

INTERVIEW - Politics Economy

Japan's Long Stagnation Is a Case Study for the Future of Western Capitalism

Saturday 5 August 2023, by [FINN Daniel](#), [SURAK Kristin](#) (Date first published: 30 July 2023).

The major capitalist economies of Europe and North America have been experiencing low rates of economic growth and population increase. Japan has been in that position since the 1990s, and its experience offers some important clues about what the future holds.

During the 1980s, Japan seemed like it might overtake the United States to become the world's largest economy. Long before he turned his attention to China, Donald Trump called for the United States to engage in a trade war with its Japanese challenger.

Yet since a property bubble burst in the early '90s, Japan has become a byword for economic stagnation. That hasn't prevented the ruling Liberal Democratic Party (LDP) from maintaining its status as the most successful political party in the rich capitalist world.

Kristin Surak teaches sociology at the London School of Economics. She is the author of *Making Tea, Making Japan: Cultural Nationalism in Practice* [1] and *The Golden Passport: Global Mobility for Millionaires* [2]. This is an edited transcript from Jacobin's *Long Reads* podcast. You can listen to the interview here [3].

DANIEL FINN

What impact did the collapse of the real estate bubble in the early 1990s have on Japanese politics and society?

KRISTIN SURAK

It was a real turning point for Japan. To understand why, it's important to go back and look at how Japan transitioned out of World War II, when it was a defeated, destroyed country. It's often forgotten, for example, that the firebombing of Tokyo killed more people than the atomic bomb attacks on Hiroshima and Nagasaki. In terms of real estate and property, much of the country was flattened.

There was a very strong focus on capitalist production and economic expansion coming straight out of the war. By the 1960s, Japan had really taken off in a way that no other country had managed in the world until that point. There was 10 percent growth annually across the 1960s, which only China has been able to match in recent times.

Japan was able to grow so fast because it was very cheap to export. The Japanese yen was pegged against the US dollar at a favorable rate, so as soon as Japan ramped up industrial production again, it was able to export quite cheaply and sell a lot of goods to the United States in particular.

The imperial palace grounds in Tokyo were at one point worth as much as the entire state of California.

In time, this would create a huge current-account surplus with the United States, which Washington didn't like. In 1985, Japan and the United States negotiated the Plaza Accords, which led to a great strengthening of the yen, making it more expensive for Japan to export to the United States. At the same time, with the yen increasing in value, land prices began shooting up.

Land was being used as collateral for loans driving this capitalist expansion, and the result was an extraordinarily precarious situation. It was a huge real estate bubble in which the imperial palace grounds in Tokyo were at one point worth as much as the entire state of California. The numbers involved were just astounding.

This was all very obvious to the bureaucrats running the show, especially at the Bank of Japan, and they tried very cautiously to let some of the steam out of the bubble. But as soon as they did that, the whole thing simply collapsed. That was in 1989-90.

At first, nobody was quite sure what was going on, because Japan had been posting phenomenal growth rates. It looked like an enormous powerhouse that was potentially going to be overtaking the United States. But after a few years of zero growth rates in the 1990s, people began to think that this might be a more permanent situation than we had anticipated.

The collapse of the real estate bubble produced a lot of zombie companies, as they were known, which had much greater debts than assets, but were at the same time too big to fail. These were some of the biggest companies in Japan. The indebted companies were employing people and driving the country forward.

For a period of almost thirty years from the early 1990s, Japan experienced no inflation. People have described it as an entirely comatose economy. There was a very low level of growth — much lower than before. Remarkably, the price of something in 1990 would often still be exactly the same in 2015.

For a period of almost thirty years from the early 1990s, Japan experienced no inflation.

The shift from high-paced economic growth to stagnation meant that there was a strong shift toward focusing on social problems. Those problems were brought to a head by two major crises.

One was the great Kobe earthquake of 1995, which happened in a very industrialized, built-up part of Japan, almost foreshadowing what is predicted to happen in Tokyo in the next couple of decades. Tokyo has had regular massive earthquakes in the past, and it's now been a while since the last one, so it's definitely on the docket for one in most people's lifetimes.

