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POLITICS

by Takashi Oka and Llewelyn Hughes

Reflections from two former aides

Ozawa as we knew him

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There are two narratives about Ichiro Ozawa, the Secretary-General of the Democratic Party of Japan (DPJ). One is that he is a wizard at elections. This reputation was enhanced by his masterminding of the DPJ's 2009 electoral strategy that helped bring about the first real change of government through the ballot box in sixty years. The second is that, rather than being a politician of firm convictions, Ozawa is a machine politician animated by the desire to secure and retain power for its own sake (see pg. 8). Investigations into alleged corruption fuel this narrative.

It is uncontroversial to note that politicians seek power; opposition parties have fewer tools to change policy. Beyond that, this second narrative is fundamentally wrong: Ozawa's political career since the early 1990s has been driven by a political project, a project that cannot be reduced to a simple desire to get him and his party elected. Instead, it is about reshaping Japan's institutions of governance.

What is our basis for making this claim? Collectively, we worked for Mr. Ozawa for a total of seven years, in periods of both opposition and government, from 1994, just after the fall of the anti-LDP coalition government, to 2000, when he led the Liberal Party out of its coalition with the LDP. We sat in on scores of meetings, both public and private, with domestic and foreign audiences, both inside and outside Japan.

A number of these meetings undoubtedly had a direct effect on his, and his party's, electoral chances. But for many this was unlikely. Further, regardless of the setting and political circumstances, what was common across these meetings was the political message. Instead of assuming that his words and actions are part of a plot for securing and retaining power, it's better to assume that Ozawa means what he says. Yes, winning elections is undoubtedly important for him, but it remains a means to an end.

What Does Ozawa Want?

If we are right about Ozawa, then there are two questions to be answered. First, what does this political project consist of? And second, why does such misunderstanding persist about Ozawa's nature?

In his biography of Shigeru Yoshida, John Dower notes that Yoshida focused on "large matters: the desirable structure of the state, and the ideal role of the state in international affairs." This could have been written in a biography of Ozawa, and captures the essence of his thinking.

In his writings and conversations Ozawa has consistently focused on the need for individuals, and Japan as a nation, to shoulder greater responsibilities. This stems from his belief that Japan's institutions of governance were well suited to the Cold War, but must now be fundamentally transformed if Japan is to prosper.

This may sound grandiloquent. But the institutional changes Ozawa has helped bring about, and others that the DPJ has proposed with his support, have important implications for the way interests are aggregated in Japan, and therefore for policy outcomes. He has especially supported two sets of institutional changes: electoral reform, and increasing the ability of elected officials to make decisions relative to Japan's ministries and agencies.

Electoral reform has been promoted at different times for decades. But Ozawa was pivotal in creating the first non-LDP government for 38 years, and helping turning proposals into law. In doing so he succeeded where others failed, and it is now standard to attribute important reforms in Japan's political economy to this change, from the financial sector to welfare and security policy, and of course to the change in government itself.

On the second, Ozawa is not the only proponent of increasing the power of politicians relative to bureaucratic officials. Former Prime Minister Hashimoto Ryutaro, for example, played a crucial role. But Ozawa has been advocating such changes longer than any other senior politician. He also views this project as unfinished, and it is now the focus of his energy.

Institutional changes he has helped put in place include the removal of bureaucrats from Diet deliberations and the introduction of state secretaries within the ministries. Both were implemented while Ozawa's Liberals were in coalition with the LDP (1999-2000), and despite opposition from that party.

Extensions of these reforms are now supported by the DPJ leadership, and are included in its electoral manifesto. Increasing the number of political appointees within the ministries, for example, should lead to greater political participation in the deliberative councils, or *shingikai*, that are the engine rooms of Japan's brand of corporatist decision-making. Those who have sat through many of these councils know they can be effective, but can also limit the pace and depth of policy change. Greater political participation should change this inherent incrementalism.

