

Money Politics and the Transformation of the Japanese Political System

Philipp A. Schuller
St. Antony's College
D.Phil. Social Studies (Politics)
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Abstract

In 1994, in response to repeated scandals of political corruption, or of money politics as it was also called, the Japanese Diet passed a comprehensive package of political reform laws. By placing the focus on a change in the election system, this package suggested that money politics was primarily a problem of the incentive structures that the political system provided. This dissertation is based on the premise that political reforms and the debate that produces them are a good indicator of how the Japanese themselves evaluated money politics and what they hoped to change about it.

The dissertation shows that both money politics and the political reforms designed to address it have not been a recent phenomenon but have existed more or less continuously for at least 70 years. It analyses the history of three case studies of political reforms that were aimed partly or exclusively at changing money politics: first a political education initiative, second the establishment and amendment of the law controlling political finance and fund-raising, and finally the attempted creation of a law on defining and regulating political parties.

These three case studies suggest that reformers saw money politics predominantly as a function of political culture, not of the electoral system. Specifically, they placed this political culture in an evolutionary process of modernisation which sometimes did, sometimes did not resemble Westernisation. They were concerned especially about the role of organisations such as labour unions, companies and political parties as mediators in the relationship between the Japanese voters and the state. Finally, the fact that a changing coalitions of politicians, bureaucrats and independent activists supported the modernisation of the political culture suggests that this interpretation of money politics was widely shared.

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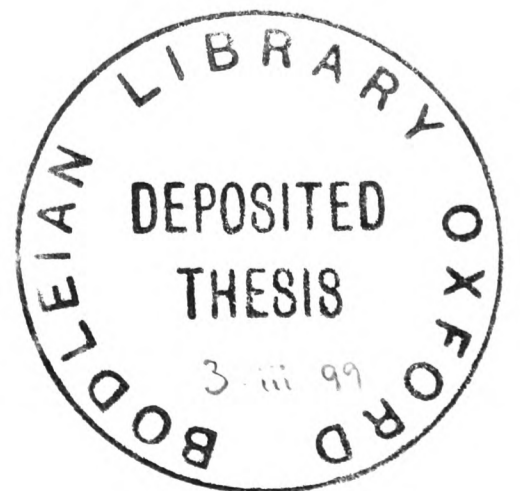


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General

1. Introduction

1.1. Corrupt politics in Japan

The politico-economic system of Japan is inherently corrupt. The combination of capitalists, power brokers and government leaders known as 'Japan, Inc.' [...] cannot by its nature be anything but corrupt (William Safire quoted in MacDougall 1988, p. 193).

From the Recruit scandal in 1988, until the advent of the first government in 38 years without participation of the Liberal Democratic Party (LDP) in 1993, Japan was rocked by a continuous string of political corruption scandals. The industries found to be in collusion with the political world ran the full gamut from magazine publishing and land development in Hokkaido to parcel delivery and general construction. The colourful stories included insider trading, suicides by loyal retainers, billion-Yen loans to the underworld, and stashes of gold in a senior politician's strong box. To the exasperation of press and public, the political world seemed to be ubiquitously involved. During the Recruit scandal it was difficult to find a member of the national parliament, the Diet, who had *not* been paid off. Public approval ratings for the government plummeted, and the disaffection with politics increased to over half of the electorate. As a consequence, while scandals unfolded government was almost immobilised. The Prime Minister was forced out of office, another was installed only to resign within a few weeks to be followed by a third, whose only asset was that he was so poorly connected that he had not been tainted by scandals; and even the fourth, two years later, could not manage the political reforms demanded by the public. Only after the LDP was pushed from power by the defection of one of its young hopefuls, Ozawa Ichirô, did political reform become a reality.

In some ways, events of this kind were not unique to Japan. At about the same time, decades of corruption in Italy resulted in an almost complete exchange of the political elite. US foreign policy towards Central America appears to have been based on secret arms and money deals. The lack of transparency in British Conservative party finances and the attendant suspicion of the venality of members of parliament have compromised

the British reputation for clean politics (see among others Cook 1995). Huge government spending in Germany as a result of the reunification of the country have also financed misappropriations by and kickbacks to many civil servants. Was political corruption not just the scourge of third world countries, but of the industrialised countries as well? Or did the perception of corruption in these societies have more to do with a *fin de siècle* sentiment than with actual facts and occurrences? One is tempted to investigate the general qualities of this phenomenon in industrialised societies.

Indeed, at the very same time, leaders from newly developed Asian countries were more frequently making self-assured pronouncements that the West was mired in corruption and decline. They said that the twenty-first century would be the century of Asian values. Unperturbed by events in Japan, and benignly overlooking nepotism in Indonesia and China, and the secret slush funds in Korea, Malaysia's Prime Minister Mahatir Mohammad, for example, ridiculed the West's "decadence and corruption" and emphasised the need for Asia to withstand such temptations. His exhortations struck a chord with the Western media. The supposed inferiority of Western individualism to Asian family and group orientation was—in Europe more so than in the US—the subject of more than a few articles. Unfortunately, these generalisations leave the student of Japan in a difficult position. Should Japan and its political system be judged in the context of Western industrialised societies or in the context of an "Asian cultural sphere"?

Today, this issue is made more complex by the hypothesis that all cultural distinctions are becoming less meaningful in a world that is ever more global. Globalisation has made economic practices and standards, from production methods to trade rules, increasingly universal at the same time as the waning power of ideologies has made these economic factors more critical in political terms. However, the relevance of globalisation to aspects of social organisation in different parts of the world has been questioned. Perhaps the most vocal of these "revisionists" of globalisation is Samuel Huntington, whose *Clash of Civilisations* foresees an era when greater economic power around the world leads not to social and political convergence but on the contrary to a greater divergence between the individualism of the West and the more communal patterns of organisation, such as those apparent in Confucian Asia (1996). This is one reason why corruption in Japan is an interesting subject for investigation:

1.2. Japan and the West

Whether Japan is destined for convergence with the West, is a question that has not only dogged nearly all social science research on Japan, but also, for over a century the Japanese themselves. Japan is unusual because it has been successful in combining traditional cultural, and especially social, elements with Western technology and science, a combination that has tended to lead to contradictions in late imperial China or in the Islamic world. According to Robert Ward, "[T]he history of the modernisation of Japan [...] demonstrates in many ways not only the ability of 'modern' institutions and practices to coexist with 'traditional' ones for substantial periods of time, but also the manner in which 'traditional' attitudes and practices can be of great positive value to the modernisation process," (Ward 1963, p. 579). The slogan *wakon yōsai* (meaning Japanese morals and western technology, or more loosely Japanese culture and Western technology) was coined by the late Tokugawa philosopher Sakuma Shozan to describe a synthesis between the two.

This synthesis was not without problems. Kawamura Nozomu doubted that Japanese culture could prove resilient in the face of the Western values; according to him modernisation must contain universal values. *Wakon yōsai* would ultimately lead to *yōkon yōsai* where Western technology also determines the culture (1988, p. 271). Japan has repeatedly oscillated between learning from and identifying with the West and returning to its own "traditions". Fukuzawa Yukichi, the great Meiji intellectual and populariser of Western thought in Japan thought that Japan should learn from the West. The initial enthusiasm for all things Western turned into the embrace of a Japanese identity, exemplified by the slogan *fukoku kyōhei* ("rich country, strong army"). Modernisation generally had positive overtones while Westernisation was received with some ambivalence.

