



Urgent Policy Recommendations for the New Abe Administration

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In the election to the House of Representatives that was held on December 16, the new administration won a total of 325 seats to secure a firm grasp on power. The past six years have seen six different prime ministers—three each from the Liberal Democratic Party (LDP) and the Democratic Party of Japan (DPJ)—and Japanese politics has continued to drift. However, since the new ruling party holds more than two-thirds of the seats in the House of Representatives (the proportion of votes required for resubmission of bills in the Lower House), it will be able to avoid the paralysis caused by the distortion between the Lower and Upper Houses, and thus run a stable administration. The inauguration of the Abe administration is a golden opportunity for Japan to rid itself of the “politics of indecision.”

On the other hand, Japan has little time left, and the new administration will be expected to wholeheartedly apply itself to foreign policy, security, the rebuilding of the economy, and post-earthquake reconstruction, without wasting a single moment.

The Abe administration would be well advised to treat the following issues as matters of urgency.

Security and foreign policy

The relationship of trust between Japan and the USA was undermined by the DPJ administration, further destabilizing the security environment in East Asia. The security environment surrounding Japan is growing harsher, in light of factors such as China’s aggressive maritime expansion and North Korea’s nuclear and missile development. US President Obama has expounded a “Return to Asia” policy and is making visible efforts to cooperate with Australia in stabilizing the region. In collaboration with the USA and its allies, Japan should endeavor to eliminate destabilizing factors.

The key factor in Japan’s own security is that Japan itself must not stint in its efforts. Japan must rapidly take the initiative and build up its defense capability in response to changes in the security environment. To do so, it must secure sufficient equipment and personnel to improve the readiness and mobility of the Self-Defense Forces. This must include strengthening the Coast Guard, which represents the first line of law enforcement. Despite the severe fiscal conditions of recent times, Japan must review the overall allocation of government resources and increase defense spending.

It is clear that—even in this region—a country cannot maintain its own security unaided. In the face of domestic and overseas threats and crises, the entire international community must, as a matter of course, cooperate to maintain or build the peace. To this end, Japan must change its interpretation of the Constitution so as to enable it to exercise the right to collective self-defense, and develop a legal structure to allow active Japanese participation in UN activities such as peacekeeping operations. These changes should be based on the recommendations in the report produced by the Advisory Panel on Reconstruction of the Legal Basis for Security, which convened in June 2008.

On top of its own defense initiatives, it is essential that Japan strengthen its alliances, so as to be prepared for contingencies and to establish deterrence. By attempting to

develop the Japan-US Alliance into a solid “maritime alliance” based on shared values, Japan should work towards the establishment of a stable regional order, which would also involve collaboration with Australia, the ASEAN nations, and India.

However, a permanent or lasting peace will not be sustained solely by efforts in the defense arena. In this light, it will be essential for Japan to enjoy stable relationships of trust with neighboring nations. The key to this will be building relationships of trust at the highest levels of leadership. With freshly minted administrations in both China and South Korea, Japan now has an excellent opportunity to rebuild its relationships with these countries.

In order to strengthen the ability of the Prime Minister’s Office to exercise control over security and foreign policy, the government must quickly establish a Japanese version of the NSC (the US National Security Council). To do so, it should, as rapidly as possible, pass a bill that is akin to the Act for Establishment of the Security Council of Japan (the bill to establish an NSC), which was shelved in 2007. Japan must also move swiftly to put in place cyber-security arrangements, in order to prepare for threats against the nation in cyberspace.

With regard to security and foreign policy, the parties should try to reach a shared awareness of the issues—without introducing domestic politics. The major parties should rise above partisan interests and aim to shape a public consensus over Japan’s security and foreign policy. To this end, they must build a system for inter-party cooperation and consultation.

Education reform

In the more than 60 years since the end of World War Two, the Japanese education system has undergone no fundamental reform. Left behind in the wake of global advances, Japanese education also no longer fulfills the basic goal of properly equipping students to become useful members of society. The lack of internationalism on the part of members of the Japanese workforce represents a problem, and it would be desirable to instill a sense of internationalism in Japanese students in the course of their education. In the overall long-term interests of the nation, there is an urgent requirement for education reform at every level, so as to provide elementary education that instills proper values; secondary education that improves students’ basic academic knowledge and communication skills; and higher education that produces well-rounded, cultured individuals equipped with specialized knowledge, as well as an enhanced capacity for critical thinking and improved problem-solving abilities.

Specifically, it is impossible to ignore the way in which the quality of university education has deteriorated. Japan must aim for education that will produce the right kind of people for a globalized society. As a matter of urgency, Japan must develop people with the right grounding to enable them to survive in international society as well as with a proper understanding of Japanese society, culture, and history. Japan should aim to offer an elite international education; it should swiftly improve the quality of higher education by picking out top universities and by merging some universities so as to make more effective use of educational resources.

Under the board of education system, reform has been neglected for many years. This system has proved unable to solve even the problem of bullying and must be fundamentally re-examined. Authority and responsibility should be given to regional chiefs, and boards of education should be restructured into organizations for assisting them.

Serious consideration should be given to means of improving the quality of teaching staff (the people who bear the responsibility for the education of students), such as the provision of a mechanism for removing teachers based on objective evaluation, the appointment to teaching posts of people who possess life experience or a strong sense of vocation, and the introduction of a fixed-tenure system.