Ozawa's belief in the need for reorganizing Japan's postwar institutions extends to foreign policy. This does not mean he wavers on the importance of the US-Japan alliance. On the contrary, like Yoshida he views the alliance as indispensable to Japanese and regional security.

But, while believing that Japan's strategic interests lie with the United States, Ozawa also does not think this precludes Japan from acting in its own interests in issues unrelated to the defense of Japan, even when they diverge from Washington's position. Also, like Yoshida, Mr. Ozawa does not see China as an ally, but neither does he understand it as Japan's adversary.

How does he see his own role in this process? In *Blueprint for a New Japan* Ozawa notes his political heroes as Toshimichi Okubo, Hirobumi Ito, Takashi Hara, and Yoshida. This suggests two things about how Ozawa understands politics and

his role in it. First, he believes in the ability of leaders to shape the political environment; for Ozawa, individuals can trump structure in determining outcomes. Second, he sees the role of leadership as crucial in crises. Furthermore, as Ozawa has been saying consistently for the past two decades, and as we heard him repeat many times, he believes Japan's ongoing problems stem from a crisis of governance. He also thinks he has an important role in driving reform.

There are differences between Yoshida and Ozawa, of course. Yoshida was a diplomat for the majority of his career. Ozawa, on the other hand, entered parliament at the age of 27 by taking over his father's seat. As Prime Minister, Yoshida focused on consolidating conservative rule. Ozawa, meanwhile, has never been Prime Minister, and has stated that his goal is to transform the system put in place by Yoshida. On a personal level, Yoshida is reported to have been voluble, while Ozawa can be taciturn.

But an essential similarity between the two lies in their focus on Japan's position within history, and the importance they ascribe to leadership in ensuring their country is able to meet the challenges they see their country facing.

Why the Misunderstanding?

If we are right about Ozawa, why does the alternative narrative—that Ozawa seeks power for its own sake—remain credible? There are four big reasons.

First, Ozawa has a poor relationship with the Japanese print media. He rarely conducts doorstops, or *burasagari*, which are a common element of the press interaction with politicians. In fact we remember this happening only once in our time at Liberal Party headquarters, the day after the news broke that then Prime Minister Keizo Obuchi had suffered a stroke. He also rarely conducts one-on-one interviews with the broadsheets. Opportunities for the press to question Ozawa are therefore limited to weekly press conferences. Further, there's little doubt that Ozawa can come across as imperious at these.

Compounding this problem, as Katsuyuki Yakushiji of the *Asahi Shimbun* has noted, is the fact that Ozawa tends to disappear from public view at crucial political moments. We've never asked him why he does this, but it does mean that he is least available at the time when information is most sought by the press and public. This absence of information, and his lack of clarity in putting his views at such moments, inevitably raises questions about whether he is engaged in backroom dealing.

Second, as his former secretary and lawmaker Ishikawa Tomohiro, indicted on February 4th, is quoted as saying, in Ozawa's office the word of the boss is law. In fact, we think this is perhaps Ozawa's central conundrum: while he is defined by his commitment to improving the quality of decision-making in Japan's democracy, his organizational instincts and management of information reflect his political apprenticeship within the faction of former Prime Minister Kakuei Tanaka.

This has worked to his detriment: Ozawa is often accused of strong-arming others, as was the case with Yoshida and Tanaka. He seldom explains his decisions, even to close friends. It can also lead to overreaching. A prime example is Ozawa's role in the Socialists' decision to leave the government and enter into coalition with the LDP. He has since stated that allowing this to happen was the biggest mistake of his political career; if this had not occurred he thinks the LDP would have split within months.

The tendency to over-reach doesn't help build trust; the list of politicians who were once friends of Ozawa but are no longer so is a growing one, as we saw first-hand during our time at the New Frontier Party (NFP, or Shinshinto) and Liberal Party.