Secondly, there was the sarin gas attack by the Aum Shinrikyo cult on the Tokyo subway in 1995, which killed a couple of dozen people. That was something nobody had expected, in what was considered to be a very harmonious society.

There were other social problems, like very low birth rates combined with very high life expectancies. In place of the familiar demographic pyramid, with a lot of young people and a much smaller top level with fewer old people, Japan's demographic structure looks more like a column, because there are so few young people and so many old people. That has a big economic impact.

In terms of employment, it's interesting to think through these issues in relation to the West, because some of the problems Japan has been facing for the past thirty years are ones that Western countries are now beginning to face. The situations aren't exactly the same: for example, there's massive inflation in the West right now — over 10 percent in some countries — whereas in Japan, it's only about 3.5 percent. Although that's considered very high by Japanese standards, it's still a figure that would make people in the United States or the UK quite jealous.

However, there are certainly parallels to be drawn, as Western countries face the challenge of low-growth economies and the consequences of massive monetary easing. The debt-to-GDP ratio in Japan is extraordinary — much higher than it was even for Greece at the peak of the Greek economic crisis. The ratio is currently almost 270 percent, and the Japanese authorities just keep printing money.

Japan's population has been stagnating, which we are also seeing today in Western countries. Social services have been crumbling since the 1990s as well. A lot of the problems that Japan has been dealing with for some time are now hitting the West in very interesting ways.

It's important to remember, though, that none of this has generated as much social protest as one might expect. There hasn't been a very strong anti-capitalist movement or a movement for gender equality. There's a little bit more of a movement on gay rights.

Youth employment prospects are getting worse and worse, but you still don't see a lot of people taking to the streets, certainly not in comparison to the social upheaval of the 1950s and '60s, when you could sometimes have a million people on the streets protesting US imperialism, for example. In that sense, the crash of the economic bubble around 1990 was a major turning point, not only economically, but socially and politically as well.

DANIEL FINN

Why do you think the LDP has been able to perpetuate its hegemony over the past three decades, long after the passing of the Cold War context that originally shaped the party?

KRISTIN SURAK

In some ways, if you just look at who's in government, the LDP seems like a complete powerhouse. It has been in power almost continuously since 1955, with only two very short hiatuses, 1993-94 and 2009-12. Apart from those moments, it has been in power for over sixty years.

The Liberal Democratic Party has been in power almost continuously since 1955, with only two very short hiatuses.

However, if one looks behind that facade, its grasp on power is more fragile than one might expect. It hasn't won an outright majority of the vote since 1963. For decades, it has been obliged to govern through various coalitions. For the most part, it governs with the Komeito party, which is a Buddhist group.

When we look at the power of the LDP, it's important to look at its origins, which came out of a particular postwar configuration, on top of US interference in Japan's democratic processes. After World War II, the conservative parties and the socialist parties were basically neck and neck. The United States obviously saw this as a great threat.

By the 1950s, it looked as though the two main socialist parties would be able to take power, and this was of great concern to the United States. It helped forge an alliance between the two main conservative organizations, the Liberal Party and the Democratic Party, in 1955. It threw a lot of money at both parties so that they could get their electoral machines running and enabled them to form a coalition and take over the government.

The mastermind behind this venture was a man named Nobusuke Kishi, who was the grandfather of Shinzo Abe, and an important influence on Abe's politics. As the head of the LDP, Kishi organized the system for funneling money from the government into infrastructure projects in a way that would get the party's key supporters out to vote. He built a pork-barrel electoral machine around that, which lasted for some time.

However, like many parties that have been in power continuously, the LDP gradually lost popularity, and it has been ruling in a coalition government for decades. In a way, its power today for the most part derives not from popular adherence to the party itself, but from the weaknesses of the opposition.

None of the opposition parties in Japan at the moment have more than about 15 percent of the vote. They're an absolute shambles, and there's no real challenge to the LDP coming from outside at all. Any challenge has come from within the party itself.

The main challenger has been a longstanding member of the LDP who broke with the party, Ichirō Ozawa. Both times that the LDP lost power, it was because of Ozawa masterminding a transformation and takedown of the LDP.

