed that all relevant records of the land sale had been destroyed.⁶⁸ The scandal has also involved then Defence Minister Inada Tomomi, who represented Kagoike when she was practising law. In the Diet debate, Inada initially repudiated this claim, but was quickly forced to retract as records emerged illustrating her involvement.⁶⁹ In retrospect, this marked the beginning of Inada's rapid political downfall, culminating in her resignation in August 2017.

With more records emerging, the scandal remained the focus of Diet debate throughout 2017. Interestingly, according to a JIJI press survey conducted in April, about 70% of the respondents expressed doubts over whether PM Abe could be trusted in his statements denying his involvement in the Moritomo scandal.⁷⁰ Yet, this lack of trust did not translate into an immediate lack of support for the LDP and the Abe government. In fact, while some polls in March indicated a fall in support for the Abe government, by April Kyodo News reported a rise in the approval ratings by 6.3% to 58.7%.⁷¹ Nevertheless, as some observers have pointed out, amidst Abe's economic reforms and security initiatives, the Moritomo scandal has reminded Japanese public opinion of the PM's relations with the revisionist right and thus the nature of the entrenched conservative regime.⁷²

67. Ernils Larsson, 'Kindergarten scandal shows how Japan's nationalist far-right out of touch', *East Asia Forum*, 9 March 2017. For example, <https://www.youtube.com/watch?v=tHAwpHKjEmQ>.

68. 'Government discarding vital records after less than a year', *The Asahi Shimbun*, 10 July 2017.

69. Reiji Yoshida, 'Japan defense chief Inada in crosshairs after Moritomo scandal flip-flop', *Japan Times*, 14 March 2017.

70. 'Nearly 70% of public doesn't buy Abe's explanation about Moritomo land deal: survey', *Japan Times*, 15 April 2017.

71. 'Japan PM Abe's support dives in wake of school scandal: online poll', *Reuters*, 9 March 2017; 'Cabinet's approval rate climbs despite ministerial gaffes, scandal: poll', *Japan Times*, 23 April 2017.

72. Robin Harding, 'Japan's Shinzo Abe struggles to shake off school scandal', *Financial Times*, 23 March 2017.

While the Moritomo controversy was still smouldering, new allegations emerged in May 2017 suggesting PM Abe's misuse of political authority. The scandal involved Kake Kotaro, who operates the Kake Educational Institution. Kake, who befriended Abe during his time as a student in the US, lobbied the Ministry for Education for permission to open a veterinary department as part of a National Strategic Special Zone in Ehime Prefecture in Shikoku. While the plans were previously rejected, documents circulated within the Ministry of Education revealed that the project was eventually considered for approval in accordance to what «the prime minister intends» while referring to instructions from «the highest levels of the PM office.»⁷³ It was reported that Deputy Chief Cabinet Secretary Hagiuda Koichi was directly involved in the PM office's (Kantei) intervention to approve the Kake School.⁷⁴ Hagiuda is a close associate of the PM and previously held a position as visiting professor at one of Kake's universities. In the meanwhile, Chief Cabinet Secretary Suga Yoshihide dismissed the existence of any such reports within the education ministry.⁷⁵ Abe himself responded by repeatedly accusing his opponents of «impression manipulation» (*inshō sōsa*), denying his involvement in the Moritomo and Kake school scandals.⁷⁶ Yet, during a Diet hearing in July, former Vice-Minister of Education, Culture, Sports, Science and Technology Maekawa Kihei fuelled allegations of Abe's involvement in fast-tracking the Kake approval, stating that «I believe there was some behind-the-scenes work at play on the part of Prime Minister's Office.»⁷⁷

At the heart of the Kake controversy was the fear that under the entrenched LDP dominance Japan was witnessing «personalisation of public administration» (*gyōsei no shibutsuka*). As Aurelia George Mulgan has pointed out, the Moritomo and Kake School scandals and the behaviour of the finance and education ministries in permitting Kantei intervention should serve as evidence of the negative impact caused by the creation, in 2014, of the Cabinet Bureau of Personnel Affairs (*Naikaku jinji kyoku*) overseeing all appointments within the bureaucracy. This body has allowed the Kantei to force the bureaucrats to follow the Abe policy line as a precondition for future promotion.⁷⁸ By late 2017, the scandals lost momentum and eventually the Kake School was approved in November.

73. 'Abe faces fresh school scandal over friend's university', *Nikkei Asian Review*, 19 May 2017.