Third, Ozawa has spent periods of his post-LDP career involved in political maneuvering, from working to establish the anti-LDP coalition government of Morihiro Hosokawa in 1993, to reaching agreement to enter into coalition with the LDP in 1998, to negotiating in 2007 with then-Prime Minister Yasuo Fukuda over a possible coalition between the DPJ and the LDP. But our experience is that this is not indicative of a desire to seek power for its own sake, as his critics would have it. In fact almost the entire time he has been a politician of note Ozawa has been in opposition. Is it really surprising, then, that he has engaged in such maneuvers in order to bring about a change of government? (And, despite failures, has succeeded in this endeavor twice!)

Further, the history is often misrepresented. To take one example, the most important reason for the breakup of the NFP was not Ozawa's destructive tendencies. Rather, it was hedging by the Komeito. There is not space here to elaborate on all the important events, but it is worth mentioning a few. When the Komeito dissolved itself to join the NFP in 1994, it hedged its bets by keeping Upper House members and members of the Tokyo Metropolitan Assembly out of the party. Further, in the Tokyo Metropolitan Assembly election in June 1997 the Komeito did not follow through in its promise to support NFP candidates. As a result, all the Komeito candidates were elected with NFP support, while none of the NFP candidates were successful.

Quite reasonably, given this, during the summer and autumn of 1997 Ozawa attempted to properly integrate the Komeito with the NFP. But in December 1997, after Ozawa was reelected President of the NFP, the Komeito decided to end its alliance with the NFP and withdraw its members from that party. The party then collapsed.

This hardly matches the narrative of Ozawa the destroyer. In truth, experiences like these suggest to us, perhaps rather mundanely for critics seeking some secret motive to Ozawa's actions, that he is simply human: he formulates strategies designed to achieve his goals. But he also makes mistakes and is also taken in by others at times.

Finally, the most serious charge leveled at Ozawa is that of corruption. We have never been privy to how Mr. Ozawa manages his finances, and have no information on the veracity of claims made against him. Further, we believe politicians should be transparent in how they manage political funds. But we think such accusations should be tempered by the fact that Ozawa has never been indicted, let alone found guilty, of corruption. Further, the public prosecutor's office just completed an extraordinarily thorough investigation into his personal finances, including seven hours of questioning, and did not identify grounds for charging him with criminal behavior.

Proponents of the Ozawa-as-corrupt narrative also point to his tutelage under Kakuei Tanaka and Shin Kanemaru. We obviously did not work for him during this time. But no evidence from this period establishes Ozawa's criminality.

The only case in which Ozawa has been found to have done wrong is the Recruit Cosmos Scandal of 1989, more than 20 years ago, or over half of Ozawa's political life. But if we are to define Ozawa's career by this episode, then surely it is incumbent upon us to tar Kiichi Miyazawa, Yasuhiro

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COMMENTARY

by Richard Katz

The "Shiva" of Japanese politics

Ozawa: creator and destroyer

Like the Hindu god Shiva, Ichiro Ozawa is both creator and destroyer. Currently the Secretary-General of the Democratic Party of Japan (DPJ), he has a history of building up parties or coalitions and then tearing them down, either by switching sides or inadvertently over-reaching. Some in the DPJ fear that he could do this again due to the corruption scandal for which three of his aides were indicted on Feb. 4.

No one doubts that Ozawa's recruitment of attractive candidates and campaign tactics were indispensable to the landslide proportions of the DPJ's Lower House victory in August. And yet, the corruption scandal threatens to snatch defeat from the jaws of victory in this July's crucial Upper House elections. Moreover, as political analyst Minoru Morita told the *Japan Times*, some DPJers fear he might split the DPJ if it pressed him too hard to relinquish power.

Ozawa and political reform

Ozawa's supporters say that he is driven, not by a desire for power per se, but by a desire to use that power to drive political reform (see pg. 6). The key event in that narrative is his defection from the Liberal Democratic Party (LDP) in 1993—a defection that caused the LDP to lose power for the first time—supposedly over the issue of electoral reform. Ozawa argued that a switch in the elections system—from multi-member districts to single-member districts (SMDs)—would create a system whereby two parties would compete on the basis of policy and would alternate in power. That, in turn, would make the government more effective in correcting the country's problems, partly by increasing the power of politicians vis-à-vis the bureaucracy.