In 1993, which was the first time that the LDP ever lost power, he got a vote of no confidence through parliament that split the government. There was a lot of corruption during the 1970s and '80s — on one occasion, several million dollars' worth of gold bars were found in the prime minister's house. People were getting fed up with the corruption, and Ozawa's no-confidence vote brought down the LDP.

An unwieldy coalition of seven parties then took over the government, but it didn't last very long.

This was followed by a period of rapid turnover at the helm, with prime ministers changing almost every year. These political transformations were connected to US imperialist politics as well as to changes in the Japanese economy and backbench movements within the LDP.

A couple of points stand out from this picture. One is that ideology is not a major motivating factor in Japanese politics. You get parties from across the political spectrum forming coalitions when they can.

Another point is that the voice of the public hasn't been very important in bringing about real change. It wasn't the popular vote that brought down the LDP — it was machinations from within the party, with politicians who were able to deftly manipulate informal structures. Ozawa performed that task with a lot of savviness.

DANIEL FINN

What has been the experience of Japan's left-wing parties, the Socialists and the Communists, since the end of the Cold War?

KRISTIN SURAK

The story of Japan's left-wing parties is somewhere between heartening and inspiring on the one hand and quite depressing on the other. Even though Japan was occupied by the United States for several years after the war, the United States did allow the Socialist and Communist parties to reemerge from illegality under the old regime, and those parties became very popular.

The story of Japan's left-wing parties is somewhere between heartening and inspiring on the one hand and quite depressing on the other.

The Japan Socialist Party (JSP) started off in the early postwar years with about a third of the popular vote. It was the key opposition party for a very long time. Gradually, its vote share declined to about 20 percent, and a more centrist faction broke away during the 1960s. But the JSP still remained very important until the 1990s, even though it was losing steam.

At that point, with the end of the Cold War, it found itself ideologically adrift, and it sold itself out in 1994. After the alliance of seven opposition parties that had displaced the LDP fell apart, the LDP and the Socialists formed a coalition of their own. Tomiichi Murayama became the first Socialist prime minister, serving for about a year and a half.

But this coalition was political suicide for the JSP. The LDP had nearly all the major cabinet positions. The office of prime minister has traditionally been fairly weak, so Murayama could get very little done. On top of that, he disavowed virtually every plank of the JSP's traditional platform.

Article IX of Japan's postwar constitution says that Japan forever renounces the right of war. There has been a lot of controversy about the status of Japan's Self-Defense Forces, which are quite large because Japan's economy is so big. Although it doesn't spend much more than 1 percent of its revenue on the army, that's still a large sum in absolute terms because Japan is a rich country.

For many years, the Socialists had said that it was unconstitutional for Japan to have an army. On entering government, however, the JSP renounced its previous stance toward the Self-Defense Forces. It also changed its position by accepting the Kimigayo, the national anthem, and the Hinomaru, the national flag, both of which had been very controversial after the war, given the history of Japanese imperialism. The JSP reversed its traditional opposition to nuclear energy as well.

In effect, during that brief moment of coalition with the LDP, the JSP gave up everything that had made it a critical socialist party. The party completely disemboweled itself. The result of the coalition was that the LDP shot back into power at the next election. Its major opponent had just sold itself out, and there were no more effective challengers.

After this point, in the late 1990s and early 2000s, the LDP was in power with a policy agenda that affirmed the status quo. Voters were increasingly apathetic because there was no ideological difference between the main parties. The JSP renamed itself as the Social Democratic Party of Japan and it became an electoral nonentity — it now has just one deputy in the House of Representatives.

At the same time, the Japanese Communists have been performing much better than the former Socialists. They've been getting 7 or 8 percent of the vote in most elections since the early 1990s — sometimes a good deal more than that, especially when people are feeling very disaffected with what the LDP is doing. The Communists get a lot of protest votes, because they are the only party in Japan with any kind of ideological integrity.

The Communists get a lot of protest votes, because they are the only party in Japan with any kind of ideological integrity.

During the Cold War, the Communist Party started off supporting China against the Soviet Union. By the 1970s, however, it had begun distancing itself from both of those states. It has a very strong position of support for individual rights, along with a strong antiwar and anti-imperialist position. It has a strong base in some cities such as Kyoto, and among certain professions, like teachers.

