

Japan's New PM Sanae Takaichi (2): Foreign Policy and National Security

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Foreign policy as the nexus of the LDP and JIP

During the quarter-century Liberal Democratic Party (LDP)-Komeito coalition, Komeito, which styles itself as the "Party of Peace," exerted considerable influence on foreign policy and national security. A prime example was the review process that enabled the exercise of the right of collective self-defense under the second Abe administration. From a liberal perspective, Komeito acted as a check on the LDP's excesses; from a conservative viewpoint, it served as a brake on bold policy shifts. Komeito's departure from the coalition could mark a historic turning point in the policy-making process.

The preamble of the LDP-Japan Innovation Party (JIP) "Coalition Agreement" places a "realism-based view of international politics and national security" ahead of economic policy. The slogan "an independent nation," which is also featured in the JIP Platform, aligns with PM Takaichi's conservative convictions. Compared with domestic issues that require time for deliberation regarding fiscal resources, and political reforms that will entail difficult coordination among various interests, foreign policy offers a clearer way to showcase the coalition government's identity. Cooperation with some opposition parties, including the Democratic Party for the People, may also be possible in the Diet.

In July's House of Councillors election, the right-leaning Sanseito made significant gains by capturing conservative votes. Conservative policy positions, including on foreign policy and national security, combined with expectations for the new Prime Minister, are likely to appeal to some voters. However, without Komeito's electoral cooperation, the outcome will be decided by centrist swing voters. Ultimately, the key will be how much trust in the LDP can be restored.

Initiating revision of the National Security Strategy, and pushing through an unusual personnel change

In her inaugural press conference, PM Takaichi announced her intention to begin revising the "Three Strategic Documents" (the National Security Strategy, National Defense Strategy, and Defense Buildup Program) adopted in December 2022. The current Defense Buildup Program sets the defense budget for FY2023 to FY2027 at approximately 43 trillion yen. It appears the revision will be accelerated before the plan's expiration in light of the current security environment and actions by the U.S. Trump administration. This raises the question of how defense spending will be handled under the principle of "responsible and proactive public finances." Overseas transfers of defense equipment is likely to gain momentum following Komeito's withdrawal from the coalition.

The national security policy review will also address issues such as economic security and strengthening intelligence capabilities. Intelligence was highlighted as a priority in the "Coalition Agreement," and discussions to flesh out concrete measures are expected to accelerate. However, proposals such as an anti-espionage law are likely to face opposition from liberal factions on human rights grounds. The reorganization or establishment of intelligence agencies is also a long-standing issue, but coordinating among relevant ministries will require considerable effort.

In an unusual move, the new cabinet, at its first meeting, decided to appoint the former Assistant Chief Cabinet Secretary (from the Ministry of Foreign Affairs), who had just been assigned as an ambassador this October, as the new Secretary-General of the National Security Secretariat. The post had been held for only nine months by the predecessor under the Ishiba administration. While the dismissal of the U.S. counterpart in the Trump administration may have eased the transition, this appointment appears to be a personnel reshuffle aimed at asserting the new administration's distinct character.

Expected continuity in diplomacy

Although former PM Ishiba and PM Takaichi have different policy philosophies, continuity will likely be prioritized in the conduct of diplomacy for the time being. Regarding the U.S. Trump administration, it is important for Japan to demonstrate commitment to implementing the already concluded bilateral agreement and to build high-level trust. The appointments of Motegi, who handled trade negotiations with the first Trump administration, as Foreign Minister, and Akazawa, who finalized the Japan-U.S. agreement, as Minister of Economy, Trade and Industry, likely aim not only to unify the party after the LDP leadership election but also to ensure stability in relations with the United States. At the upcoming summit with President Trump, while topics such as investment in the United States and defense buildup will be discussed, it is more crucial for PM Takaichi to establish a good personal relationship with him.

Some express concern that PM Takaichi's hawkish image could negatively affect relations with East Asian countries. However, with respect to China, a fundamental strengthening of relations seems unlikely given the structural constraints of U.S.-China strategic competition. While monitoring the progress of current U.S.-China negotiations, Japan will likely focus on building up practical cooperation that contributes to the stability of Japan-China relations.

Between Japan and South Korea, a summit is expected to be held on the margins of the Asia-Pacific Economic Cooperation (APEC) Leaders' Meeting, scheduled to take place in South Korea in late October. In South Korea, there is wariness toward Takaichi due to her image as a successor to the Abe line. However, as both Japan and South Korea grapple with their relationships with their ally, the United States, neither is likely to want to complicate relations with its neighbor. Takaichi has shown a shift toward pragmatism, for example by refraining from visiting Yasukuni Shrine after the LDP presidential election. The key will be whether both sides can avoid statements or actions that inflame public opinion.

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