Thus the 1942 conference *kindai no chōkoku* ("Overcoming the Modern") at the height of the Pacific War was really about overcoming the West because, after all, the military mobilisation of the entire nation during the 1930s was a modernisation project without equal. Ruth Benedict, the American anthropologist who authored the famous *Chrysanthemum and the Sword*, was used as support for the claim that defeat in war was a great benefit for Japan because it opened the way to democracy (Lummis 1982, p. 77).

This logic was not universally accepted. Not all wished to be placed in the dilemma created by the stipulation "that those who seriously seek freedom and democracy must turn away from the national tradition and look to the West, and particularly to the US; whereas those who seriously seek to preserve Japan's national tradition and identity must adopt the anti-democratic ideology of the militaristic period," (ibid.).

After the war modernisation was often interpreted as the faithful application of the precepts of democracy and enlightenment. Social reformers and American occupiers who were searching for democratic, rather than just modern, traditions in Japan's history found them in the civil rights movements of the 1870s and 1880s as well as in the period of the Taishô Democracy (Gluck 1996, p. 70). However, since even these traditions can still be traced to a contact with the West, historians in particular have taken up the challenge to show that the West was not the only source of modernisation. They have convincingly argued that the modernisation of the Meiji Period was not entirely exogenous but relied in good measure on technological and social developments that had already begun during the Tokugawa regime and that were almost entirely closed to influence from the West (See Arnason 1995, p. 19).

At least from the 1970s onwards, the Japanese economic miracle started to cause two-way traffic on what had previously been a one-way road. Ronald Dore and Ezra Vogel are two prominent proponents of the argument that the West, too, could learn from Japan. Initially the influences from Japan came in the areas of art, design, and Zen, but from the 1970s, greater attention was given to production methods, management practices and industrial policy. "On several key fronts, it is Western nations that must follow in [Japan's] wake, not the other way around," (Williams 1996, p. 110). After more than a century of modernising primarily by modelling itself on the Western European example or being modelled on the American example, Japan finally reached the point where it had apparently overcome the model, having leapfrogged out in front and become the social system that newcomers would emulate.

"Japan has come to be seen as the most modern society on earth, and as a beacon lighting the path which others are destined to follow. In a remarkable paradigm shift the scholarly consensus has moved from seeing Japan as backward, semi-feudal and undemocratic to seeing it as post-industrial, super-efficient and 'more Western than the West'," (McCormack & Sugimoto 1988, p. 1).

After over a hundred years spent catching up with the West, this new status as the first post-modern society was soon used for political purposes. From the 1980s onwards, academics and political commentators declared that Japan was throwing off the Western yoke of modernisation. Prime Minister Ôhira convened a study group that concluded: "Post-Meiji Japan has defined itself as being backward and underdeveloped in all respects and made every attempt to westernise, modernise and industrialise by patterning itself on Western advanced industrialised countries. [...] However, new demands (i.e. 'demands for culture') are now being called for in pursuit of better conditions in the future," (Bunka no Jidai Kenkyû Gurûpu 1980, p. 5). Ôhira's study group's transcendence of modernity was an expression of "a deep-seated Japanese desire to define historical progress in ways that reduce its Western and European focus," (McCormack, Sugimoto 1988, p. 13).¹

Thus political corruption is one aspect of a larger debate that has continued in Japan and about Japan for a long time and which has framed nearly all aspects of its political system. The first dimension of this debate, discussed above, is the ambivalence about whether to emulate or overcome the example of Western nations. The second dimension of this debate, to be discussed next, is the conflict between the immobilism of political culture—created by tradition and institutions—and the desire to effect change in politics through creating new structural incentives. Both dimensions are related in that they are often associated with one another. In the majority of instances, the emulation of Western models has been seen as a change from the "Japanese" way of doing things. Immobilism was thus associated with traditional values. Because so many political institutions had been adopted from Europe and the United States since the Meiji Restoration, the opposite could sometimes also be the case. Change in these cases was the return to Japanese values and the rejection of Western imports.

¹ The "Japan is postmodern" thesis has met with a variety of reactions. "[...] the Right is sympathetic to postmodern discourse because it suggests the unity of the past and present, the centre tolerates it because it is compatible with and in fact promotes hedonistic consumerism, while the Left opposes it for much the same reasons as Habermas opposes it—that it deflects attention from the fact that Japanese society has indeed not yet achieved modernity," (Clammer 1995, p. 27).

1.3. Immobilism and Change

The second dimension of the debate gives another reason why corruption in Japan is an interesting subject for investigation. This is the interplay between immobilism and change, or between the long-term continuities and the short-term incentives in the political system. When the LDP government had been toppled, a seven-party coalition under Prime Minister Morihiro Hosokawa was formed with the explicit goal of political reforms. In January 1994, after last minute negotiations with the opposition LDP without which the passage of the reforms could not be assured, the Diet passed a comprehensive package of political reforms. The aspect of the reforms which received most attention was the change of the electoral system. For some time many had thought Japan's unusual election system to be the cause of political corruption.² Those who were embarrassed about their country's political machinations and, like Safire, thought the political system thoroughly corrupt argued that the reasons for corruption were structural. To them, change was possible if the short-term incentives in the political system could be changed and they advocated primarily a reform of the electoral rules.³

The electoral rules failed, it was argued, to help make the holding candidates accountable for their political record. Writing on Tanaka Kakuei, Chalmers Johnson attributed the ability of scandal-tainted politicians to maintain their influence, and often their Diet seats, to the structure of the electoral system:

It is probably true that, according to numerous public opinion polls, an overwhelming majority of Japanese wanted Tanaka to resign from the Diet

² In a discussion of the advantages and disadvantages of different possible election systems, Yamaguchi Jirô had written in early 1993: "I would like to begin the argument on the premise that the medium-sized district system must be abolished. We can assume that there is agreement both among politicians and the people on this point," (Yamaguchi 1993, p. 168). Indeed the two main political reform proposals, that of the official 8th Advisory Council on the Election System (*Dai Hachiji Senkyo Seido Shingikai*) and that of a private Political Reform Promotion Association (*Minkan Seiji Rincho* 1992, and Horie 1993), had both tabled new electoral systems in the years previously. Other support for a change of the electoral system had come from journalists and academics such as Ishikawa (1981, 1984, 1990) Sakagami (1990) and Iwai (1991). The electoral system received attention from the public because the new system promised to do away with money politics.

³ The reform package also included tighter campaign finance restrictions, the establishment of public subsidies to political parties, and a plan to redraw the electoral districts' boundaries. Later in the year, an anti-corruption law (in fact a law that supplemented already existing provisions in the election law and campaign finance law) and the establishment of a legal status for political parties were added. Yamaguchi is more recently of the opinion that too much emphasis was placed initially on electoral reform, neglecting other issues.

after his conviction in the first Lockheed trial. But there is no way that public opinion alone can force a change in politics. The reason is structural, not just personal obstinacy on Tanaka's part. Given that the people calling for Tanaka's resignation never voted either for or against him, it is perfectly understandable that he refused to resign (Johnson 1986, p. 10).