The Communists have remained true to their stance against US imperialism, opposing the big US military presence in Japan. They support same-sex marriage and labor-market protections. Many people think that the party would receive more electoral backing than it does, if not for the negative image of communism that dates back to the Cold War. But it still does surprisingly well.

DANIEL FINN

What factors lay behind the spectacular electoral victory of the Democratic Party in 2009? Why did it nonetheless prove to be such an ephemeral moment in Japanese politics?

KRISTIN SURAK

The election in 2009 was the first time that the Japanese electorate elected a party other than the LDP to office. The Democratic Party of Japan (DPJ) came out of the collapse of the JSP as the main opposition party in the 1990s. It was formed through the merger of several smaller parties.

The election in 2009 was the first time that the Japanese electorate elected a party other than the LDP to office.

Its leaders were looking at what Bill Clinton and Tony Blair were doing, presenting the DPJ as a Third Way party that would be pro-capitalist while also being in favor of some social protections. They picked out elements from the platforms of the LDP and the JSP in a hodgepodge fashion, without any ideological or policy coherence. But the DPJ was able to win over what's known as the floating urban vote.

This refers to people who have moved from the countryside to big urban areas. They don't have a clear political ideology, but they are looking for something that represents their views, which can involve a feeling of disaffection with the establishment. The LDP's coalition partner, the Komeito party, often gets some of that vote. But the DPJ was able to tap into it as well.

During the 2000s, the LDP was looking more and more dull after the resignation of its leader Junichiro Koizumi. Koizumi had a lot of charisma, but he was followed by a string of lackluster leaders who were at the helm for a year or so. That made the DPJ look increasingly desirable to voters.

That opened up the possibility for Ichirō Ozawa, who we saw before from the early 1990s, to lead the party into taking the upper house for the first time. This threw the government into gridlock, because the LDP controlled the lower house while the DPJ controlled the upper one, so they couldn't get anything through.

In the midst of all this, Ozawa was hoping to finally take the helm of state. But he was brought down by a fairly minor fundraising scandal. Ozawa was always a controversial figure, although a very savvy one.

Yukio Hatoyama was the one who led the DPJ into power with a landslide victory in the 2009 election. It was the worst defeat the LDP had ever suffered, losing three-fifths of its parliamentary group. The DPJ won a big majority, and it looked as if it would be sailing through with the reforms it wanted to enact.

As prime minister, Hatoyama wanted to make some key changes in terms of the organization of Japan's bureaucracy and its foreign policy. Traditionally in Japan, bureaucrats are responsible for a lot of the policymaking rather than the politicians. Hatoyama wanted to have politicians drive the policymaking process, making it more responsive to the wishes of voters. But the bureaucrats were very powerful and rankled at this attempt to undermine their power.

Traditionally in Japan, bureaucrats are responsible for a lot of the policymaking rather than the politicians.

Hatoyama also wanted to reach out more to Asia as a balance to US influence. The United States has a huge presence in Okinawa. It was entirely under US occupation until 1972, and there are still big military bases there. It is the key area where you have a strong anti-imperialist social movement that is trying to get the Americans out.

The United States wanted to relocate its main army base at Futenma to a much bigger one at Henoko. The locals opposed this idea for many reasons, and Hatoyama opposed it too, saying that he would not support the relocation of the base. This meant that the United States was against the DPJ, and applying pressure along with the bureaucrats who were rebelling against the attempt to limit their power.

This left the DPJ very embattled. The Japanese media also came out strongly against Hatoyama, and he ended up stepping down after only nine months. In his place came Naoto Kan, who reversed everything that Hatoyama had been trying to put through, turning again to the United States and restoring the bureaucracy to its previous role. To the extent that there was any kind of ideology holding the party together, he sold it out.

On top of that, you had the combined disasters of 2011, with the massive earthquake and tsunami in Tohoku and the nuclear reactor incident at Fukushima. The DPJ couldn't handle dealing with those disasters, having previously done very little that set it apart from the LDP in office. It suffered a crushing defeat in the 2012 election, losing four-fifths of its seats. The LDP returned to power again with Shinzo Abe, who went on to become Japan's longest-serving postwar prime minister.

