

Japan's New Prime Minister in Office: Foreign Policy Priorities and Ties with India

Purnendra Jain

Summary

On 4 October 2021, Fumio Kishida took over the reins as Japan's prime minister, following Prime Minister Yoshihide Suga's unexpected announcement the previous month to step down after serving just one year in office. Kishida, a former foreign minister from the same ruling Liberal Democratic Party will largely continue in the footsteps of his predecessors – Shinzo Abe and Suga – as far as Japan's broad foreign policy directions are concerned. Japan-India diplomatic interaction, therefore, will remain on a positive path under Kishida, since he is familiar with India, having been foreign minister for five years (2012-2017) under Abe, and was one of the key ministers to take India-Japan relations to new heights under the Abe government (2012-2020). The crucial question is how long Kishida will stay in office and whether he, like Abe, will continue to regard India as one of Tokyo's top foreign policy priorities.

Kishida's Political Trajectory to the Top

Former foreign minister (2012-2017) under Prime Minister Shinzo Abe and a veteran third-generation politician from the ruling Liberal Democratic Party (LDP), Fumio Kishida was elected as the party president and thus prime minister of Japan in early October 2021 following Prime Minister Yoshihide Suga's unexpected announcement to step down and not contest for the leadership. The race to the top was tough with three other candidates in the field but Kishida, with support from powerful factions and influential senior party leaders, ultimately prevailed defeating his nearest rival – former foreign and defence minister Taro Kono.¹

Like many prime ministers before him, including Abe, Kishida is a hereditary politician (his father and grandfather were also parliamentarians) and has served in various party and government posts since he was first elected to the lower house of the Japanese parliament in 1993 from his hometown of Hiroshima.

Soon after assuming office on 4 October 2021, Kishida announced a general election to be held on 31 October 2021, a few weeks sooner than was expected. Given the lack of political challenge due to weak and fragmented opposition, it is preordained that the LDP will win this election, thus returning Kishida to power as prime minister.² However, like his

¹ Purnendra Jain, 'Meet Japan's New PM', *The Interpreter*, Lowy Institute, 30 September 2021, <https://www.lowyinstitute.org/the-interpreter/meet-japan-s-new-pm>.

² Various polls suggest the LDP is far ahead of the major opposition party – the Constitutional Democratic Party of Japan with 41.2 per cent support for the LDP and only 6.1 per cent for the largest opposition party, the Constitutional Democratic Party of Japan. <https://www.nhk.or.jp/senkyo/shijiritsu/pdf/aggregate/2021/y202110.pdf>.

predecessor Suga, if Kishida is unable to maintain consistent high ratings in public opinion polls through his appealing public policy on critical issues such as managing the COVID-19 pandemic, improving the economy and social welfare, Japan may yet see another prime minister out of office soon thus triggering ‘the revolving door’ of prime ministers phenomena witnessed before Abe’s return to power in 2012. Neither Japan nor the world would like to see the world’s third largest economy and Asia’s oldest democracy return to a leadership paralysis.

What to Expect from Kishida?

Kishida’s focus is, for now, firmly fixed on the general election as it is critically important for his political future to lead the party to a reasonable electoral success. At the moment, most of his energy will be expended on strategies to win the election as comprehensively as possible. In order to win the most numbers of votes, it will be important that Kishida offers a blueprint of some of his key policies that he announced after his election to the party presidency and in his first policy speech at the national Diet, Japan’s parliament. On economic issues, for example, his emphasis is not just on economic growth but on the even distribution of wealth, slightly away from neo-liberal policies which according to him created massive inequalities.³ He has proposed a “new capitalism” for Japan and aims at creating “a virtuous cycle of growth and distribution, and developing a new post-COVID-19 society.”⁴ His ideas may sound persuasive but how he is going to achieve those remains far from clear. He will need to act fast on the details as his approval ratings at the inauguration of his administration have been much lower than his two immediate predecessors – Abe and Suga – and lowest since 2001.⁵

Foreign Policy Directions and Japan’s India Bond

While there was a huge turnover of ministers from the Suga government, Kishida retained both Foreign Minister Toshimitsu Motegi and Defence Minister Nobuo Kishi, Abe’s younger brother, signalling continuity in foreign policy and defence matters. Kishida, generally portrayed as dovish in foreign policy, construed as taking a reconciliatory approach to China, has changed his tune in line with the Abe-Suga administrations and in keeping with the general trend within his party to take a tough stance towards China. Both Motegi and Kishi, while striving to engage China and cooperate where possible, are likely to take an unyielding approach to the disputed Senkaku islands that Japan administers which China claims as its own or Beijing’s maritime designs and its approach towards Taiwan.⁶

³ ‘Kishida vows economic growth, redistribution in 1st policy speech’, *Kyodo News*, 8 October 2021, <https://nordot.app/819081905584816128?c=445918389795193953>.