The most important argument against the old system was that it fostered a political system that was very dependent on political finance. It favoured an environment in which "money politics" (*kinken seiji*) flourished which in turn gave rise to corruption. A party seeking the majority in the Diet had to elect two, three or even more members from the same district. In practice, this meant that the LDP, by far the largest party in the Diet, had as many as three or four candidates competing in the same district. Belonging to the same party, they could not make use of their party's policy platform in the campaign, and were forced to appeal to a personalised vote instead. Candidates in multi-member constituencies relied less on their party than on their sub-party faction (which supported at most one candidate per district) for organisational and financial support. Seeking the security of re-election, and tending towards the institutionalisation of this personalised vote, politicians built powerful electoral machines which were the reason behind the huge demand for political money (Horie 1993, pp. 15-6).

The only way to reduce the incidence of corruption was to reduce the demand for political finance that was driving money politics. This, it was thought, could be achieved through the introduction of an electoral system that relied not on the personalised vote but on party platforms and their policy differences. The new system was therefore designed so that political parties were expected to put their full backing behind one candidate in the single member districts, and in the proportional representation districts voters were to elect party lists rather than individual candidates. In spite of such ostensibly logical explanations, they were neither the first nor the only explanation of money politics. The initial reaction from the Japanese public and press after the Recruit scandal had been not the demand to change the political structures but to lament the moral shortcomings of the country's political class:

[...] the problem that has mercilessly been exposed to the people and that demands a solution is the quality (*taishitsu*) of the Diet members. Especially after the Recruit Affair, when the responsibility of the leader of the ruling party was questioned in the Diet, severe criticism arose among the people about the quality of the politicians (Diet members). This scandal had

reached even into the ranks of the opposition parties. Taking this scandal as the opportunity, the people demanded the improvement of the quality of the Diet members, and the Diet members themselves proposed political reform such as political ethics regulations (Yoshida 1990, p. ii).

In part the continuing doubts of the efficacy of the changes in the electoral rules were fuelled by the suspicion that the LDP—which had initiated the electoral reform agenda—hoped to improve its own electoral chances. For example, one commentator in a communist publication wrote: "No matter what the electoral system, it's obvious that unless there is the will to cut off *kinken seiji*, corrupt politics will continue," (Kanemitsu 1990, p. 123). However, the communists were not alone. Commentators from the conservative end of the political spectrum emphasised that the political fund-raising behind the scandals was part of the way politics had always been done in Japan, that it was part of the political culture.⁴ Satô Seizaburô, for example, a political scientist with ties to the LDP, thought that the lack of policy competition among the parties during the long reign of the LDP was due not to the election system but to the main opposition party's remoteness from any realistic policy platform and its singular insistence to be the anti-image of the LDP. The high cost of elections depended on the attitudes of the voters and the parties competing for their favours. The question of how parties could become better organised and election thus more focused on policy than on the personality of the candidates, he thought, had more to do with tradition and culture than with the electoral system (Satô 1993, p. 111).

Also doubtful about the possibility that a new electoral system might reduce the cost of electioneering was Hanamura Nihachirô, who for many years was the man in charge of

⁴ In fact, the string of scandals extends throughout the history of Japanese politics. During the Taishô Period there were periodic disclosures of scandals and corruption, as Mitchell (1996) shows. In 1948, Ashida Hitoshi was arrested shortly after resigning from the Prime Ministership for accepting political donations from construction companies. Soon afterwards the so-called Showa Denko Scandal erupted over preferred loans to an electric company. In 1954, the Shipbuilding Scandal involved similar government subsidies. In the 1960s there were the Black Mist scandals. The scandals are almost too numerous to recount, although many journalists have made exactly that kind of investigative writing their specialty. Perhaps the most famous is Tachibana Takashi who in the November 1974 issue of the monthly magazine *Bungei Shunju* recounted Tanaka's money dealings and precipitated the Prime Minister's resignation. Over the years many journalists have written what could be called anthologies of money politics and associated scandal: Tsuji (1967), Sasago (1976), Fujita (1980), Murobushi (1981), Sasago (1988), Yamamoto (1992). Another earlier history is *Gendai Seiji Mondai Kenkyûkai* (1973). Less focused on scandal, and more on the flow of political finance are Hirose (1989) and Iwai (1990) as well as Togawa (1961) and Yamazaki (1971).

allocating political contributions to the LDP at the *Keidanren* [Federation of Economic Groups]: "Whether that is really so, we do not actually know. There is also the theory that if it becomes necessary to work the electoral district even more, election costs will comparatively increase. Which of the two is right, we will not know until we have tried," (1994, p. 89). Indeed even today, the indications are that the influence of money in electoral competition has hardly been reduced. These arguments tend to emphasise the immobilist aspects of the Japanese political system, or at least the importance of long-term trends of political culture. The historian Richard Mitchell argues:

Political bribery will continue to flourish in Japan because electing new political leaders and enacting election reform laws will not alter the basic political culture. Successive reforms will, no doubt, make a dent in deeply rooted illegal practices, but meaningful reform will be a long and painful process (1996, p. 157).

The debate whether the electoral system best explains the persistence of money politics is a reflection of a larger debate on methods in Japanese social science: are positive laws that apply universally or arguments which are sensitive to the historical and cultural context of Japan more appropriate to the study of Japan? "In essence, Japanese public policy studies, together with other subfields of the discipline, most notably the analysis of Japanese political parties and electoral behaviour, are caught in what Germans call a *Methodenstreit*: a dispute over methodology," (Williams 1996, p. 137). On the cultural side are those who favour a "microempiricism", and on the structural side are those who are willing to submit to a grander theoretical design such as "rational choice".⁵ Should there be reference to Japanese culture in the explanation of money politics or should money politics be explained without taking recourse to culture? There is a tendency for those who believe in the salutary effect of electoral reforms to deny the possibility of a specifically Japanese response to the new rules or the possibility of the influence of historically determined institutions such as money politics. Those who are more ready to acknowledge a political culture beyond the (immediate) reach of a change in the

⁵ Ramseyer and Rosenbluth, as proponents of the rational choice approach, propose to "[...] abandon any notion of a peculiar Japanese culture and use the standard choice-theoretic approach to principles and agents instead," (1993, p. 3). Flatly stating that "obviously we cannot evaluate these rules on the basis of their historical background," Wada Junichirô analyses them "using the same basic assumptions as are

formal rules are foreseeing a continuation of money politics at least for the medium term.⁶

The aversion shown by most scholars, including the "revisionist" Chalmers Johnson (1982, p. 8), to using culture as an explanatory variable is based on its use as a residual category or black box. Where culture is seen as a particular mix of historically contingent institutions and norms, it becomes a more useful category. This is Peter Katzenstein's argument:

Norms and identity are central to our understanding of the process by which interests are formulated and evolve. Rationalism is analytically powerful because it is parsimonious; it takes interests and identities as givens. And for that reason rationalism is wrong, especially in eras of rapid change. A rationalism that is not embedded in an institutional-cultural analysis is destined to fail (1996, p. 11).