DANIEL FINN

To what extent can we say that neoliberal economic policies have been enacted by successive Japanese governments since the 1990s?

KRISTIN SURAK

Overall, I think that some of the transformations can come under the heading of neoliberalism. But if we break things down, it looks a little more complicated than headline concepts like that might suggest.

Ever since the economic doldrums of the 1990s, Japan has gone through large-scale deregulation. When it was clear that the economy was flatlining, there was a reform package known as the "Big Bang." This involved liberalizing finance, for example, by opening up foreign exchange and asset management and allowing more foreign competition. By the end of the 1990s, airlines and telecoms were deregulated, as well as labor markets.

Historically, there was an image of lifetime employment in Japan: if you got a job with a major company, you were expected to be with that company for life, and you were completely protected. You didn't have to worry about anything else, because it would be very hard to fire you when you were on a lifetime employment contract.

However, by the end of the 1990s, big business was trying to get rid of those lifetime contracts, reducing their scope to about 10 percent of the workforce. Today in Japan, about 60 percent of the workforce is in fixed-term contract work — that is, work without a secure future.

There was a longer history behind contracts of that kind, which would traditionally have applied to

women workers. Yet from the late 1990s, more and more men were going into contract work, starting off their working lives in a situation of precarity. This has had a huge impact in terms of social welfare protections, because contract work often doesn't come with the pensions and health care benefits that people were used to having.

There has also been a great rise in inequality, and Japan is now one of the most unequal countries in the OECD. There used to be an idea that everybody in Japan was middle class, but that certainly isn't the case anymore. The overall poverty rate is now about 15 percent, rising to approximately one-third of elderly people, who make up a huge proportion of the Japanese population. Coming on top of all the deregulation, this has hit people very hard.

There used to be an idea that everybody in Japan was middle class, but that certainly isn't the case anymore.

The idea of rolling back welfare provisions is also associated with neoliberalism. If we look at the characteristics of social welfare in Japan, there are a couple of notable features. One is that state spending in this area has traditionally been fairly low. Social welfare has been largely provided by employers as well as at a community or family level through strong social support networks.

In addition, to the extent that businesses or the government do provide social welfare, they have generally focused it on people who are economically productive. People who are in employment get better social welfare protection, often through business pension programs or health insurance, etc., while those who are unemployed or retired or widowed receive less protection.

The social welfare net has been rolled back as people move into work that is more temporary, because the people who are on permanent contracts receive better pensions, health care, bonuses, and so on. Japan has become noticeably more divided and unequal, with more people falling behind during this period of deregulation.

But to go back to your question, can we describe this as being neoliberal? It's neoliberal to the extent that it's a patch to try and save capitalism. But we can also find other reasons behind some of these transformations as well. Take the privatization of the postal service, for example.

Japan's postal system has traditionally been the biggest bank in the world. People could put their savings in the post offices all over the country, including rural areas. As a bank, it effectively became a slush fund for the LDP that the party could use to bankroll its national development projects and fuel its pork-barrel politics.

When Junichiro Koizumi became prime minister in the early 2000s, he was a real outsider within the LDP. He was only elected as leader because of changes in the party's electoral structure, and a lot of people didn't like him. His own faction within the party was against pork-barrel politics.

One of the first things Koizumi did was to privatize the postal system and get it out of the LDP's control, because it was a slush fund for the inner-party factions that were opposed to his own tendency. In other words, we could see the privatization of the postal system as a case of a

neoliberal transformation, but we could also see it as a form of jockeying within the LDP to strengthen or diminish the power of individual factions.

DANIEL FINN

How does the status of women in Japan today compare to that in the other highly developed capitalist states?

KRISTIN SURAK

It's quite pathetic. If you look at positions of power or leadership, women usually hold around 10 to 15 percent of seats in the national parliament, and around 15 percent of business and management roles. About a third of all major firms in Japan have no female executives at all. The targets they set for increasing the number of women in such positions, aiming to reach 20 percent, are still very low.

Women usually hold around 10 to 15 percent of seats in the national parliament, and around 15 percent of business and management roles.

