

# The Snap Surprise in Japanese Politics

Center Forward Basics
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#### Overview

In Japan's parliamentary system, the National Diet is divided into two chambers: the House of Representatives (lower house) and the House of Councillors (upper house). The majority party or coalition in the House of Representatives forms the government, with the leader assuming the role of prime minister. Shigeru Ishiba, leader of the Liberal Democratic Party (LDP), became prime minister following Fumio Kishida's resignation in August 2024. The LDP, a long-dominant, pro-business, conservative party, has traditionally led the government. However, in a recent snap election called by Prime Minister Ishiba, the majority coalition led by the LDP fell short of the 233 seats required for a majority, marking the LDP's first loss of parliamentary power since 2009. Voter frustration with corruption allegations and rising inflation likely contributed to the defeat. The path forward is uncertain, as the National Diet must now address critical economic concerns while exploring coalition possibilities.

## **Japanese Politics**

As a parliamentary system, the Japanese National Diet, or Parliament, is divided into two chambers, with a House of Councillors forming the upper house and a House of Representatives forming the lower. The majority party, or a majority coalition, forms a government in the House of Representatives. The leader of the party or coalition becomes the Prime Minister of Japan and assumes the role of head of the executive branch. On October 1, 2024, Shigeru Ishiba became prime minister after Fumio Kishida resigned unexpectedly in August 2024 after just three years.

#### Center Forward Basics

Center Forward brings together members of Congress, not-for profits, academic experts, trade associations, corporations and unions to find common ground. Our mission: to give centrist allies the information they need to craft common sense solutions, and provide those allies the support they need to turn those ideas into results.

In order to meet our challenges we need to put aside the partisan bickering that has gridlocked Washington and come together to find common sense solutions.

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Ten parties in the Diet comprise Japanese politics. Generally conservative and pro-business, the **Liberal-Democratic Party (LDP)** has been the most significant party since its creation in 1955 and has rarely been out of power. The **Constitutional Democratic Party (CDP)** was established in 2017 and quickly became a major opposition player as the main center-left party. Other major parties today include the center-right **Democratic Party of the People** and the conservative **Japan Innovation Party** as well as **Komeito**, a party founded by members of the Buddhist movement.

The judicial branch consists of a Supreme Court composed of a Chief Justice and fourteen other Justices with the power to interpret the Constitution. Japan also has an emperor who acts as a constitutional monarch. Like King Charles III of the United Kingdom, Emperor Naruhito holds a hereditary position and acts as an unofficial ambassador as head of state but does not hold significant legislative power.

# What Happened in the Election?

Like many parliamentary democracies, the prime minister of Japan can call a snap election at any time and dissolve the lower house of the Diet. Prime Minister Ishiba, as leader of the LDP, called for such an election to be held on October 27, 2024. Leaders in power typically call snap elections to increase their margins, but this time the outcome was different. The

coalition formed by the LDP and Komeito lost enough seats to fall below the threshold for a legislative majority. A ruling coalition needs 233 seats out of the 465 in the House of Representatives. LDP and Komeito previously had 279 – their total is now 215. This situation creates enormous uncertainty, especially as Prime Minister Ishiba has vowed to stay in office with no plans to expand the coalition at the time of this piece's publication.

A recent scandal diminished the public's trust in the LDP. Prosecutors investigated allegations that LDP ministers and lawmakers pocketed extra ticket sales from fundraisers and poured millions of dollars in fundraising proceeds into slush funds. These kickbacks are not illegal in Japan but must be recorded and reported, which the LDP politicians allegedly did not do. Four Ministers, all members of the LDP, resigned in December 2023 in response to their alleged involvement in the scandal. In addition to the slush fund scandal, the LDP had to contend with an issue plaguing incumbents around the world since 2020 – inflation. Japan went from a period of deflation between October 2020 and August 2021 to an inflation rate of 2.5% by September 2024. Inflation in Japan is currently above the rate of 2% which economists categorize as healthy.

Observers believe members of the ruling coalition underestimated the lingering anger over corruption and the economic circumstances, which led to the losses for the LDP and Komeito at the ballot box. Without being in a majority coalition, the LDP is out of parliamentary power for the first time since 2009.

## **Looking Forward**

For the first time in fifteen years, the LDP's loss of the majority in the lower chamber threw Japanese politics into deep uncertainty. The party retains a majority in the upper house, although this chamber has less power than its counterpart.

Possible paths forward include the LDP adding more coalition partners or the opposition parties forming a majority coalition. The Democratic Party of the People and the Japan Innovation Party are potential partners for the LDP according to experts. In terms of a new majority coalition, the CDP won 148 seats, up from 98, but this still leaves the party at a mathematical disadvantage. Even if the CDP formed an alliance with the other four most prominent opposition parties, this group would hold the majority by one vote and include parties like the DPP, which has expressed openness to a "partial alliance" with the LDP. The CDP and other opposition parties have failed to form a majority coalition for these reasons. Some experts believe a lack of viable policies will prevent the CDP from forming a ruling coalition.

The next parliamentary session must occur within 30 days of the election—by November 25, 2024—to appoint a prime minister and Cabinet. Uncertainty in the wake of the LDP's ouster will likely force the National Diet to focus on domestic issues such as the economy to regain voters' trust, ultimately affecting Japan's profile on the world stage.

#### Links to Other Resources

- AP News Japan's ruling coalition loses a majority in the lower house, creating political uncertainty
- AP News What does a shocking parliamentary loss for Japan's long-ruling party mean?
- BBC <u>Japan's ruling party loses its majority in blow to new PM</u>
- Britannica <u>Japan | Political parties, Elections, Democracy</u>
- Chatham House <u>Democracy in Japan</u>
- Council on Foreign Relations The Japanese Emperor's Role in Foreign Policy
- Inter-Parliamentary Union <u>Japanese House of Representatives 2024 Election Results</u>
- Trading Economics <u>Japan Inflation Rate</u>