The difference between the two approaches can be reduced to a difference of time-frame. While the rational approach sees an incentive structure with immediately apparent effects, the cultural approach will allow for institutions and behaviour to continue even while the underlying incentives have changed. Although formal rules such as laws and regulations can be changed quickly, informal norms such as those governing the political culture of money politics are slower to change. In his book on institutional change, the Nobel prize winning economist Douglass North proposes: "Although formal rules may change overnight as the result of political or judicial decisions, informal constraints embodied in customs, traditions, and codes of conduct are much more impervious to deliberate policies. These cultural constraints not only connect the past with the present and future, but provide us with a key to explaining the path of historical change," (1990, p. 6).⁷

used to analyse the European or US political economy," (1996, p. 13, 3). Most critical of this approach are Chalmers Johnson and Barry Keehn (1994).

⁶ To be sure, the overlap is not perfect. Not all of those who support the electoral reforms are insensitive to cultural arguments and not all who employ a universal approach favour electoral reforms. On the one hand, Wada's game-theoretic approach actually comes out in favour of the old electoral system. On the other hand, the argument against the old electoral system is not entirely devoid of a historical perspective. In fact, Ramseyer and Rosenbluth in a later work point out that "corruption was institutionally driven" by the multi-member district system even before the war and in the last century (1995, p. 53).

⁷ North also argues that "In the short run, culture defines the way individuals process and utilize information and hence may affect the way informal constraints get specified. Conventions are culture specific, as indeed are norms." And "the long-run implications of the cultural processing of information

Is money politics the rational consequence of formal rules, or is it so complexly embedded in the cultural fabric of society and the political system that no reforms—however cleverly designed—can change it in the short run? The debates reflected in the following study should provide some clues about the importance of political culture in understanding corruption and money politics in Japan. It can not provide a fully-fledged description of money politics, as this would be beyond the scope of political science. However, even a political science approach can employ a historical perspective which will show that there is a long tradition to reforming money politics other than through the election system.

Both dimensions of the debate, "Japan and the West" as well as "Immobilism and Change", will continue to weave through the following text. At first, the questions of Westernisation and modernisation will provide the guiding question for conceptualising political corruption in Japan: the next part of this introductory section will apply modernisation to categories such as state and society relations and political party structures. This will lead to a description of the political culture of money politics and explain how it has persisted over a long period of time. The last part of this introductory section will provide the necessary framework for the thesis design employed here: a case study approach with a historical perspective. The main body of this text consists of three sections, each presenting a case study that will explore an institution created to control and reform money politics. Lessons from the experiences will be explored. A final chapter will present conclusions.

that underlies informal constraints is that it plays an important role in the incremental way by which institutions evolve and hence is a source of path dependence," (North 1990, pp. 42, 44).

2. Conceptual Approaches

To date political corruption in Japan has received very little academic treatment.⁸ Rather than summarise this narrow field, the following chapter will generalise and discuss some of the applicable concepts of social science. To do so, it must first widen the scope somewhat. Both Japanese and Western-based conceptual approaches will be considered.⁹ Corruption has been analysed in a great variety of conceptual approaches. There is no single, dominant way of looking at corruption in a comparative way.¹⁰ It will be necessary to build a tailor-made approach to this problem from three elements. First, corruption is not so much a static concept but one that is defined by the relativity of political values - the development of which can be grasped through a concept such as modernisation. Second, political corruption can be seen as the confusion between the public and the private. And third, in particular where the issue of political finance is concerned, the distinction between public and private is often crystallised in the institution of political party that rides a middle ground between the two. As a consequence, political parties have often figured highly in questions of political corruption.

⁸ Only three authors have looked at it, and then only parts of it. From the perspective of political science, Iwai Tomoaki has tackled the question of political finance but has not aimed at explaining the historical development and the persistence of money politics (1991). Brian Woodall has looked at corruption in the construction industry as a particular case and is therefore more concerned with the practices in this industry than with money politics in general (1996). A historian, Richard Mitchell has approached the problem rather from the perspective of criminological history although he touches on many of the issues treated in this study (1996).

⁹ While a study on Japan will clearly be poorly equipped without Japanese primary sources, is it necessary to be immersed in the Japanese context on the second order of analysis, i.e. at the theoretical level? Can Japanese politics be analysed with tools of analysis not generated in Japan? It probably can. After all, most Japanese academics themselves readily employ Western theoretical concepts.

¹⁰ Arnold Heidenheimer has published two editions of a *Handbook of Corruption* (1989) which gives a comprehensive overview of the various ways in which corruption has been approached, ranging from an economic perspective, through behavioural analyses to modernisation paradigms. In all cases, corruption is a sub-category to higher-order questions of social science. Essentially the same approach is taken here although the higher-order categories have been selected not so much with reference to how corruption has been conceptualised elsewhere but with reference to the reform cases analysed in the main body of this text.

2.1. Modern and Traditional

The construction industry in Japan was at the centre of a number of corruption scandals, especially during the *zenekon* (=general contractor) affairs in 1991 and 1992. A recent examination of this industry finds that its corruption consists not only of regular breaches of the law but also of the particularism embodied in the favouring of certain electoral constituencies and in the provision of political donations through these interest groups (Woodall 1996, p. 13). Brian Woodall thinks that this arrangement would clearly be too inefficient to rule the entire Japanese economy. He presents a model called the "dual political economy", conceptualising two different modes of economic policy making, corresponding to the "developmental state" on the one hand and the "clientelistic state" on the other. While the developmental state is populated by internationally operating, ultra-competitive export industries, the clientelistic state is dominated by domestic and politicised industries. The clientelistic state is corrupt, while the developmental state is not. The two depend on each other, though, because the Japanese clientelistic state has been instrumental in creating growth. In this dialectic way, "[...] the dysfunctions of a political clientelist order served essential functions in maintaining developmental capitalism," (ibid., p. 134).

[...] a delicate symbiotic balance characterised interactions between the two distinct policy regimes: Expansion of the developmental state required the stable political environment and social quiescence of the clientelist state. Meanwhile, the legitimacy of the clientelist state, with its concomitant particularism, corruption, and inefficiency, depended upon the economic growth and rising standard of living generated by the developmental state (ibid., p. 137).

Leaving aside the exact nature of the relationship between these two economic modes for the time being, we note that Woodall follows Robert Gilpin who claims that an economy can "be analysed in terms of two relatively independent sectors: a modern, progressive sector characterised by a high rate of productive efficiency and economic integration, and a traditional sector characterised by a backward mode of production and local self-sufficiency" (1987, p. 66). He also adds that there is a dynamism through which the traditional sector is continuously being usurped by the modern sector of an economy, echoing an earlier hypothesis on modernisation that suggested that the external modes of exchange, such as competition, property ownership and money

slowly penetrate the internal region of society and replace the communal mode of exchange (Streck 1995, p. 2).¹¹ Woodall's two states are extensions of a duality that has bedevilled Japan's identity for a long time: Woodall's two modes have been associated with traditional Japanese patterns on the one hand, and modern, imported Western values, on the other.

