



## Prime Minister Suga's Neoliberal Reform Policy and the Prospect of Korea-Japan Relations

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The approval rating for Japan's Suga cabinet continues to fluctuate. When the cabinet was inaugurated in September, it received high approval ratings from almost all polls. For example, it received a 74 percent approval rating through the Nikkei—the third highest approval rating for the Liberal Democratic Party (LDP) since the party was formed. However, after about a month, almost all polls in October showed a drop in approval ratings. The approval rating slightly increased in November, yet declined again in December. Although the exact rating differs, the media reported a generally similar trend.

This fluctuation is caused by various factors. For example, the fall to 67 percent in October in the Japanese television survey could have been caused by the public's critical view of Prime Minister Suga's refusal to appoint some of the candidates recommended by the Science Council of Japan (6 of 105) and his lack of explanation. Unclear explanations surrounding the Moritomo Gakuen and Kake Gakuen scandals that were brought up during the Abe cabinet also contributed to the decrease of the approval rating. 47 percent "could not accept" Prime Minister Suga's actions, outnumbering 32 percent that "could understand" his actions.

Another factor behind the drop in the approval rating in December had to do with the government's response to the COVID-19 pandemic. Only 42 percent positively viewed the government's actions, while 49 percent showed negative views. Also, 77 percent wanted the Go To Travel campaign, which was promoted to boost the economy despite the COVID-19 outbreak, "to be stopped," well above the 21 percent that wanted the campaign "to continue" (57 percent for the campaign "should be stopped" and 20 percent for "would be better to be stopped").

The rise in the approval rating in November, however, reflected the desire for political stability amid the situational anxiety caused by the COVID-19 outbreak. To the question, “How long do you want the Suga cabinet to stay,” 57 percent supported the Cabinet to stay for more than 2 years (19 percent for “2 years,” 14 percent for “3 years,” and 24 percent “as long as possible”), exceeding 37 percent that said “until the September presidential election” in 2021. In fact, the Suga cabinet’s administrative reform was also positively evaluated: 70 percent positively evaluated the reform of the Science Council of Japan; 76 percent positively evaluated zero emission of greenhouse gas by 2050; 55 percent agreed to extend the Go To Travel campaign.

In short, the Japanese public critically views the Suga cabinet’s lack of explanation but supports Prime Minister Suga’s neoliberal reform policy. In this regard, the Suga cabinet is likely to continue to pursue neoliberal approach reforms. Such aspect is well reflected in the contents of the emergency stimulus package announced on December 8th. The stimulus package worth 73.6 trillion yen consisted of three parts: measures to prevent infection, preemptive measures to safely cope with natural disasters, and measures to transform the post-COVID-19 economic structure, including digitization of administration and carbon-free Japan by 2050.

Prime Minister Suga is pursuing neoliberal policies mainly to create tangible results for his victory at the LDP leadership election and the Japanese general election in 2021. But at the same time, he also seems to find them work well with his style and objectives. He was a senior vice minister of the Koizumi cabinet, which pursued neoliberal structural reforms. At that time, he introduced “hometown tax” system and led general reform policies. What is noteworthy about Suga’s approach to neoliberal reform is that he focused not on the direction of the policy but on practically achieving results. In other words, Suga is adopting neoliberal policies in order to achieve results, allowing him to be positively evaluated by government officials as a working-level leader and not an ideological one.

In addition to his practical leadership, Prime Minister Suga’s criticism of inefficiency and unfairness of the political establishment’s general practices and customs reflects his anti-mainstream tendency. His anti-mainstream tendency is well shown throughout his stance in the conflicts within the LDP. For example, in 2000, he had joined the Kato faction and took part in Kato’s rebellion, when a non confidence motion was proposed against Prime Minister Mori. In 2009, when he was vice chairman of the LDP’s Election Committee, Suga tried to limit succession in preparation for the 2009 general election. The current Suga’s push to abolish the use of seal stamping and to digitalize administration may aim to increase efficiency yet shows another glimpse of anti- or non-mainstream aspect that desires to break down the custom.

Prime Minister Suga’s practical leadership and anti-mainstream tendency seem to go with his pride in Japan and goals of achieving growth and development. Such char-

acteristic links neoliberal policies with conservative tendencies. Accordingly, neoliberal economic policies in domestic politics work as a combination with strategies to strengthen alliances and security power at the diplomatic and security dimension. The implied aspects of neoliberal reforms, such as a preparation for general elections, working-level leadership, anti-mainstream tendency, pride in Japan, and goals of re-growth, signal the future of Korea-Japan relations.

The emergence of a new, flexible Japanese prime minister increases the expectation in South Korea that conflicts can be resolved. However, until 2021, Suga is likely to pay more attention to domestic issues. In order to invite Prime Minister Suga to take actions and ameliorate the strained bilateral relations, South Korea needs to present concrete proposals and materials to solve the wartime forced labor issue instead of a grandiose statement about the overall Korea-Japan relations. There are positive factors that may improve the Korea-Japan relations, such as the inauguration of the Biden administration and the Tokyo Olympics. In order to utilize them, however, there must be direct solutions to the wartime forced labor issue. Otherwise, the distance between South Korea and Japan will remain very wide. ♣

※ *Translator's note: This is an unofficial translation of the original paper which was written in Korean. All references should be made to the original paper.*

※ *This article is written based on the author's personal opinions and does not reflect the views of the Sejong Institute.*