

JAPAN: Kishida looks to shake up LDP and opposition ahead of two key elections

- Prime Minister Fumio Kishida is set to reshuffle his cabinet and top LDP officials this month, aiming to boost allies and neutralize would-be challengers ahead of the 2024 party leadership election.
- Speculation is rising that the small centrist DPP party could join the ruling coalition, a move that would allow the LDP to further split the opposition bloc, strengthen ties with labor unions, and balance junior coalition partner Komeito.
- With no serious challengers yet from other LDP factions, a successful reshuffle would help Kishida cement his place as favorite to win both the next general election and re-election as LDP president in 2024.

Fumio Kishida could reshuffle his cabinet and top Liberal Democratic Party (LDP) officials as soon as 11 to 13 September, after returning from overseas travel to Indonesia and India this week. Alternatively, the prime minister may opt for late September after returning from a separate trip to the UN General Assembly in New York. A wide-ranging reshuffle would offer the chance to reset the image of his administration, but new faces also come with the risk of fresh scandals subsequently emerging—as happened with four appointees after last summer's reshuffle. Maintaining the delicate power balance between competing party factions is another important consideration, but Kishida's overriding concern is surely to maximize his own political position in the vital 12-month period that lies ahead.

Who to watch

A key outcome will be the fate of LDP Secretary-General Toshimitsu Motegi, who leads the party's third-largest faction, holds the second-most influential party post, and is probably the first-placed candidate at present in the race to eventually succeed Kishida. Kishida's challenge is to keep Motegi close and content without affording him so strong a powerbase that he might opt to challenge Kishida in the party presidency election scheduled for September 2024. One option could be to switch Motegi with foreign minister (and Kishida faction deputy) Yoshimasa Hayashi, though Motegi might consider a return to his previous job a demotion.

Other bellwether decisions concern two ministers who ran against Kishida in the September 2021 party-presidential race —Digital Agency minister Taro Kono and economic security minister Sanae Takaichi. Kono made his name as a maverick and a reformer, more popular with the grassroots than the parliamentary party, but his perceived culpability for the Agency's mishandling of the <u>troubled MyNumber ID scheme</u> could allow Kishida to now demote or dismiss him.

Hardline conservative Takaichi is an acolyte of late former premier Shinzo Abe (though not a member of his eponymous faction) who has turned into a semi-regular critic of Kishida. The PM might choose to sideline her too, perhaps while elevating a leading Abe faction member (like economy minister Yasutoshi Nishimura) to a more prominent post.

New coalition joiner?

The LDP also appears to be considering adding a third member to its ruling coalition, which would supplement the longterm tie-up with Komeito that began in 1999. The candidate is the Democratic Party for the People (DPP), a small centrist party with links to four industrial labor unions that has recently aligned more with the policies of the government. Speculation intensified following the re-election as party leader of Yuichiro Tamaki, the height of whose political ambition seems to be to secure himself a ministerial job.

For the LDP, such a tie-up would not be particularly valuable in terms of parliamentary seats—the DPP currently has only 20, compared to the LDP's 380 and Komeito's 59—but it would further splinter the already-fractious opposition parties, expand the government's electoral coalition to include some labor unions, and potentially provide a counterbalance to pacifistic Komeito in any future constitutional amendment debates. The price of DPP cooperation would likely include an eventual cabinet post for Tamaki and greater fiscal expenditure to offset high gasoline prices.

However, a deal is not currently imminent. 'Negotiations' are still taking place primarily through media channels rather than formal talks, and it seems that advocates of the idea within the DPP tend towards the view that the party could drive a better bargain by waiting until after the next general election—assuming its seat tally rises and the LDP's falls from its current high-water mark. The LDP would gain more from doing a deal soon, making things harder for the opposition bloc going into the next election.

Kishida still unchallenged

With only twelve months until the next LDP leadership election and despite yet another summer dip in poll numbers, the prime minister remains without any serious potential challenger within his party, and is on course to lead the party to a third consecutive victory at the next general election and retain the party presidency. Motegi this week again downplayed the likelihood that he would challenge Kishida in 2024, reiterating that as party secretary-general his job was to "firmly support the administration."

Senior Abe factionalist Hiroshige Seko has also given his backing to Kishida and indicated that he would endorse the PM's re-election as party leader next year. The Abe faction—the party's largest, with around 100 members—recently formalized a new committee-based leadership structure, seemingly with the hope that an undisputed heir to Abe will emerge to lead the group within a two- to three-year horizon.

Given the administration's low approval ratings, a major new economic stimulus package in the pipeline, and the lack of significant internal party pressure, a near-term snap general election this fall or winter continues to look unlikely. Assuming no new major scandals, spring/summer 2024 is a more probable window for an early Lower House election, ahead of the September 2024 LDP leadership vote. A successful shake-up of allies and opponents alike in the coming weeks would cement Kishida's position as clear favorite to triumph in both those elections.

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