Transformation of Value Systems

More generally, corruption seems to indicate the transformation from one value system to another. This makes the very concept of corruption contingent on the dynamic of social development. In times past, politics as such was considered corrupt. In the middle ages, buying and selling or taking interest was similarly considered corrupt. Other kinds of corruption, such as the political machines at the turn of the century in the USA, and the sale of public office in France or Great Britain in the 19th century, are relevant today only as historical phenomena indicating a completed transformation of values. In Russia today, corruption is rampant in a system on the verge of the transformation between socialism and capitalism. Barbara Kerneck implies that it is the very corruption in Russia that will, after the current upheavals have ossified into legitimate norms, beget capitalism (1995, p. 77). These examples show that corruption is often linked to the emergence or decline of a political regime as well as the emergence or decline of certain social values.

[...] in societies whose government had been conducted by aristocrats as an extractive enterprise for their personal enrichment, their modernising successors in power, too, may avail themselves of opportunities to acquire wealth and live pleasantly. But what was quite proper for a king, a rajah, or a sultan becomes "corruption" for a moderniser, for he came to power with a modern-industrial conception of government as an institution serving the masses rather than the rulers (Kautsky 1972, p. 147).

Similarly, the question of corruption comes up in the context of present-day developing countries, which *qua definitione* are engaged in a value transition. Joseph Nye has pointed to the "great inequalities in distribution of wealth, conflict between changing

¹¹ Woodall's case shows that this is also true in Japan: criticism of *dango* and other "corrupt" practices in construction came from the Americans in the Structural Impediments Initiative and forced parts of the clientelistic state into the realm of the developmental state (Woodall 1996, p. 130).

moral codes, weakness of social and government enforcement mechanisms, absence of a strong sense of national community" as making developing countries more vulnerable to corruption (Nye 1967, p. 418; for the opposing view that corruption is always detrimental see Goodman 1974). Another observation notes that corruption becomes especially prevalent at the beginning and at the end of an economic crisis, such as deregulation or liberalisation, because the crisis interferes with the balance between private economic activity and state intervention. In this situation, corruption serves as a transitional system initiated by entrepreneurs in order to keep the system going or to obtain advantages in the new system (Fahrni 1995, p. 60). This idea was captured earlier by Carl Friedrich in an analysis of the functional aspects of corruption:

[...] a preliminary analysis of the experience of corruption, treason and secrecy shows that these "immoral" practices exist everywhere in political life because they help politicians to adapt formally rigid structures to the newly forming values, interests and convictions (Friedrich 1967, p. 487).

Friedrich suggests that the old regime is likely to view signs of this transformation, such as corruption, as "pathological" in the context of the old values. By tolerating "pathologies" to a certain point, the old regime can continue. In the case of corruption this means that challengers are given power or influence informally. Thus these pathologies perform a particular function in the process of transformation by helping to solve conflict, in a way that formal, i.e. judiciary or parliamentary, means of arbitration can not (ibid., p. 471). The pathologies work both ways. Either the *status quo* system will claim that the new system is corrupt—in the old frame of reference—or the new values are legitimised by labelling the old ones corrupt. Woodall's thesis, too, acknowledges the possibility that the transformation can occur in both directions, into and out of the clientelist mode of policy making. He points out that once competitive but subsequently declining industries can also be part of the clientelistic state (Woodall 1996, p. 20). The development from Woodall's clientelistic state to the developmental state, Friedrich's transformation of value systems, and the moderniser's succession to a rajah or a king are all aspects of the dynamic that fuelled modernisation theory.¹²

¹² The limited space here could not do modernisation theory justice beyond its application to Japan. Kawamura's summary of Talcott Parson's model of modernisation might give the flavour of the issues involved: modernisation is the development from (1) affectivity to affective neutrality, (2) particularism

Modernisation in Japan

The debate on modernisation in Japan has always been framed in terms of learning from the West and originally, modernisation theorists believed in convergence between the West and Japan and the universalisation of basic values in the twentieth century (see Scalapino & Masumi 1962, p. vii). Modernisation theory was the predominant paradigm for anyone wishing to explain the economic, social and political development of Japan. The modernisation literature of the 1950s and 60s was "the intellectual portal through which Japan scholarship entered the mainstream of social science research in the United States" (Samuels 1992, p. 25) and the product of a period in which "American researchers were seen as being at the centre of Japanese studies and as asking all the relevant questions about the Japanese experience" (Mouer & Sugimoto 1995, p. 261). The country's stupendous economic rise gave credence to this paradigm, and in political science analysis it held considerable sway.¹³

Since its heyday, modernisation has come under attack. There are two types of criticism of the applicability of modernisation theory to Japan. The first was made by those who believed that Japan had modernised imperfectly or unevenly because the country was able to industrialise successfully at the same time as it maintained many of its traditions, social structures and cultural characteristics. They claimed that Japan's social development would not follow in step with economic development, as long as "feudal" social structures coexisted with modern technology. Nakane Chie, herself a critic of this view, summed it up: "the predominant assumption was that, as the level of Japanese industrialisation reaches that of the West, her social arrangement must become akin to that of the West as well. Thus, those social phenomena which are not observable in the West tended to be grouped together and to be labelled as Japanese backwardness or the remnants of feudalism" (quoted in Kawamura 1988, p. 273). Murakami proposed to

to universalism, (3) functional diffuseness to functional specificity, (4) ascriptive orientation to achievement orientation, and (5) collectivity orientation to individual orientation (Kawamura 1988, p. 264).

¹³ The attractions lay in the theory's utility in the political framework of the Cold War. Modernisation provided, according to Ronald Dore, "common ground for those seeking strategies to help make poor people rich and for those fighting communism with the ideas of a liberal economy." John Dower is even more direct: "Much postwar American scholarship on Japan assumed the cast of a counter-ideology congruent with the United States government's crusade against marxism," (both quoted in Samuels 1992, p. 25).

define modernisation without the prerequisites of individualism and anthropocentrism, both of which were present in the West. Modernisation then became the "interaction, conflict, and adaptation between industrial technology and preindustrial indigenous culture," (Murakami 1984, p. 340).

The second type of criticism saw modernisation theory as too optimistic. Here, modernisation theory was challenged by those who thought its "value-free neutrality" and "objectivity" concentrated on the positive developments in Japan and neglected the country's "dark side" (see Williams 1996, p. 179). At the same time, with reference to scholarship on Western societies by Michel Foucault and others which questioned the belief that modernisation necessarily led to greater freedom and happiness, Sheldon Garon pointed out that in Japan, too, modernisation as an exclusively positive force possibly had to be reassessed: "[...] work on the 1930s and early 1940s powerfully argues that this era witnessed more than a conservative reaction to previous progressive trends. Evidence mounts that the New Order movement was led by men (and some women) who saw themselves as quite modern and progressive," (Garon 1994, p. 349).