After World War II, women drained out of the workforce. There had been many more women working in Japan in the early twentieth century than there were in the second half of the century. In part, that was because of the great economic boom, which made it possible for families to rely on the earnings of a male breadwinner. It was also due to the decline in agriculture, because women had often worked on the farm.

Between the 1950s and the 1980s, you saw the emergence of what was known as the professional housewife — women whose main goal was to take care of the house and make sure that the kids performed very well and got into the best schools. The professional housewife would also care for the aging grandparents. Women in that position would rule the home, and often had more control over household spending than the male breadwinner.

Some women wanted to perform this role and enjoyed it. But there wasn't much of a choice for many others. The system encouraged this family model in a number of ways.

For example, if there was a stereotypical nuclear family and the man had a job with a protected contract that included a pension scheme and health insurance, that would cover the whole family. But if the man's wife started earning more than about £10,000 a year, she would come off that pension scheme and have to find one of her own, which would be inferior.

In other words, the system would encourage women to only get part-time jobs in which they earned less than £10,000 a year, because it made more economic sense to stay on the better pension scheme and health insurance of their husbands. There were a lot of ways in which the system made it more rational for women to work in part-time jobs and not earn too much money while they were also taking care of the family.

Obviously, this led to a big loss of potential labor power, in brute economic terms. In the 1990s, as the economy was slowing down, there were laws passed for equal opportunity in employment. But those laws were effectively toothless in terms of their operation, since there were no real

punishments for companies that didn't place women in particular roles.

Traditionally, firms would put women in so-called pink-collar jobs or in short-term positions and not promote them, because they assumed that as soon as a woman got married or pregnant, she would quit the job. Very often, they would pressure women to quit their job at those points as well.

DANIEL FINN

What policies has the Japanese state adopted for dealing with immigration over recent decades?

KRISTIN SURAK

The Japanese population has been in decline for many years, and a lot of people will ask why the authorities don't just let in more immigrants to deal with that decline. After all, it's a huge economic risk not to have population growth.

If we look at the history, during World War II, especially the final years of the war, there was a lot of forced labor migration from the occupied areas in Korea and Taiwan. After the war, those people were put under pressure to go back, but not everybody did.

Although they were stripped of their Japanese citizenship, many didn't want to return to Korea or Taiwan, which were very authoritarian countries at the time. The two Korean states also descended into war from 1950. You ended up with a population of Korean and Taiwanese former colonial subjects living in Japan, which was still quite small — fewer than a million people.

As the economy began to take off in the 1960s and '70s, businesses were calling for more workers. But instead of bringing more foreigners into Japan, Japanese companies went to the foreigners. Many firms shifted operations over to Southeast Asia, using cheaper workers to cover their labor market needs.

Instead of bringing more foreigners into Japan, Japanese companies went to the foreigners. Many firms shifted operations over to Southeast Asia to cover their labor market needs.

Occasionally, there were some initiatives to bring in workers from places like the Philippines. In the early 1990s, there was a scheme to get people of Japanese descent who were living in Latin America to come to Japan, because the government thought that they would be easy to assimilate. Even so, the overall numbers have been very small. Foreigners still account for just over 2 percent of the Japanese population, which is tiny in comparison to the United States or the UK or even Russia.

Even though the Philippine government has been trying to lobby Japan to take more Filipino nurses, for example, the Japanese government has been very reluctant to do so, partly because the nursing lobby in Japan opposes it. To some degree, it has allowed the entry of low-paid, temporary labor migrants in the form of trainees, but these programs haven't really expanded, either.

There are some efforts to bring Korean and Chinese students into the country, because the low birth rates mean that universities don't have enough Japanese youth to fill all the places that they have

available. There are schemes to keep graduates of Japanese universities on in the country for a couple of years. But it's very hard to become a Japanese citizen, and Japan is still a closed country to a considerable extent.

The same holds true for refugees. In some years, Japan only approves a few dozen refugee applications. It prefers to throw money at the United Nations High Commissioner for Refugees instead of allowing refugees to enter the country.

DANIEL FINN

How important is the alliance with Washington for Japanese state managers in the wider contemporary East Asian context?