When Ozawa left the LDP and helped form an eight-party coalition led by Prime Minister Morihiro Hosokawa, that coalition passed in 1994 an electoral reform that combined 300 SMDs with 300 proportional representation (PR) seats (where voters choose from party lists) in the Lower House. Undoubtedly, that reform was a major ingredient in the 2009 downfall of the LDP and the end of one-party democracy.

Some Ozawa supporters give him the primary credit. In reality, the story is more complicated. Several LDP leaders had supported a switch to SMDs going back to Prime Minister Ichiro Hatoyama (the grandfather of the current Prime Minister) in the 1950s and Ozawa's own surrogate father, Prime Minister Kakuei Tanaka, in the early 1970s. As LDP support eroded, Tanaka figured it would do better under an SMD system because a divided opposition would win fewer seats. Conversely, the opposition parties like the Socialists wanted a pure PR system.

For decades, corruption scandals brought calls for electoral reform. Such was the case in 1993, when another Ozawa mentor, Shin Kanemaru, was convicted on corruption charges. Ozawa was one voice among many calling for electoral reform and his proposal, a pure SMD system, was not adopted.

More importantly, if political reform is Ozawa's main ambition, why are so many of his actions inconsistent with that notion? Why do they repeatedly look like backroom opportunistic machinations aimed at increasing his own power? Let's look at the record.

Why Ozawa left LDP

The story of Ozawa's departure from the LDP begins in October 1992, when Kanemaru had to resign from the Diet over corruption charges and eventual conviction. (Although Ozawa was grilled in the Diet about accompanying Kanemaru to meetings with Sagawa Kyubin executives, he claimed he was merely serving drinks and emptying ash trays.) Kanemaru's departure sparked a succession fight over chairmanship of the Takeshita faction, the controlling faction in the LDP (the latest incarnation of the Tanaka faction). It pitted Seiroku Kajiyama, whose front man candidate was Keizo Obuchi, against Ozawa, whose front man was Tsutomu Hata. Professor Gerry Curtis writes in *The Logic of Japanese Politics* that, "It is impossible to decipher any ideological or policy content to Kajiyama's antipathy to Ozawa. Several years later, Kajiyama… favored an alliance with Ozawa." The issue was personal chemistry and power.

Rather than electoral reform being a cause of the fight, it was simply the tactical battleground. "Because he [Kajiyama] opposed Ozawa, he opposed what Ozawa was advocating in the way of political reform," writes Curtis. In December, when the faction chose Obuchi, Ozawa took his 36 Diet members out of the faction. From the number two spot in the LDP's most powerful faction, Ozawa had descended to a situation of relatively powerlessness.

A few months later, as the Kanemaru scandal re-heated, Ozawa voted for a no-confidence motion against Prime Minister Kiichi Miyazawa, ostensibly over electoral reform. And why did Miyazawa reject electoral reform? Because, Curtis writes, Kajiyama insisted that any passage would be viewed as a political victory for Ozawa. "The issue of electoral reform has become hopelessly entangled in the LDP's factional power struggle." The day after the no-confidence vote, Ozawa left the LDP, created a new party called Shinseito and, weeks later, regained power as a leader within the Hosokawa coalition. With apparently unintended irony, Ozawa wrote in his own book, *Blueprint for a New Japan*, published in the midst of this fight: "[In] the LDP…serious matters of policy tend to become little more than tools in factional haggling, as was all too evident in the recent struggle over political reforms."

Party after party; alienating allies

In the years since the 1993, Ozawa has traversed through a variety of parties, pleaded (unsuccessfully) to be allowed back into the LDP, alienated myriad allies, and engineered marvelous electoral victories. It's quite a story.