Both strands of criticism, taken together, indicate that modernisation in Japan cannot mean Westernisation. To Max Weber modernisation had been not about values but about the rationalisation of the means of obtaining them. Similarly in the context of Japan, Robert Bellah thought that "[p]robably, we are coming close to the age when tradition determines the goal and modernisation provides the means to achieve it. Where modernisation threatens the goal, modernisation itself must be regulated," (quoted in Kawamura 1988, p. 272, see also p. 278). The equating of modernisation and Westernisation was further challenged by the stupendous growth Japan enjoyed until the beginning of the 1990s. "Japan's post-war success challenges the theoretical validity of this approach to Asian studies in one vital way: Japan stands at the cutting edge of developmental change. [...] This achievement leaps, in a single bound, over the liberal or politically correct scruples of a generation of political scientists who have sought to distinguish 'modernisation' from 'Westernisation'," (Williams 1996, p. 110).

If modernisation does, in fact, mean "Westernisation" then Japan was perhaps not modernising, and those elements of Japanese social organisation that have resisted becoming Westernised are the primary pieces of evidence in the case for Japan's "post-

modern" qualities (see Hijiya-Kirschner 1996, p. 13).¹⁴ For example, "[w]hat stubbornly resisted the 'modernisation' of Japanese thought and literature in the twentieth century was not simply a pre-modern sensibility but a mode of thought which in some senses had already transcended the modern," (Karatani 1987, p. 271). This relativism of different value systems made Japan a prime candidate for the so-called "post-modern condition".¹⁵ In fact, they thought, Japan was not merely beyond modernisation, it has always been post-modernist (see Clammer 1995, p. 14). Among post-modernism's proponents there was agreement that modernisation in Japan had not resulted in modernity, and had produced a society that was in many ways contradictory to the Enlightenment project.

Morris-Suzuki summed up the debate on the issue by distinguishing between two ways of using postmodernisation as a tool of analysis. First there is "postmodern-isation" which "involves an intellectual reorientation from atomism, individualism and Cartesian dualism to holism, interrelatedness and spontaneous self-organisation" and which describes an intellectual paradigm particularly well suited to Japan. She herself prefers "post-modernisation" which she describes as an attempt to "overcome the inherent limitation of the notion 'modernisation' itself." There are two important aspects to this second approach. On the one hand the notion of linear development is given up in favour of a recognition that "industrial and technological development produces diversity as much as it produces convergence." On the other hand, "in tracing various developmental paths, the focus is on institutions and historical processes, rather than on the determining force of a pre-existent culture," (Morris-Suzuki 1995, p. 128-30). One could add that either approach, in doing justice to the particular Japanese experience, is an improvement on the earlier modernisation literature which forced a Western conception of development on Japan (see Arnason and Sugimoto 1995, p. 10). Let us

¹⁴ Johann Arnason thinks that post-modernism "belongs in the company of conceptual freaks like people's capitalism or the dictatorship of the proletariat." He is, however, more benevolent towards some of the ideas contained in it. In particular, he considers the Japanese ability to combine "a highly developed transformative capacity with a no less pronounced ability to contain its dynamics within limited horizons" as a possible "guideline for the interpretation of Japanese civilisation and its road to modernity" (Arnason 1995, p. 23, 29).

¹⁵ The following is what an outside observer has to say about the value relativism of Japan: It "adds new signs to its collection of signs. It can take in everything from Europe, except one: the concept of truth. It

investigate these issues in greater detail by looking at how modernisation applies to different political science concepts that are useful when describing political corruption.

2.2. Public and Private: State or Society

It is possible to interpret the historical development of this state-society nexus as a process of modernisation. But one must remember that the state is a construct, an abstraction for theoretical purposes. In the Japanese context, the state is often equated with the national bureaucracy, an equivalence that obscures possible differences between state policies and bureaucratic self-interest. Historically, the state bureaucracy was able to present its own goals as in "the public interest" and accord them a higher degree of legitimacy. Particularistic, private interests did not enjoy this legitimacy. Although the bureaucratic state has been losing power, the rhetoric denigrating interest groups remained strong. The "strong state" in Japan was the product of a deliberate process of state-building through an active policy of modernisation and defending against the power of interest groups.¹⁶

This strategic distinction between public and private interests is relevant here because corruption can often be reduced to a conflict between a public sphere and a private sphere. Joseph Nye used the distinction between public and private for the purpose of definition: "Corruption is behaviour which deviates from the formal duties of a public role because of private-regarding (personal, close family, private clique) pecuniary or status gains; or violates rules against the exercise of certain types of private-regarding influence," (Nye 1967, p. 419). In general terms, the public sphere is governed by formal rules and universalist principles and the private sphere is governed by informal rules and particularistic principles. Any political system must mediate between the two, but where there is no agreement about the extent and nature of the two spheres, corruption is likely to result.

accepts 'truth' more easily the less it has to give up its own. With regard to truth there are only methods, user manuals... Every rule that 'works' deserves consideration," (Guéhenno, pp. 55-6).

¹⁶ The emphasis on the state in political science can probably be traced to Evans, Rueschmeyer and Skocpol (1983). The most outspoken advocate of the strong state thesis in Japan is Chalmers Johnson, for example in Johnson (1995).

The Japanese State - In the Public Interest

From Meiji times onwards, the state bureaucracy has been able to maintain a "position as allocator of priorities of interests" (Silberman 1982, p. 245). While the creation of a bureaucratic apparatus, and the modernisation it pursued, were the historic result of the forced encounter with Commodore Perry's Black Ships in 1857, the bureaucracy was built on philosophical underpinnings that were already rooted in Japan (see Nakane 1970, p. 103). One of these was the concept of "public" interest. Matsumoto Sannosuke explains the concept of public as deriving from the original character of *ôyake* ("public"), meaning "great house", i.e. the imperial court. Public debate was not open political discussion but debate in the imperial court which, because it transcended the private, could lay claim to authority and universality. Officials were explicitly forbidden to discuss public matters "in their own homes in a *private* capacity," (Matsumoto 1978, p. 47-8).

The result was respect for the "public" which implied a denigration of the personal and private as inferred by the Confucian dichotomy of public principle against private desires. "[P]rivate means the individual desires and emotions that should be denied, while public implies virtuous actions in accord with universal principles, free from individual impulse. [...] Furthermore, Japan was unable throughout the entire modern period to free itself from this traditional view of private as paltry and unworthy," (ibid.). Ishida Takeshi also explains how the negation of the legitimacy of all particularistic interests and loyalties has survived:

Within the Japanese value system the private interests of any group are not considered legitimate. Therefore, it is relatively difficult for any group to articulate its own interests. At the very least, these groups have to find some way to legitimise their own interests as an aspect of the broader public interest. This tendency to deprecate special interests tends to strengthen the subservience of interest groups to the government bureaucracy, which has often been considered to represent the public interest (Ishida 1968, p. 300).