74. 'New document in Kake scandal suggests Abe set 2018 deadline in project', *The Mainichi*, 20 June 2017.

75. Reiji Yoshida, 'Ex-education official vouches for Kake papers, says he has copies', *Japan Times*, 25 May 2017.

76. 'Pressured over school scandals, Abe lays accusations of «impression manipulation»', *Mainichi Shimbun*, 6 June 2017.

77. Tomohiro Osako, 'Maekawa details Kake scandal allegations in special Diet hearing', *Japan Times*, 10 July 2017.

78. Aurelia George Mulgan, 'Scandals starting to stick to the Abe administration', *East Asia Forum*, 21 June 2017.

Yet, the Kake scandal triggered a temporary fall in cabinet approval ratings, which fell to 26%, namely its lowest level since Abe's return to power in 2012.⁷⁹ In fact, the series of scandals embroiling Abe since March have clouded the optimism over the prospects of Japan's economic reforms and «Abenomics», some organisations even voicing fears of an «Abexit» of investors.⁸⁰ Summing up, in the year under review, the scandals revealed the ambivalence underpinning Abe's claim of «departing from Japan's post-war regime», as the accusations of favouritism have for many signalled the revival of the post-war regime marked by decades of LDP money politics. While both scandals seemed to have fizzled out by the end of 2017, the Abe administration remains vulnerable as its opponents are likely to continue to press for credible evidence proving the prime minister's non-involvement in the Kake and Moritomo decisions. If Abe fails to mute his critics, these scandals may entail the potential to endanger his quest for re-election as LDP president (and thus prime minister) in September 2018.

3.3. Challenging LDP dominance and the fragmentation of Japan's opposition

By July 2017, it seemed likely that Abe and his LDP had indeed lost their momentum. Amidst the controversy of the school scandals, the government faced a serious challenge in the Tokyo Metropolitan assembly election. Initially, the election was considered a vote on Tokyo's Governor Koike Yuriko's performance during her first year in office, yet in light of Abe's handling of his own scandals, it was also seen as an indicator of the public's trust in the national government. It should be noted that Koike, who was a former LDP member and ex-defence minister before becoming governor in 2016, was considered by many as a potential contender for the post of prime minister. Her attempt at challenging LDP dominance resulted in the founding of the Tokyo Citizens First (Tomin faasuto no kai, TCF) party. The TCF secured electoral support from the Komeitō party, which at the national level serves as Abe's coalition partner, and has for many years been a crucial element in mobilising electoral support for LDP. As a result of the local split of the LDP/Komeitō coalition, Koike and her party handed the LDP a historical defeat. The TCF won 79 out of 127 assembly seats while the LDP was reduced from 57 to 23 seats.⁸¹

Building on the momentum of her success in Tokyo, Koike made the necessary steps to create a national party to challenge the LDP and Democratic Party. Yet, Koike's views are mostly close to those of Abe and

79. 'Cabinet approval rating at 26%, lowest since Abe returned to power in 2012: poll', *The Mainichi*, 24 July 2017.

80. Leo Lewis, 'Japan school scandal casts shadow over «buy Abe» trade', *Financial Times*, 20 March 2017.

81. Linda Sieg, 'Japan PM's party suffers historical defeat in Tokyo poll, popular governor wins big', *Reuters*, 2 July 2017.

his LDP, supporting the current changes to Japan's security system and plans for constitutional revision. While she adds a progressive element to her movement, calling for improvement of childcare services or the phasing out of nuclear energy, Koike was attempting to establish a second conservative party, capable of challenging the LDP. Such an attempt was not entirely new, as shown by the LDP split engineered by Ozawa Ichiro in the early 1990s. Even in that case there was the attempt – eventually defeated – to end the LDP's dominance through the establishment of an alternative conservative party.

To stop the advancement of Koike and to regain public support, Abe reshuffled his cabinet on 3 August. In his «results-oriented cabinet of doers»⁸², as Abe branded his new government, his protégé but scandal-prone Defence Minister Inada Tomomi was replaced with Onodera Itsunori, who in the past had already served in the same post. While others, such as Finance Minister Asō were reappointed, in the new cabinet was also inducted Noda Seiko as Minister of Internal Affairs and Communication. Noda had challenged Abe's LDP leadership in the past and was seen as a potential contender for the 2018 LDP presidential election. As such, her appointment can be seen as a move to dilute criticism of Abe's previous appointments of close associates to key Kantei and cabinet positions, who were linked to the series of political scandals and gaffes which had adversely affected his administration in 2017. Immediately after the reshuffle, cabinet approval recovered from 26% in July to 35% in early August.⁸³ This trend continued with polls recording a cabinet approval of 46% by the end of August.⁸⁴