A year after helping to create the anti-LDP coalition government in 1993, Ozawa inadvertently brought it down. At this time, Ozawa ally Tstutomu Hata had succeeded Hosokawa as Prime Minister when it was revealed that Hosokawa had also taken Sagawa Kyubin money.

While Hata was waiting for Ozawa to give him the list of new cabinet members, Ozawa started pressing the Socialists on a

variety of matters. Ozawa figured that they would never leave the coalition and ally with their old enemy, the LDP. But that's exactly what the Socialists did. The LDP was back in power; Ozawa was on the outs again. Haunting memories of this incident is said to be one of the reasons Ozawa does not want disagreements between the DPJ and the Social Democrats (the tiny successors to the Socialists) over the Futenma marine base on Okinawa to lead to a premature dissolution of today's coalition.

Out of power again, Ozawa merged his own Shinseito Party into yet another new party called Shinshinto (New Frontier Party). But the latter soon failed. Partly it was due to defections to the LDP. But another factor was Ozawa's imperious manner as party Secretary-General. In December 1995, Hata ran for party president, promising not to reappoint Ozawa as secretary-general. Ozawa ran against Hata and won, whereupon Hata and a dozen members left to form their own tiny party. Shinshinto later dissolved. Curtis writes that, "Ozawa, concluding that there no point in heading a party that he could not completely control, decided to abandon the Shinshinto…He formed yet another party, the Liberal Party."

1998: shoring up the LDP

1998 was a crucial year that could have brought about political realignment and the LDP's downfall. Instead, Ozawa shored up the LDP by enter a coalition with it and even pleading to rejoin it. One of his supporters was Kajiyama, his rival back in 1992. Another was Shizuka Kamei—famous later as a "postal rebel" thrown out of the LDP by Koizumi—who is now in coalition with the DPJ as head of the tiny People's New Party.

In July of 1998, with the economy in serious trouble, the voters repudiated the LDP. They gave control of the Upper House to a coalition of opposition parties, including the new DPJ and Ozawa's smaller Liberals. With the banks in crisis, new LDP Prime Minister Keizo Obuchi tried to push through a bailout with virtually no conditions. The opposition parties controlling the Upper House blocked him. Initially, the DPJ had an equally bad policy; they countered Obuchi's "money with no conditions" with "no money under any conditions." Soon, however, negotiations began between urban-oriented reformers in the LDP, such as Yasuhisa Shiozaki, and wiser heads in the DPJ, such as Naoto Kan (now Finance Minister), Yushito Sengoku (now head of the National Strategy Unit) and Yukio Edano (now a special adviser to Prime Minister Yukio Hatoyama). This cross-party alliance of reformers began to coalesce around "money with conditions."

They took control of the banking issue away from the Ministry of Finance and created the new Financial Supervisory Agency. They might have done more, both in resolving the banking crisis and possibly engineering a healthy party realignment. Curtis writes that LDP leaders "doubted that the government would survive if the LDP were forced to capitulate again to the opposition."

At that pivotal fork in the road, Ozawa accepted an offer from Obuchi—his opponent back in 1992—to defect from the Opposition. He brought his Liberal Party into coalition with Obuchi's LDP, giving the latter control of both Houses of the Diet and no more need to negotiate with the DPJ. Why did Ozawa do it? One theory is that his 35 Lower House members would have had difficulty getting re-elected. So, Obuchi agreed to have the LDP endorse Ozawa's SMD Diet members in the next election. Many in the LDP opposed the pact. Hajime Funada, who had defected from the LDP with Ozawa in 1993 and later returned, warned of a plot by Ozawa to throw the LDP into chaos.

Ozawa claimed to have gotten a great deal in return in the way of political reform. But it's hard to see how Ozawa's demands—reducing the number of ministries from 20 to 17, reducing the size of the two Diet houses by 50 each, preventing bureaucrats from responding to questions in the Diet—amounted to a substantial transformation. He got nothing on assorted policy matters: first reducing the consumption tax to stimulate demand and then raising it to 10% to cover the deficit, or changing the law to allow Japanese troops to participate in combat as part of UN-authorized international peacekeeping forces.