The very fact that—often symmetrically organised—interest groups must compete, leading to hostile relations between them, diminishes their authority in dealings with the state administration. This is especially true of political parties and even more so for the factions within the parties. Nakane Chie explains: "[F]or these reasons political cliques (*habatsu*) are so vulnerable to attack on ethical grounds; from the outside, their concern

seems to be preoccupied with interpersonal relations inside factions, interrelations of factions-within-a-faction and interfactional disputes," (Nakane 1970, p. 55). On a similar note, describing Japanese politics in the 1960s, Thayer wrote that "for a Japanese to announce support openly for the parties is tantamount to publicly espousing corruption," (Thayer 1969, p. 109).

The point of these observations is not to illustrate an immutable Japanese character of harmony and group unity. To a great extent they are the result of an ideology deliberately fostered during the Meiji era, although some influences from older cultural institutions may well have contributed. According to Bernard Silberman, the reduction of the role of political parties to the pursuit of special private interests, for example, was very much in the interest of the Meiji Oligarch Yamagata Aritomo who hoped to institutionalise "the bureaucracy as the primary mediating institution between state and society, thus reducing political parties to the pursuit of special private interests," (Silberman 1996, p. 3).

The Japanese State - As Strategist

Indeed, as Peter Duus points out, phrases such as "public interest," "national purpose," or "public good" are largely ideological "code words for administrative rationalisation, or to put it more bluntly, the maximisation of bureaucratic power," (Duus 1982, p. 438). Thus the primacy of bureaucratic legitimacy in determining policy in Japan is the product of a conscious strategy and of bureaucratic interest (Silberman 1982, p. 232). By being built on the old institution of the Japanese imperial institution it could claim the authority of tradition but its primary strategy for legitimation was that it also represented an agenda of modernisation.

The strategy was so successful that this ideology came to be accepted even among potential critics of the regime, such as the Taishô liberals. The "liberal tendency to describe political life in the language of togetherness, unity, solidarity, commonality, and the like" was motivated by the belief in a commonality of interests between state and society and the possibility of co-operation between the state's guardians and the people (*kanmin dôkyô*) (Duus 1982, p. 418-419). Japanese modernisers embraced "public" as representing universal values and abhorred the particularisms of traditional society. Uchimura Kanzô, for example, lamented the private nature of morality based on

personal relationships, such as those expressed in sentiments like loyalty and filial piety. He thought it left no room for a public kind of morality (see Bellah 1965, p. 409). Sheldon Garon concurs. "Most Japanese, whatever their political values, looked to the state (including the emperor) as a progressive agent of change," (Garon 1994, p. 350, see also Gluck 1985).

As elsewhere, the legitimacy of bureaucratic power in Japan has been based on superior expertise and professional organisation. However, these criteria do not secure a monopoly of power. Any group can, at least theoretically, acquire them. During the Taishô and Shôwa periods, for example, the state co-opted a large number of potential social movements, voluntary organisations, and private interests—especially in the rural areas—by providing expertise through leadership from the ranks of former bureaucrats and by encouraging organisation through regulation. "Bureaucratisation of potentially large-scale social movements and voluntary associations" co-opted these interests (Silberman 1982, p. 243). Using tools as diverse as "repression, regulation, arbitration," as well as "subsidies, persuasion and guidance" the bureaucracy could be quite imaginative in the subordination of interests (Duus 1982, p. 438). Generally, by accepting the values of expertise and organisation the interest groups also accepted governmental leadership and regulation.

Thus interest groups have tilted towards the state. "[...] women's and youths' associations, etc., in order to make certain that they would obtain their shares of these government subsidies, were tempted to exhibit their loyalty to the government even at the expense of their independence as interest groups. This lessened popular control over their internal structures," (Ishida 1968, p. 329). Most groups co-operated because their interests were served. Covering not only the Taishô but also the Shôwa years until well into the 1950s, Sheldon Garon lists a number of social movements and associations in which middle-class activists allied with the state—which provided the funding, for example—in order to pursue agendas of modernisation: thrift, rationalisation, morals, gender equality, hygienic and nutritional habits etc. (Garon 1994, p. 360). As we will see later, one of these alliances was an organisation whose purpose was the political education of the masses and the containment of corruption.

Since state recognition, often in the form of legal status, gave interest groups a monopoly position within their constituency it transformed private interests into public ones.¹⁷ By accepting and subordinating interests into its own type of organisation, the bureaucracy caused further differentiation and autonomy to which it had to react yet again with integration (Silberman 1982, p. 255). The result has been

the creation of an ever more systematic linkage, through administrative agencies and elites, between bureaucracy and civil society. Such a relationship produces in the bureaucracy the irresistible temptation to reduce all interests to public ones in a formal systematic manner as a means of reducing uncertainty (ibid., p. 256).

The state's role as progressive agent of change entailed a number of problems for the continued maintenance of bureaucratic power. In spite of the bureaucracy's conscious and relentless drive towards modernisation, its power has been diluted steadily since the war. The program of forced modernisation especially during the militaristic period brought an overdose of public values. Carol Gluck noted about the post-war period that "[a]s a reaction to the all-embracing demands from the state during the war, democracy and modernity were now 'privatised'," (Gluck 1996, p. 73). "In the pre-war era, officialdom claimed to embody a neutral, public interest distinguished from private interests, which were *ipso facto* illegitimate. In the post-war era, though, the assertion of private interests has gained a measure of legitimacy, and they are vigorously and publicly pressed, often in confrontation with a bureaucracy whose fairness is increasingly questioned," (Schwartz 1993, p. 231).

Beyond exhibiting expertise and professionalism, the state had to continue to deliver, as Johnson pointed out: "The key to the relationship between a state and its society is the source of the legitimacy that exists between them. [...] the power of the Japanese state has not been delegated to it by the elected representatives of the people and won their allegiance in doing so. The American state is legitimated by its processes, whereas the Japanese state is legitimated by its achievements," (Johnson 1995, p. 67). Increasingly

¹⁷ Avoiding the traditional form of symmetric competition, the preferred form of organisation was vertical and emphasised hierarchy—subdividing, in the case of labour, for example, to the level of enterprise unions rather than industry unions. Horizontal organisation would have emphasised class.

instrumental in delivering the achievements was the political establishment under the leadership of the Liberal Democratic Party.

Corrupting the State

Tachibana Takashi believed that the high concentration of power—i.e. the lack of legitimacy of rival power centres—in the Japanese state lay at the root of corruption in Japan (Tachibana 1993, p. 80). Similarly, Chalmers Johnson argued that it is the strong state that causes corruption. The strong state offers higher stakes which will attract a variety of means of accessing them, including corruption.¹⁸ His explanation is reminiscent of Joseph Nye's hypothesis of the sometimes beneficial role of corruption in developing countries:

The bribery cases that have occurred virtually every year in Japan since the end of the war have mostly been of one type: payments for access by outsiders to the bureaucratic centres where the main decisions for the society are made. Personal corruption is not unknown in Japan, and is dealt with harshly. But the kind of bribery we have been discussing is related to the existence of a strong, pervasive, relatively insulated bureaucratic state. [...] The problem in all governments in which state activities are pervasive is for the relatively unorganised or low priority interest groups to gain access to the government. The sale of access is probably unavoidable under these circumstances (Johnson 1986, p. 19).