In order to contain further advancement of Koike's political movement, Abe then built on the positive momentum and called for a snap election on 25 September dissolving the lower house on 22 October. Abe declared the election was an attempt to «achieve breakthrough regarding our national crises» (*kokunan toppa kaisan*)⁸⁵, as Japan struggled with the economic and social effects of demographic decline and the security tensions caused by North Korea.⁸⁶ Abe's campaign pledged tax hikes to finance the expenses of younger generations, yet avoided to propose any credible economic reforms. Amidst Abe's electoral manoeuvring, Koike launched the Party of Hope (Kibō no tō) to challenge the LDP. Building on the public's criticism over the series of scandals involving Abe, Koike emphasised her party's independence from

82. 'Press Conference by Prime Minister Shinzo Abe', 3 August 2017 (https://japan.kantei.go.jp/97_abe/statement/201708/1224001_11583.html).

83. 'Japan PM Abe's support rebounds after cabinet reshuffle', *Reuters*, 4 August 2017.

84. 'Support for Abe cabinet climbs to 46%', *Nikkei Asian Review*, 28 August 2017.

85. 'Press Conference by Prime Minister Shinzo Abe', 25 September 2017 (https://japan.kantei.go.jp/97_abe/statement/201709/_00011.html).

86. Robin Harding & Peter Wells, 'Shinzo Abe calls snap Japan general election', *Financial Times*, 25 September 2017.

any vested interests and her intent to «reset Japan».⁸⁷ While Koike has opted not to stand herself in the elections, her new party has triggered a rupture within the opposition, as Democratic Party (DP) leader Machara Seiji decided to merge his party with Kibo no tō.⁸⁸ However, this political realignment soon lost momentum as Koike excluded DP members who opposed security policy reform and constitutional revision.⁸⁹ To fill the vacuum left by the disintegrating DP, its former Deputy President Edano Yukio established the Constitutional Democratic Party of Japan (Rikken minshutō), absorbing former members of the DP and fielding more than 50 candidates for the election. Edano Yukio's party ran its electoral campaign on the public critique of Koike's exclusion of DP members and her own decision of not running for election herself.⁹⁰

Confronted by such a highly fragmented opposition, Abe and his LDP succeeded in winning a supermajority. Together with its coalition partner Komeitō, the LDP secured 313 seats out of 465 in the House of Representatives, with the LDP alone winning 284 seats (in comparison to its 291 seats won in 2014). Meanwhile, Koike's Party of Hope failed to capitalise on the early support she had received, winning only 50 seats. This was less than Edano's new party, which secured 55 seats, thus becoming the strongest party within a weak and fragmented opposition.

After winning his third victory in lower house elections despite the low voter turnout (53.69%), Abe immediately renewed his pledge to revise the constitution, stating that: «We won a two-thirds majority as the ruling bloc, but it is necessary to strive to form a wide-ranging agreement among the ruling bloc and opposition (to revise the constitution).»⁹¹ Abe and the LDP have used their consolidated mandate to put further emphasis on the debate over constitutional revision in December, arguing that such a move «would serve as a catalyst for creating a reborn Japan in the year that it hosts the Olympics and Paralympics» and that «Discussions should deepen on the constitution as a way of encouraging debate on what form and existence of the nation is most desirable.»⁹²

87. Elaine Lies, 'Tokyo governor launches new party, won't run for election herself', *Reuters*, 27 September 2017.

88. 'Election a showdown between LDP, Koike's party as DP to merge with new force', *The Mainichi*, 28 September 2017.

89. 'Hosono hints ex-prime minister Kan, Noda should not join Koike's new party', *The Mainichi*, 29 September 2017.

90. 'Japan's largest opposition party splits', *Nikkei Asian Review*, 2 October 2017; 'Edano's new liberal party to field more than 50 candidates on Lower House elections', *Japan Times*, 4 October 2017.

91. Linda Sieg, 'Japan's Abe to push pacifist constitution reform after strong election win', *Reuters*, 23 October 2017.

92. 'Abe: Japan will be «reborn» under constitutional revision plan', *The Asahi Shimbun*, 20 December 2017. See also Jeffrey W. Hornung & Kenneth M. McElwain, 'Abe's Victory and Constitutional Revision', *Foreign Affairs*, 31 October 2017.