KRISTIN SURAK

It remains fundamental and may even be growing in significance. Traditionally, the left-wing parties were very critical of the alliance with the United States. But you also had politicians among the ruling conservatives who wanted more independence from the United States. With the rise of China, however, a strong faction within the LDP has embraced Washington wholeheartedly.

Shinzo Abe led Japan down the path of military expansion with Washington's approval.

In the early 2000s, Koizumi was playing baseball with George Bush and visiting Graceland, while forging a closer military alliance with the United States at the same time. Shinzo Abe led Japan down the path of military expansion with Washington's approval. The United States wants Japan to build up its military strength under the auspices of what it terms "interoperability." That means that Japan will pay for its armed forces, but if push comes to shove, the United States can effectively take control of the Japanese military as well.

The United States would be happy for Japan to revise Article IX of the postwar constitution, and Japanese conservatives are keen to forge ever-closer ties with Washington as they face the rise of China. This anti-China stance came out strongly in relation to the Trans-Pacific Partnership. Donald Trump pulled the United States out of that agreement, but Japan is still trying to revive the idea of a trading bloc that will exclude China — ideally with the United States involved, but without the United States if necessary.

DANIEL FINN

How would you characterize the legacy of Abe for his party and for Japanese politics in general?

KRISTIN SURAK

Abe was certainly a key political leader — much more so than anybody would have guessed during his first stint in power in the mid-2000s, when he was in power for about a year and ended up quitting because of gastrointestinal issues. Nobody expected him to come back to power, let alone serve for longer than any other prime minister in the postwar era.

Even though he had stepped down before his assassination last year, he still remained a very

important politician, controlling the scene and the biggest LDP faction as what is known as a shadow shogun. His death thus left a major hole in Japanese politics.

Shinzo Abe amassed more power under the prime minister's office than his predecessors, securing control over bureaucratic appointments and putting his own people in key positions.

Abe amassed more power under the prime minister's office than his predecessors, securing control over bureaucratic appointments and putting his own people in key positions. He expanded Japan's military capacities and restarted the production of nuclear energy, which had been stopped after the triple disaster of 2011. He also pushed Japan back into the arms of the United States after the DPJ had tried to create more distance.

His most important legacy will be a strong rightward shift in a political system that was already quite conservative. Abe did not achieve this as a populist. He was a member of an ultraconservative group called the Nippon Kaigi, which is not very large. It has about forty thousand members, but roughly 60 percent of parliamentarians under Abe belonged to this group that calls for extensive constitutional reform, wants women to stay in the home, and denounces what it sees as an apologetic view of history that recognizes Japanese imperial atrocities.

By the time of his death, Abe was much closer to achieving his goal of constitutional revision. The renunciation of war in the postwar constitution was very important for Japanese national identity, but its significance has been declining. The number of people who think that Japan should never fight a war again or who support Article IX of the constitution is now somewhere around 50 percent.

Abe wanted Japan to revise Article IX and recognize that its Self-Defense Forces are really an army. But he also wanted to change other articles of the constitution. The proposals for constitutional revision looked very similar in some places to the old Meiji constitution that was the basis for Japanese imperialist expansion before the war.

This idea of thoroughgoing change is still part of the LDP's platform. It would mean a massive overhaul in terms of the organization of democracy in Japan and lead to the rollback of democratic protections.

INTERVIEW BY DANIEL FINN

P.S.

• Jacobin. 07.30.2023:
<https://jacobin.com/2023/07/japan-economic-stagnation-shinzo-abe-liberal-democratic-party-militarism-politics>

• CONTRIBUTORS

Kristin Surak teaches sociology at the London School of Economics. She is the author of *Making Tea, Making Japan: Cultural Nationalism in Practice* (2013) and *The Golden Passport: Global Mobility for Millionaires* (2023).

Daniel Finn is the features editor at *Jacobin*. He is the author of *One Man's Terrorist: A Political History of the IRA*.

Footnotes

[1] <https://www.sup.org/books/title/?id=20929>

[2] <https://www.hup.harvard.edu/catalog.php?isbn=9780674248649>

[3] <https://shows.acast.com/jacobin-radio/episodes/long-reads-japan-lost-generation>