



Morning Alert - Friday, July 28, 2017

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HEADLINES

Morning news

Most networks gave top play to reports that Defense Minister Inada has decided to step down over the cover-up of daily activity logs kept by the GSDF in South Sudan. TV Asahi led with a report that Kosuke Hagino won the silver medal in men's 200-meter individual medley at the world swimming championships in Budapest.

Reports on the resignations of Defense Minister Inada and Democratic Party President Renho dominated the front pages of today's national papers.

POLITICS

Defense Minister Inada to resign

All papers gave prominent front- and inside-page play to Defense Minister Inada's intention to step down to take responsibility for the cover-up of the daily activity logs kept by the GSDF unit engaged in peacekeeping operations in South Sudan. Inada conveyed her decision yesterday to Prime Minister Abe, who is likely to take up the post of defense chief temporarily until he officially appoints a new minister on Aug. 3 in a planned reshuffle of the cabinet lineup. Vice Defense Minister Kuroe and GSDF Chief of Staff Okabe are also expected to step down following the release today of findings by the ministry's inspector general regarding the scandal.

The papers said Inada's resignation will deal another blow to the embattled prime minister, who has been strongly criticized by lawmakers of his own party for defending the beleaguered defense chief despite a series of scandals, including a gaffe related to the Tokyo Metropolitan Assembly election, in the past several months. Mainichi said Abe had no choice but to "dismiss" Inada before the planned cabinet reshuffle next week in the face of growing calls for her resignation within the LDP.

Nikkei conjectured that the Kantei decided to have Inada step down yesterday evening after it learned that Democratic Party leader Renho had decided to resign. Several papers said Abe's ability to select qualified politicians for his cabinet is now being seriously called into question because Inada will be the sixth cabinet minister to resign since the prime minister was sworn in about five years ago.

The dailies also highlighted that most MOD and SDF officials have been skeptical about Inada's suitability as the nation's defense leader from the beginning, with Asahi quoting an MOD source as saying: "What would happen if North Korea were to launch a missile tomorrow? We don't want Inada to return to the ministry ever again!" An unnamed GSDF official said to Mainichi: "It was wrong in the first place for Abe to tap an inexperienced politician as the defense chief." Sankei said the most pressing task for Inada's successor will be to rebuild the ministry and the SDF following the turmoil caused by the anticipated resignation of the three top officials. According to the paper, the schism between civilians and uniformed officials has apparently deepened due to the cover-up scandal. Nikkei wrote that the mutual distrust between civilians and uniformed officials is too strong to be dispelled readily.

Renho to step down as Democratic Party president

All papers reportedly extensively on yesterday's press conference by Democratic Party President Renho, during which she unexpectedly announced her plan to resign in the face of mounting criticism of her leadership among party lawmakers, who demanded that she take responsibility for the party's historic defeat in the recent Tokyo Metropolitan Assembly election along with Secretary General Noda. She told the press: "I realized following the Tokyo race that my leadership was inadequate. I want my successor to rebuild the party so that it can take power." The dailies conjectured that Renho chose to step down after she discovered that nobody was willing to take over the post of secretary general. A party source told Yomiuri: "She came to realize that her grip on power was completely lost. Renho became discouraged because she was caught in a catch-22 situation."

According to the papers, former Defense Minister Maehara and former Chief Cabinet Secretary Edano have already disclosed to politicians close to them that they intend to seek the DP presidency. The two officials' views toward defense and foreign policies and constitutional revision appear to be very different, as Maehara represents the conservative wing of the party while Edano is viewed as a staunch liberalist. Some DP officials are concerned that their party may become split depending on the results of the presidential race, in which the proposed enhancement of cooperation with the Japanese Communist Party in the next general election will probably be a major issue of contention between the two candidates. Sankei said Acting Secretary General Tamaki may also run in the presidential election. Yomiuri projected that momentum for opposition realignment may grow, as

some DP legislators may choose to bolt the party and form a new national party with members of the Tomin First party effectively led by Tokyo Governor Koike.

Nikkei said the DP is on the verge of collapse, explaining that the largest opposition party has been lacking three important elements – senior officials who are willing to take responsibility, veteran politicians who can rein in internal dissenters, and viable policy proposals that make the party an appealing alternative to the Abe administration.

INTERNATIONAL

William Hagerty sworn in as U.S. Ambassador to Japan

The online version of Tokyo Shimbun carried a Kyodo report from Washington saying that William Hagerty was sworn in as U.S. Ambassador to Japan at a ceremony in Washington on Thursday. Vice President Pence stressed at the ceremony that the U.S. and Japan will jointly stand firm and face the threat of North Korea. The report said that on Friday the new ambassador will attend a reception at the residence of Japanese Ambassador Sasae in Washington, where he will participate in a Japanese tea ceremony. The daily said he will later hold his first press conference since his nomination was approved by Congress. He will likely arrive in Japan in late August.

U.S. asks Japan to impose sanctions on Chinese bank

Asahi filed a story from Washington claiming that the Trump administration has requested that the GOJ impose financial sanctions on a Chinese bank to which it applied punitive measures in late June as a “primary money-laundering concern” for North Korea. Two major Japanese banks have reportedly engaged in financial transactions with the bank in question, the Bank of Dandong based in Liaoning Province. As the Chinese bank’s assets in accounts at the two Japanese entities have been transmitted to the U.S., the USG has reportedly asked the two Japanese institutions via the GOJ to close the accounts in question. The paper projected that Washington is also expected to press Tokyo to impose sanctions on other Chinese firms that have been designated by the USG as subject to its financial sanctions.

SECURITY

PACOM leader comments on regional situation

Asahi published an interview with PACOM Commander Harry Harris, who explained that his command is responsible for dealing with four of the five major security challenges confronting the United States, namely Russia, China, North Korea, and international terrorism. The admiral stressed that enhancing Washington’s security partnership with five regional allies -- Japan, South Korea, Australia, the Philippines, and Thailand -- is becoming even more important to cope with these challenges effectively. The top U.S. military official in the Pacific said he has now been able to “get some rest” because Japan has made a greater security contribution by enacting the comprehensive security laws and updating bilateral defense cooperation arrangements, calling the present state of

the trans-Pacific alliance “better than ever” before in his 40-year career in the U.S. Navy. The admiral expressed hope that Japan and other regional allies will take on greater security responsibilities in a range of fields, such as in the war on terrorism, to strengthen deterrence and ensure the peace and prosperity of the Asia-Pacific.

