

3 September 2024

## As the LDP field grows, candidates seek policy distinctions

### Key takeaways

- Chief Cabinet Secretary Hayashi Yoshimasa became the latest candidate to join the field on 3 September, though he remains an unlikely candidate to win.
- With a large field — which still could be as large as ten candidates — candidates are seeking to highlight policy differences, even as there is broad consensus on several major issues.

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### Hayashi enters the race

**Hayashi Yoshimasa**, chief cabinet secretary and principal lieutenant to Prime Minister Kishida Fumio from the prime minister's former faction, announced on Tuesday, 3 September that he is formally entering the race for the Liberal Democratic Party's (LDP) leadership. Hayashi is the fourth candidate to declare his candidacy and arguably the first from the broad mainstream of the party. Hayashi is among the most experienced politicians to pursue the LDP's leadership this year, having not only served as chief cabinet secretary and foreign minister under Kishida but also as education and agriculture minister during the second Abe administration, and briefly as defense minister under Fukuda Yasuo. He is widely regarded as a policy expert and internationalist, and if elected he would signal the greatest degree of continuity from the Kishida government.

For the same reason, however, Hayashi could struggle to make it out of the first round of the election. His close association with the outgoing prime minister and his wonkishness could be liabilities in a leadership election that will be strongly shaped by the electorate's interest in political change and bolder leadership. It is perhaps not surprising that the chief cabinet secretary is polling at 0% or 1% among LDP supporters

in recent opinion polls. Meanwhile, as a long-time rival of the late Abe Shinzō, who like Hayashi hailed from Yamaguchi prefecture in western Japan, he is also disliked by the LDP's right wing, which views him as overly sympathetic to China. While he sought to defuse that line of attack in his announcement on Tuesday – he said that he is a “China knower” not a “China flatterer,” and that knowing China is an asset in the current climate – LDP conservatives are unlikely to be convinced. The upshot is that Hayashi's path to the runoff would require competing with reformists and other mainstream candidates from the left and center of the party, and even if he survived, the right wing would likely rally behind his opponent in the second round.

## THE STATE OF THE LDP LEADERSHIP RACE

Possible candidates as of 3 September

Formally declared		Declaration scheduled		Declaration pending		Exploring	
							
Kobayashi Takayuki (49)	Kōno Tarō (61)	Takaichi Sanae (63)	Motegi Toshimitsu (68)	Katō Katsunobu (68)	Kamikawa Yōko (71)	Aoyama Shigeharu (72)	
							
Ishiba Shigeru (67)	Hayashi Yoshimasa (63)	Koizumi Shinjirō (43)			Saitō Ken (65)	Noda Seiko (63)	



### Policy differences emerge

Hayashi, meanwhile, enters a race in which the lines of disagreement are becoming increasingly clear. To some extent, the field is dividing between **Ishiba Shigeru** and the rest on several issues:

- The LDP candidates are almost uniformly in favor of moving quickly to implement constitutional changes proposed by Abe in 2017, most notably adding language that clarifies the status of the Self-Defense Forces (SDF) and adds provisions for responding to states of emergency. Ishiba, however, supports more ambitious constitutional changes but recognizes that his ambitions could take more time to realize.
- There is also a broad consensus on retaining nuclear energy as part of Japan's power mix, with former skeptics like **Kōno Tarō** and **Koizumi Shinjirō** softening their opposition in light of the electricity demands from artificial intelligence and

other advanced technologies, which could leave Ishiba, who still wants Japan to move to “zero nuclear” as the sole opponent of nuclear power in the race.

- When Ishiba proposed on 2 September that taxes should be raised on financial income – similar to a pledge Kishida made in the 2021 leadership election – the other candidates already in the race formally (Kōno and **Kobayashi Takayuki**, as well as Koizumi) quickly criticized his proposal, stating that they agreed with the goal of combating inequality but argued either Ishiba has the wrong idea (Kobayashi) or the timing is not right for this kind of tax hike (Kōno and Koizumi).

But these are not the only sources of discord in the LDP race. Given the role played by the LDP’s funding kickback scandal in damaging the party’s support, candidates have also been pressed on how they would address both past malfeasance and prevent future incidents. Candidates have also been asked about their stance on the broader role of factions going forward. Here, Kōno and Ishiba may be the biggest outliers. Kōno has not only called for lawmakers who failed to report their kickbacks to return unreported funds – a proposal that has been received angrily by former Abe faction members – he has also called for more to be done to dissolve the factions formally, despite his membership in the Asō faction, the last that is still formally in existence. Ishiba, meanwhile, has suggested that the party should consider withholding its nomination from lawmakers implicated in the scandal. Koizumi has thus far been more temperate in his response, which could result in more support from LDP lawmakers but leave him vulnerable from attacks by other candidates. Other candidates have talked about the importance of party reform and renewal but have offered relatively vague proposals.

The LDP field is still unsettled, and the terms of debate among the candidates will shift as the field expands. The entrance of Economic Security Minister **Takaichi Sanae** into the race, for example, could sharpen discussions of macroeconomic policies, as she is considerably more dovish on deficits and interest rates than the rest of the field. Relatedly, Takaichi’s entrance into the race could also prompt more debate over how to pay for higher defense spending. Meanwhile, the candidacy of LDP Secretary-General **Motegi Toshimitsu** could lead to more focus on foreign policy, as Motegi has touted his ability to manage relations with the United States in the event of a second Trump administration.

## Who’s next

The field will gain three candidates formally over the next week, with Motegi formally entering on Wednesday, 4 September, Koizumi on Friday, 6 September, and Takaichi on Monday, 9 September. Former chief cabinet secretary **Katō Katsunobu** has said he has enough votes and will declare his candidacy sometime next week; Foreign Minister **Kamikawa Yōko** is still working on securing endorsements but will probably clear the bar. Others – Minister of Economy, Trade, and Industry **Saitō Ken**, former LDP general council head **Noda Seiko**, and upper house lawmaker **Aoyama Shigeharu** – have not

ruled themselves out but are struggling to line up support. Nevertheless, the party could still be headed for at least an eight- or nine-candidate field.

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