Over-reaching again

Once again, Ozawa miscalculated. He pressured Obuchi to allow him to rejoin the LDP. Others in the LDP had no desire to see Ozawa come back, fearing he would attempt to regain control, or split the party by pushing out more liberal factions, like that of Koichi Kato. In any case, believing he had the support of heavyweights like Kamei and former Prime Minister Yasuhiro Nakasone, Ozawa not only demanded re-entry into the LDP but threatened to leave the coalition unless Obuchi caved into various demands, including the firing of LDP Secretary-General Hiromo Nonaka.

At a contentious April 1, 2000 meeting, when Ozawa again levied his threats, Obuchi called his bluff and kicked him out of the coalition. Several hours later, perhaps due to the stress of the meeting, Obuchi suffered a stroke. He died six weeks later. 27 members of Ozawa's Liberal party members left, formed another new party, and joined the LDP-led coalition. In the ensuing election, Ozawa's Liberals won only 22 seats compared to 127 for the DPJ.

Another attempt to ally with LDP

Just before the 2003 Lower House election, Ozawa merged his tiny Liberal Party into the DPJ. His talents rapidly took him to the top. In 2005, he became DPJ President and is widely credited with the party's big victory in the 2007 Upper House elections, where the DPJ won 60 seats compared to 37 for the LDP.

Then, completely behind the backs of his colleagues in the DPJ leadership, Ozawa entered into negotiations with Prime Minister Yasuo Fukuda to form a "grand coalition" between the DPJ and LDP. Ozawa has never explained his motivations. Some observers suggest that he did not believe the DPJ could win the coming Lower House election. Hence, his best bet was to form a coalition in another attempt to provoke an LDP split. The DPJ allowed him to stay as party chief anyway, based on a promise to act more collegially in the future and especially on the premise that Ozawa's skills gave the party its best bet to win the 2009 Lower House elections.

What Does This All Add Up To?

What does any of this maneuvering have to do with creating a system of two-party politics based on policy differences? Or with Ozawa's talk of destroying the LDP? Or even with a cool calculation of his real leverage and power?

People who have known Ozawa for years insist that there really is a principled method to his apparent madness. That he sees himself as an historical figure who will modernize Japanese politics. Perhaps they're right. Perhaps power is just a means to an end. But he never seems to get to the end.

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Nakasone, Keizo Obuchi, Masajuro Shiokawa, Yoshiro Mori, Kochi Kato, and others with the same brush. That this is not done suggests a double-standard at work. Further, if Ozawa's goal were personal enrichment, it's unlikely that he would champion campaign finance reform, as he has done for twenty years. Indeed, limiting corporate donations makes little sense if we try to understand Ozawa through the narrative created by his critics.

What Does This Mean for Now?
The investigation into Ozawa's finances has undoubtedly damaged the DPJ's popularity. But setting this aside, if we are right about Ozawa's real motives, then what does mean for policy?

It's first worth noting that Ozawa does not run the DPJ; policies that come out of the party are not a perfect reflection of his will. In the short term, we think it's likely that Ozawa will focus on the Upper House election. There is no contradiction between this and the argument we've made above. One constraint on the DPJ as it seeks to implement its electoral manifesto is its coalition with two minor parties: the Social Democrats, who are leftist, and the Japan New Party, which is conservative. If the DPJ wins an absolute majority in the House of Councilors in July, it will have more room to maneuver, even if it remains in coalition with those two smaller parties.

Also, Ozawa remains Secretary General of the DPJ. This doesn't mean he is absent from policy debates; he cannot fight an election without being involved in determining the policies upon which to run. And he can also over-reach in ways that frustrate his colleagues, as we noted above. But it does mean he is likely to focus with greater intensity the responsibilities of his formal role. This reflects his view that the cabinet should be the central organ of decision-making, as well as his long-standing criticism of the separation of party and government during the LDP's period in power.