⁴ ‘Policy Speech by Prime Minister KISHIDA Fumio to the 205th Session of the Diet’, Prime Minister of Japan and his Cabinet, 8 October 2021, https://japan.kantei.go.jp/100_kishida/statement/202110/00005.html.

⁵ ‘Kishida Cabinet gets relatively low approval rating of 45%’, *Asahi Shimbun*, 6 October 2021, <https://www.asahi.com/ajw/articles/14455275>.

⁶ Sakura Murakami and Kiyoshi Takenaka, ‘Japan signals more active role on China’s tough stand on Taiwan’, *Reuters*, 5 October 2021, <https://www.reuters.com/world/asia-pacific/biden-promised-us-commitment-defending-senkaku-islands-japan-pm-kishida-2021-10-05/>.

Two likely changes are possible under the new administration: first, Japan's security strategy will be reviewed, and a revised strategy may be put in place and spending on defence is likely to go up substantially. There has emerged a broad consensus within the ruling party that Japan should not be bound by its self-imposed limit of one per cent of the gross domestic product spending on defence. All four candidates for the LDP presidency raised that prospect and Sanae Takaichi, a far right and conservative politician, even went as far as to suggest doubling defence spending, from the current figure of around US\$50 billion (S\$67.47 billion) to US\$100 billion (S\$134.93 billion).⁷ Notably, Kishida has given Takaichi a powerful party role of LDP's policy chief. Two, economic security will take centre stage. To this end, Kishida has created a new cabinet post of minister for economic security. The new minister will have the power to instruct any of the ministries to achieve a whole of government approach. Japan aims to reduce its overreliance on any single source and will most likely pursue policies of diversifying trade and supply chain reliability.

Like his predecessors, Kishida will work closely with Washington under the alliance compact what he has called "the cornerstone of Japanese foreign policy". Simultaneously, his administration will work closely with other like-minded democracies in Asia, India included, and elsewhere in part to balance China and counter nuclear-armed North Korea. Kishida has emphasised the role of the Quad in securing a free and open Indo-Pacific and his administration has endorsed the newly formed Australia, the United Kingdom and United States (US [AUKUS] framework which is seen as complementing the aims and objectives of the Abe-initiated free and open Indo-Pacific.⁸

The Kishida administration will continue to place importance on India both bilaterally and through minilateral frameworks, especially trilaterally (Japan, India and the US; and Japan, India and Australia) and the Quad. The day after his endorsement as prime minister, Kishida held a telephone meeting with US President Joe Biden followed by Australia's Scott Morrison – two of the three Quad partners. However, his teleconferencing with Indian Prime Minister Narendra Modi came three days later, on the same day as Kishida's tele-meeting with President Xi Jinping, and a day after his talks with President Vladimir Putin. The order in which Kishida spoke with key world leaders may indicate his priority of engagement with the leaders, although this could have been also a function of availability and timing. One Japanese source contended that Kishida did not want to be seen as prioritising all countries of the Quad before China.⁹ It is thus not clear whether Kishida will be attached to India with the same degree of intensity as Abe. Much will depend on how he perceives India's role in the current strategic environment and how long he stays in office.

In his first policy speech to the Japanese parliament on 8 October 2021, Kishida stated to work closely with partners, including the four members of the Quad – Australia, India and the US – to promote a free and open Indo-Pacific region. Underscoring the importance of

⁷ Ryuto Imao, 'Japan PM candidate Takaichi backs doubling defense budget to 2% GDP', *Nikkei Asia*, 11 September 2021, <https://asia.nikkei.com/Politics/Japan-election/Japan-PM-candidate-Takaichi-backs-doubling-defense-budget-to-2-GDP>.

⁸ Ambassador's message for the Japan Self-Defense Forces Day, 13 October 2021, https://www.au.emb-japan.go.jp/itpr_ja/virtualselfdefenseforceday.html.

⁹ Ken Moriyasu, 'China watches "new neighbor" Kishida with cautious optimism', *Nikkei Asia*, 9 October 2021, <https://asia.nikkei.com/Politics/International-relations/China-watches-new-neighbor-Kishida-with-cautious-optimism>.

China, both bilaterally and in the regional and international contexts, Kishida contended that he would like to build stable relations with China while following a tough line and say to China “what needs to be said”.¹⁰ It is unlikely that Kishida will be able to pursue a dovish approach towards China, as there is not much appetite for this approach among senior LDP officials and top government leaders.

Progress in Japan-India Relations under Suga

Suga’s term was rather short, and he served in the prime ministerial post at an unfortunate time during a once-in-a century global pandemic, restricting international travels and summit meetings. He travelled to the US and had an in-person meeting with Biden in April 2021 and then to Washington in September 2021 for the Quad summit. He also visited two Southeast Asian nations: Vietnam and Indonesia. However, Suga’s scheduled visit to India in April 2021 had to be deferred because of the serious outbreak of the COVID-19 pandemic in India around that time. There has been no in-person summit between the leaders of the two nations since 2018; Abe’s planned summit meeting with Modi in December 2019 was postponed because of political disturbances in Assam where the two leaders were scheduled to meet. Although Abe and Modi held a brief meeting in September 2020 via telephone and issued a short statement, it was simply a courtesy call for Abe to inform Modi of his resignation and to reassure that Japan’s strong engagement with India will continue in the future.

