

Ruling coalition suffers backlash in Japan's upper house election

By Joe Lopez
28 July 2004

The results of Japan's upper house election on July 11 revealed a continuing political backlash against Prime Minister Junichiro Koizumi's economic and foreign policy agenda, in particular his decision to send Japanese troops to bolster the US occupation of Iraq.

Koizumi's Liberal Democratic Party (LDP) won only 49 of the 121 seats up for reelection in the 242-seat upper house. The LDP lost just one seat but only because it was competing for seats that were last contested in 1998. Following that election, Prime Minister Ryutaro Hashimoto was forced to resign because of the party's poor showing.

After Koizumi came to power in April 2001, the LDP won 64 of the 121 seats in upper house elections that summer. Since then Koizumi's popularity has slumped from a high of 80 percent to less than 40 percent in recent polls. In the latest election, he failed to even achieve his conservative target of 51 seats. Chief Cabinet Secretary Hiroyuki Hosada described the outcome as "a very severe verdict".

The LDP's coalition partner New Komeito increased its seats by one, from 10 to 11, and the ruling coalition retains a comfortable 139-seat majority in the upper house. While Koizumi's position appears relatively secure at present, the election result is a significant indicator of the growing opposition to the government.

The opposition Minshuto or Democratic Party of Japan (DPJ) made the biggest gains. It increased its 38 seats by 12 to 50 and now holds 82 seats in the upper house. The DPJ's strong showing follows last November's lower house election, when it won an additional 40 seats to boost its lower house representation to 177 seats.

The major losers were the Japanese Communist Party (JCP) and the Social Democratic Party (SDP). The JCP won only 4 of the 15 seats it had up for re-election and

the SDP just 2 seats. Their losses are a sharp indication of the widespread alienation, particularly among working people, with the entire political establishment.

The voter turnout of 56.57 percent, marginally higher than in the July 2001 upper house election, was one of the lowest ever. Many voters, especially younger layers, simply did not see any means of expressing their opposition to the revival to Japanese militarism, rising unemployment and growing economic insecurity within the electoral framework.

The DPJ has tried to capitalise on the opposition to Koizumi's dispatch of Japanese troops to Iraq and his government's regressive social policies. But its main appeal is to sections of business and the urban middle class as a more consistent advocate of economic restructuring than the LDP, which historically has traditionally been supported by entrenched interests in rural areas and heavily protected industries.

Opinion polls have consistently shown that a majority of the population opposes the deployment of Japanese troops to Iraq. At last month's G-8 summit in the US, Koizumi further inflamed public opinion when, without any discussion in parliament or publicly, he pledged to maintain soldiers in Iraq indefinitely.

In the lead-up to the election, the DPJ leader Katsuya Okada told reporters he would challenge Koizumi's support for US policy in Iraq. "Koizumi's focus on the US-Japan alliance has damaged Japan's efforts to build ties in the Middle East such as with Iran. Relations with neighbouring countries including China and South Korea have also suffered," he said.

Okada went on to declare that the DPJ would intensify its efforts to bring Japanese troops home. However, the DPJ's opposition to the US invasion of Iraq and the deployment of Japanese troops is not of a principled character. The party has never publicly

opposed the war or exposed the predatory aims of Washington in Iraq, or of Tokyo in supporting the US. As well as maintaining its alliance with the US, Japan is seeking to secure a slice of the oil and business opportunities opening up in Iraq.

The other major issue to anger voters was the government's decision to ram through highly unpopular legislation to change Japan's national pension scheme. The modifications will not only increase the compulsory premiums to be paid by workers but will substantially reduce the benefits paid out to pensioners. Young people in particular doubt that they will ever receive proper benefits when they reach retirement age.

Hostility to the changes was further fueled when it emerged that politicians, who had been urging people to pay into the scheme or face a bleak retirement, had failed to make contributions themselves. In the scandal that followed several leading cabinet ministers, as well as the then DPJ leader, Naoto Kan, were forced to resign.

According to one exit poll cited on the *Asia Times* website, 55 percent of voters disapproved of the pension scheme reform. Although the DPJ campaigned against the pension changes, its alternative was to fund the under-resourced pension scheme by raising the consumption tax from 3 percent to 5 percent. The consumption tax is just as despised as the planned pension reforms. Either way, working people and the poor will have to pay for a pension scheme that has reduced benefits and left them with an uncertain future.

In the course of the election campaign, the LDP boasted that its policies had produced the first signs of significant economic recovery in more than a decade. The figures for the January-March quarter revealed an annualised GDP growth rate of 6.1 percent. Far from benefitting working people, it is Japan's corporate exporters that have gained, mainly from the hothouse economic expansion in China—a situation that will not last indefinitely.

The economic growth has had no significant impact on unemployment. Figures released by the Shinkin Central Bank before the election showed that the official jobless rate of 5.3 percent—itsself a near post-war record—is closer to 6.1 percent. The bank pointed to some 600,000 unemployed workers, mostly people in their fifties, who are unskilled and have given up

looking for work. They are simply not included in official statistics.

If the DPJ, which advocates an acceleration of market reforms, were in power, the situation would almost certainly worsen. DPJ leaders have been critical of Koizumi for not going far enough in ridding the country's banking system of bad loans and restructuring corporate Japan. Such measures would lead to a new round of business collapses, throwing many more workers out of a job.

Some political commentators have greeted the upper house election result as further evidence that a "two-party system" is emerging in Japan that will end the LDP's monopoly of power. In reality, the LDP and DPJ simply represent different wings of the ruling elite that have tactical differences on economic and foreign policy issues. Neither party offers a genuine alternative for working people.

To contact the WSWs and the
Socialist Equality Party visit:

<http://www.wsws.org>