Constitutional and political reform

In the recent Lower House election, the LDP won an overwhelming victory. However, since this was largely due to the prevalence of single-seat constituencies, it does not necessarily represent an expression of unreserved confidence in the LDP on the part of the Japanese people. The new Abe administration must keep this firmly in mind and press on earnestly with political reform. First, it should be resolute in implementing the reduction in the number of Diet members that was agreed to by the LDP, the DPJ, and New Komeito before the general election. In addition, it should swiftly carry out the reapportionment and the redistricting of constituencies, which will fundamentally resolve the problem of the disparity in the value of a single vote, which the Supreme Court has ruled unconstitutional. The administration should also straightaway commence discussion of institutional solutions to the distortion between the Lower and Upper Houses—a cause of political paralysis—and of what the role of the House of Councillors should be, and should immediately initiate national debates on the pluses and minuses of the highly unstable single-seat constituency system, on the suitability of an electoral system combining proportional representation and single-seat constituencies, and on measures for effecting reform. Finally, the administration should make a swift decision on the use, in election campaigning, of online media, which are now an established part of the social infrastructure.

Constitutional reform is also a topic that the Abe administration should address in a deliberate fashion, in tandem with a national debate on the subject. The Deliberative Council on the Constitution must be reconvened at an early date, and the points for discussion clarified, with a view to the revision of the Constitution. Above all, the arguments regarding articles that are slated for revision must quickly be summarized.

Reconstruction and disaster prevention

Reconstruction in the disaster area resulting from the Great East Japan Earthquake should be expedited. To this end, the administration must enhance the functions of the Reconstruction Agency, which is responsible for swift reconstruction, to ensure that reconstruction work is being carried out properly, and to secure the required budget for this work.

The administration should also, as preparation in advance, promote the strengthening of disaster reduction measures in order to minimize the damage from large-scale disasters that are anticipated to occur in the future, such as enormous earthquakes or tsunamis. Above all, the government should swiftly conduct fact-finding surveys of aging infrastructure (such as roads, bridges, water supplies, and sewage systems), so as to avoid any recurrence of accidents like the collapse of the ceiling panels in the Sasago Tunnel in December 2012. Based on the lifespan of these infrastructure items, it should then secure the budget required for their repair, improvement, and subsequent maintenance, and should devise appropriate countermeasures. During this process the emphasis must be on efficiency, and care must be taken to avoid pork-barrel politics.

Finance and the economy

As fears of an economic slowdown grow, the administration should formulate emergency economic countermeasures, draw up a large supplementary budget to underpin them and a budget for fiscal 2013 at the same time, and then move swiftly to put these measures into effect.

Given that the government and the Bank of Japan share the objective of extricating the Japanese economy from deflation, the administration must clearly articulate their respective roles so as to implement its policies effectively. This process will necessitate closer cooperation between the government and the Bank of Japan.

Meanwhile, the administration must—as a matter of urgency—actively promote economic cooperation in order to revitalize the Japanese economy. In particular, the most significant bone of contention between proponents and opponents of the TPP (Trans-Pacific Strategic Economic Partnership) is the issue of whether entry into the TPP would be compatible with the revitalization of the Japanese agricultural industry. In order to settle this dispute quickly, the government should affirm that joining the TPP is potentially compatible with the revitalization of the agricultural industry and clearly set out the various drastic policies needed to accomplish this transition successfully, as well as the scale of budget that will be required.

The government should also unleash latent demand and support economic development by means of unceasing regulatory reform, and—with a view to new growth—it should take the lead in science and technology innovation, after having first carefully selected areas for strategic promotion.

The administration should also bring to reality a sustainable social insurance system that balances benefits and liabilities, in accord with the agreement reached by the DPJ, the LDP, and New Komeito on comprehensive tax and social security reform.

Energy

With public opinion divided over a nuclear power policy, it remains to be seen what the nature of the energy mix and environmental policies that Japan will adopt for the future will be. After the lapse into confusion under the DPJ administration, the new administration should first set out a clear direction for the country and then advance a nuclear energy policy based on this course. New safety standards for nuclear power should be formulated, after which nuclear power plants should be completely overhauled and then restarted as quickly as possible. Another urgent (and parallel) task will be to take measures to mitigate the substantial rise in expenditure on imported liquid natural gas, which is due to the full-capacity thermal power generation necessitated by the shutdown of the nuclear power plants.

As quickly as possible, the administration should also establish a new framework for a stable supply of energy that takes into account the trend in the USA towards development of shale gas and the availability of supplies of renewable energy. It should also engage in the development of alternative energy and new technology for efficient energy use, and devote great effort to the training of nuclear power technicians who will ensure safety.

Dealing with an aging society and the declining birthrate

The population of Japan has been declining since 2004. This greatly affects Japan's economy and society, and diminishes the nation's standing in the international community. Action must be taken. Measures relating to support for children and childrearing were agreed upon as part of the comprehensive tax and social security

reform that was promoted in the three-party accord of 2012, and these should be put into effect at an early date. Resolution of the issues of daycare waiting lists and afterschool childcare will have a direct bearing on female recruitment and the creation of new jobs. Since without a stable employment market for young people it is difficult for them to realize their ambitions of getting married and raising children, the administration should engage in a dialogue with the business community in a search for ways to resolve this problem.

As well as being the result of external systemic factors, the problem of an aging society and a declining birthrate is also due in large part to psychological factors which cause the entire population—generation by generation—to harbor a vague sense of unease regarding the future. The administration must strive to reduce this unease by establishing an aspirational vision of Japan and an image of national life that the entire country can share. The administration should endeavor to turn people's anxiety and mistrust into hopes and aspirations by clearly articulating the processes and measures necessary to bring this shared vision to reality, as well as the roles that the people and the state should play with respect to one another. It should seek the understanding of the people while maintaining transparency on issues that involve pain, such as tax increases and institutional reform.