A Suga-Modi meeting was held in Washington on the side-lines of the Quad leaders’ summit in September 2021. Like the Abe-Modi virtual meeting in 2020, this meeting was also ill-fated as Suga had already announced that he was retiring from his position. In their short statement, the two prime ministers simply reiterated their pledge to continue engagement and cooperation in wide-ranging areas, their “strong opposition” to unilateralism and economic coercion, but no new initiatives were noted given Suga’s lame-duck status.¹¹ In the last three years, prime ministerial meetings have been purely symbolic and of little substance. Rhetorically, they have emphasised their strategic attractions to one another and repeated the language of cooperation on security and economy in abstract terms.

Economic interaction occurs mainly via Japan’s Official Development Assistance (ODA) to India. India remains the largest development partner of Japan’s ODA with billions of dollars poured into the Indian economy via infrastructure projects such as a dedicated freight corridor and a multi-billion-dollar project of high-speed train to run between Mumbai and Ahmedabad.

There has been little progress on commercial ties between the two nations. Japan’s direct investment in India has fallen significantly from US\$4.1 billion (S\$5.53 billion) in 2019 to US\$1.9 billion (S\$2.56 billion) in 2020. Two-way trade has also languished and stood at less than US\$14 billion (S\$18.90 billion) in 2020. In 2020, Japan’s exports to India were double to

¹⁰ ‘Policy Speech by Prime Minister KISHIDA Fumio to the 205th Session of the Diet’, Prime Minister of Japan and his Cabinet, 8 October 2021, https://japan.kantei.go.jp/100_kishida/statement/202110/00005.html.

¹¹ ‘Japan-India Summit Meeting’, Ministry of Foreign Affairs of Japan, 23 September 2021, https://www.mofa.go.jp/sa/sw/in/page4e_001170.html.

that of its imports from India thus generating a significant trade deficit for India.¹² Despite a comprehensive economic partnership agreement between the two nations, bilateral trade has gone backwards in absolute dollar terms. The lingering negative image of India's business environment has hardly improved with one survey characterising India as "the land of confusion".¹³ Business-to-business links remain extremely weak, despite stronger government-to-government links.

Looking Ahead

Kishida and his party's election slogan is 'Towards a New Era Together' (*shinjidai o minasan to tomoni*). What kinds of policy changes his government will introduce in this so-called "new era" remains unclear. What is clear is that much of his foreign policy directions will continue from previous administrations. There is likely to be a little more emphasis on defence and security issues with economic security taking centre stage through trade diversification and supply-chain reliability policy. Bilaterally, the US, as ever, will remain the linchpin of Japan's security and defence engagement. China and, to a lesser extent, North Korea will continue to be singled out as security concerns leading to the possibility of adjustments in Japan's defence and security policy.

The focus on the Quad and the free and open Indo-Pacific narrative from the Abe era will continue with the strengthening of security networks with 'like-minded democracies', expanding beyond countries in the Indo-Pacific to include extra-regional partners, especially the United Kingdom and European nations.

So far, as Japan's India engagement is concerned, it will remain on an even keel. In the short-term not much change is envisaged: strategically, economically and politically. The top leaders of the two nations have not met in a summit format since 2018 when Modi visited Japan. A visit by the Japanese prime minister to India is overdue. For Kishida, like Suga, the US and the Southeast Asian nations may be priority countries to visit. If interactions at the top level primarily continue virtually and on the side-lines of multilateral meetings (such as the Suga-Modi meeting at the Quad gathering in Washington), personal bonding will be difficult to develop and, hence, any ground-breaking development in the Japan-India relationship. A Kishida-Modi in-person meeting may not take place for a while even in a multilateral forum, as Kishida is unlikely to attend the G-20 summit in Rome at the end of this month because of the general election on 31 October 2021 for which Kishida must stay home.

.....

Dr Purnendra Jain is Emeritus Professor in the Department of Asian Studies at the University of Adelaide, Australia. His most recent book is *Japan's foreign policy in the twenty-first century* (co-edited with Lam Peng Er), 2020. He can be contacted at purnendra.jain@adelaide.edu.au. The author bears full responsibility for the facts cited and opinions expressed in this paper.

¹² 'Japan Trade and Investment Statistics', Japan External Trade Organization, <https://www.jetro.go.jp/en/reports/statistics.html>.

¹³ 'Japan vs. India – the land of confusion', M+V, <https://www.maiervidorno.com/japan-vs-india-land-confusion/>.