In the medium-term, our experience from the Liberal Party coalition with the LDP and Komeito suggests that our policy expectations for the DPJ should be set by what is in the electoral manifesto. Mr. Ozawa places great weight on these documents as compacts with the voting public. Long negotiations in 1998-1999 over forming a coalition with the Obuchi government, for example, focused on reaching a detailed policy agreement, and Ozawa, Hirohisa Fujii, Yoshio Suzuki and others, spent their eighteen months in coalition fighting for implementation of the policies they and the LDP had agreed upon.

Certainly it is reasonable to point out that Ozawa's views on the role of government has changed over time, increasingly emphasizing the need to embed liberalization in a set of social welfare institutions. This is undoubtedly good electoral politics. But it does not amount to evidence that he doesn't believe what he says. If we look at the arc of politics in the United Kingdom, or indeed in the United States, Ozawa has, in fact, changed with the times. Also, we think a big reason Ozawa is interested in deregulation is that it implies reducing the power of the ministries and agencies to determine market outcomes. This means he will continue to champion this goal.

It's also worth noting that Ozawa is willing to leave the detailed design of policy to others. For much of the 1990s, for example, he used former Bank of Japan official Yoshio Suzuki to help formulate economic policy. And when formulating security policy, he consulted with Hideaki Tamura, a retired Air Force general, and others. If there were a wide divergence between the DPJ's legislative program and Ozawa's views, this dynamic might have been different, but we don't think this is the case. He is meticulous when he needs to be so, but he is also willing to leave considerable discretionary powers to trusted colleagues.

Finally, there is the question of what all this means given the recent investigation conducted by the prosecutor's office.

We have no special information about the particulars of the case. But if our assessment is right, then we think it's unlikely that Ozawa will resign unless he determines that the political costs threaten the ability of the party to achieve its objectives. Our experience is that Ozawa is certainly a political animal, but it is politics with a purpose. He engages in politics to bring about a set of changes that he believes will increase liberty and make Japan more active internationally. Portrayals of Ozawa that forget this miss what is most essential about him.

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Neither he nor they have ever explained how his maneuverings square with his talk of reform. Perhaps he is simply a man marked by his contradictions.

Unaccountable politicians
Increasing the power of power of politicians vis-à-vis the bureaucrats is a mantra of both Ozawa and the DPJ. Naturally, we're all for increasing the power of elected, accountable leaders. But it's hard for us to see how colorful rustic politicians making deals in smoke-filled restaurants is any better or more democratic than faceless urbane bureaucrats from Tokyo University making decisions in Kasumigaseki offices. Ozawa and his Tanaka faction mentors have had a habit of picking weak, easily manipulated men as prime ministers—from Tomohiro Kaifu to Yukio Hatoyama—and then acting as "shadow shoguns." The real issue is whether power lies with the elected Prime Minister and his Cabinet or with unaccountable wire-pullers, be they bureaucrats or party bosses.

Besides, it is Japan's pervasive web of regulations and public works projects that create the opportunities for politicians to extract graft. Take the regulations and private anti-competitive practices that make it so hard for new firms to challenge entrenched leaders. That can induce the new boys on the block to pay off a politician who can ease the way. According to Jake Schlesinger in *Shadow Shoguns*, when Tanaka was communications minister, he expanded the number of TV licenses, "told the bureaucrats which companies should be allocated the lucrative permits, and he took payments from each." Another classic case is the Recruit scandal of 1989, where more than 40 politicians, including Ozawa, were on the take. Schlesinger wrote, "When the rules were not favorable to Recruit, the company sometimes bent them and then required assistance in averting the penalty. As Recruit diversified…[it] needed a wider range of bureaucrats who had the power to grant permission to buy land, waive height limits on buildings."

To overcome the corruption that has so damaged Japan (see pg. 2), it needs real transparency and accountability.