

# Japan 2013



**Total: 76.29**

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## Political Freedom

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### **Free and Fair Elections : 9.64**

Japan is a liberal, multi-party democracy with regular free and fair elections. The prime minister, the majority leader in the country's legislative body, serves as head of government. The emperor has a purely ceremonial role as head of state. Elections for the two chambers are held every four years for the lower chamber, the House of Representatives, and every six years for the upper chamber, the House of Councillors.

The LDP briefly lost its majority to the Democratic Party of Japan (DPJ) in the 2009 elections, but regained power through snap elections in 2012. Before this short intermezzo the party had been in power for almost 55 years leading to close ties between government, banks, and big business, known as the iron-triangle.

Freedom of assembly and association are constitutionally guaranteed, and there exist numerous human rights, social welfare and environmental groups. The same applies for the founding of parties and interest groups. Civil society engagement was recently highlighted by massive peaceful protests against the restarting of two nuclear reactors and protests against the deployment of US military jets.

### **Absence of Unconstitutional Veto Players : 8.33**

There are no obvious unconstitutional veto players in the Japanese political system. Potential veto powers such as the army are under civilian control. However, ties between Japanese politics and organized crime syndicates, the Yakuza, are known to exist. Recent scandals involving high level officials of the former DPJ led government have again highlighted this, leading to the resignation of justice minister Keishu Tanaka.

### **Freedom of Press : 7.6**

Press freedom is constitutionally guaranteed and widely respected in Japan. Most media outlets, print and broadcasting alike, are privately owned. Internet access is also uninhibited. However, the kisha kurabu, or press clubs still present a considerable obstacle to press freedom. In a strongly consensus based society, they ensure homogeneous news coverage, through fostering relationships between politicians, bureaucrats and media representatives.

Their role was especially critical in the aftermath of the 2011 Fukushima nuclear disaster, when only members of the kisha kurabu were among the few journalists invited to press conferences. In turn they often avoided critical questions, limiting the already excessively restricted news coverage.

The Fukushima disaster also highlighted the influence of private industries on Japan's media landscape via advertising. In particular Japan's nuclear industry presents one of the biggest contributors to the industry, this being seen as a major reason for the largely uncritical reporting on the nuclear crisis.

## Rule of Law

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### **Independence of the Judiciary : 8.04**

Japanese courts are considered to be independent of government, administrative or legislative interference in their day-to-day business. The legal system is rather efficient and public trials generally fair.

### **Corruption : 7.4**

Corruption in Japan remains relatively low and continues to be the third lowest in Asia. There have been moves by the government to stamp out remaining high level corruption in government, high ranking bureaucracy and business. Japan has signed up to the Organization for Economic Co-operation and Development's (OECD) Anti-Bribery Convention (2011) which binds signatories to criminalizing the bribery of foreign public officials. This is the first anti-corruption mechanism to focus on the "supply-side" of the bribery transaction. There are still questions surrounding the enforcement of these anti-bribery laws, as Japan is not actively detecting and investigating foreign bribery cases. This correlates with the OECD rating the Japanese enforcement of the convention as "moderate".

### **Protection of Human Rights : 7.65**

Domestically Japan has a strong record on human rights issues, with high levels of freedom of speech, active NGOs and human rights defenders. Japan however, still retains the death penalty and continues to use it. An area which Japan continues to struggle is racial and ethnic inequality. Ethnic minorities and Japanese Koreans which remain from the Korean diaspora continue to face covert and overt forms of discrimination. This stems from Japanese notions of citizenship and as Japan's cultural hegemonic image is at odds with its plural reality, minorities have suffered from discrimination and insufficient minority protection.

Given Japan's war record, it has had a particularly difficult time raising human rights issues with surrounding countries. In an attempt to avoid being labeled hypocritical, delegates and leaders have preferred to focus on economic issues in their bilateral relations. This is changing and in Shinzo Abe, Japan has a strong leader who wants to change that status quo. In a speech made in January 2013, Abe detailed a new foreign policy built around "the fundamental values of freedom, democracy, basic human rights, and the rule of law". This declaratory shift has correlated with a concerted effort by Japan to engage more deeply with multilateral bodies such as

the UN. In March 2013, Japan worked with South Korea to help the Human Rights Council launch a commission of inquiry into war crimes committed by North Korea. This trend looks likely to continue.

## Economic Freedom

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### **Security of Property Rights : 7.43**

Property, both real and intellectual, is well protected. However, obtaining patents and copyrights can be a tedious procedure. Contracts are generally highly respected.

### **Size of Government: Expenditures, Taxes, and Enterprises : 5.26**

Government spending (which includes consumption and transfer payments) has risen, now equalling about 42.8% of GDP.

Overall tax revenue, representing 28.8% of GDP, consists of a rather high income tax rate (40%) and a recently lowered corporate tax rate (25.5%, down from 30%). Other taxes include value added tax and a tax on real estate.

### **Regulation of Credit, Labour, and Business : 7.82**

Japan was ranked at the 24th place out of 185 countries surveyed in the World Bank's 2013 Doing Business report, reflecting prudent regulations regarding starting, running and closing a business in the country. It takes 23 days and 8 procedures to start a business, while obtaining a business license requires 14 procedures and 193 days. Bankruptcy proceedings are uncomplicated.

Labour regulations are comparably flexible. The non-salary cost of an employee is moderate and firing procedures are uncomplicated, but regulations regarding work hours are rigid. Meanwhile, lifetime employment guarantees hamper the development of a more flexible labour market.

### **Freedom to Trade Internationally : 7.12**

Japan's weighted average tariff rate stands at 1.3%. Potential obstacles to international trade include import/export bans and restrictions, opaque regulations, state trade of some goods and an inefficient customs administration.