On the face of it, this does not mean that the bureaucracy itself is riddled with corruption; its conduits are the politicians who provide access to the bureaucracy. In fact, it has been suggested that corruption can only be contained "[...] where the power of a democratically-elected elite has been restrained and counterbalanced by the power of a non-elected bureaucratic elite" (Etzioni-Halevy 1989, p. 302). The idea is that the weak state falls prey to corruption, only the strong state can continue in spite of it. But the idea that the bureaucracy is legitimated by its pursuit of the public interest and that political parties only pursue private interests is in the strategic interest of the bureaucracy. However, that is not always true. For example, *amakudari*, the descent

¹⁸ Johnson argued that only the strong state—autonomous policy maker independent from the interests of society—could work the Japanese economic miracle: "The effective operation of the developmental state requires that the bureaucracy directing economic development be protected from all but the most powerful interest groups so that it can set and achieve long-range industrial priorities. A system in which the full range of pressure and interest groups existing in a modern, open society has effective access to the government will surely not achieve economic development," (Johnson 1982, p. 44).

from heaven into second careers in the private sector, in quasi-governmental entities, or in politics, blurs the boundary between public and private realms (Woodall 1996, p. 140). "What has occurred in Japan over the last thirty-eight years is not the increasingly corrupt rule of party bosses but the increasingly successful efforts by the party to corrupt the bureaucracy," (Johnson 1995, p. 214).¹⁹

As the bureaucracy has become politicised over the course of the post-war, interest groups have become increasingly bureaucratized. The fact that the only way to override the bureaucracy is to match or beat its organisational muscle explains the quasi-bureaucracies at such interest groups as the agricultural and industry associations, *Nôkyô* and *Keidanren*, and quite blurs the distinction between bureaucracy and interest group.²⁰ Specialist Diet Members, *zoku-giin*, by narrowing and matching their interests and expertise to that of one ministry, have become extraordinarily powerful bargainers. They protect not only their political interests vis-à-vis the bureaucracy, but also seek out leverage points that can be used to increase their influence. "Subgovernments" have developed, centred around a given policy area, mostly represented by a given ministry and also including *zoku* politicians and specific interest groups.

The state in modern Japan has always been strong, but politicians have not always been perceived to be legitimate or effective intermediaries between state and society. One consequence of their increasingly effective brokerage has been the wresting away from the state bureaucracy of its predominance in defining the public interest (MacDougall 1988, p. 199).

Thus the LDP, in particular, has been able to make the public interest ideology work in its own favour against the opposition parties. The longer the LDP was in power, the more it could brandish its policy expertise as proof of its working in favour of the country's public interest. As a result the once simple distinction between public and private has become increasingly complex in Japan. Characteristic of Japanese politics

¹⁹ Johnson noted further that "all of the mayors and governors recently arrested for bribe-taking were former civil servants," (Asahi 27/9/93, quoted in Johnson 1995, p. 221). He traced the corrupt local officials to a legacy of the career politician Ozawa Ichirô, who was never himself a bureaucrat but once a minister of the Home Ministry, and contrasts them with those officials supported by former bureaucrat Gotôda Masaharu, another past Home Minister, who was older and raised in the incorruptible pre-war mould.

has been a "high degree of tolerance [...] for the ambiguities between the private and public realms and the impressive extent to which it has managed this interaction with a minimum of scandal," (MacDougall 1988, p. 199). Paradoxically, however, the bureaucratic and modernist ideology denouncing interest groups and political parties as corrupt has successfully continued to uphold the idea of a paramount public interest.²¹

Interests Groups in Japan

In spite of the foregoing analysis which summarised the path of the modernisation of the state in Japan, its conceptual importance has been the subject of academic debate.

Chalmers Johnson in particular has spawned a fruitful discussion on the nature of the Japanese state. Much of the recent analysis of the relationship between interest groups and the state was a reaction to his forceful arguments. A number of alternative explanations have sought to describe the Japanese case. Some of the models are "bureaucracy-led mass-inclusionary pluralism" (Inoguchi 1983), "patterned pluralism" (Muramatsu and Krauss 1987), or "canalised pluralism" (Satô and Matsuzaki 1986).²²

Perhaps most influential have been Muramatsu Michio and Ellis Krauss. Without discarding the strong state thesis altogether, they show that from the 1970s not only did more, and more varied, interest groups form the base of the ruling conservative party but that they had an increasing influence on policy making. "Japanese policy making is characterised by a strong state [...] interacting with pluralist elements. [...] The government is not weak, but it is *penetrated* by interest groups and political parties."

²⁰ Especially the LDP, with promotions based on seniority, highly patterned dealings with the bureaucracy, and its budget deliberation process and internal committees, has become more routinised than political parties before the war.

²¹ Margaret McKean, in an attempt to dislodge the thesis of the strong state in Japan finds instead "a government easily penetrated by well-organised private interests", i.e. a state well versed in "followership" and the coordination of private interests with the result that something like the public interest appears to obtain more often in Japan than elsewhere, although she is quick to note that corruption, "illicit service to particular rather than general constituency needs" and "notorious diversions from the public purse" are not examples of this (McKean 1993, pp. 88-9).

²² While these pluralisms have come out of US or US-influenced scholarship, some would argue that the Japanese case comes much closer to the European type of corporatism. "The mode of interest mediation that is being adopted during this process of retreat and redefinition, one which results from the organisational topology of Japanese politics more than from any holistic or public-minded ethic, is increasingly corporatist," (McKean 1993, p. 104). Pluralism and corporatism are probably not mutually exclusive in Japan, however. "Participation and influence are undergoing pluralisation (new actors are gaining entry and influence), but the mode of interest group representation is highly corporatist whether

(Muramatsu and Krauss 1987, p. 533). The pattern in "patterned pluralism", refers to the relative stability of coalitions between certain interest groups.²³

Although Japan has often featured as the quintessential group culture, neither traditional groups in Japan nor the kind of corporatist groups encouraged by bureaucratic strategy conform easily to the idea of pluralism conceived as a network of overlapping, voluntary social, economic and political organisations. Thus Ishida Takeshi: "Although various interest groups were already highly developed in pre-war Japan and had large and highly bureaucratised structures, they were, and still are, based upon units in which all the members in a certain sphere feel that their sphere is a natural one predetermined by the existing social structure," (Ishida 1968, p. 317). Nakane Chie also finds that in Japan there are few voluntary associations because these associations lack the identity provided by a "frame", i.e. a locality, an institution or a particular relationship (Nakane 1970, p. 59). Even Muramatsu and Krauss found two elements to be peculiar to the groups in their model: "keen intra- and intersectoral competition" and a hierarchical structure as "interest co-ordination takes place among social interest groups themselves" (Muramatsu and Krauss 1987, p. 539).

The differences between such traditional groups and interest groups are often thought to be significant to the process of modernisation. Even where modern forms of voluntary, interest-based association exist, they often coexist with traditional forms of organisation, based on the family or village, because the distinction between them can be difficult. "It does not take a two step process *from* the complete dissolution of communities *through* the creation of the autonomous independent individuals *to* the formation of associations of such free individuals. The Japanese pattern is characterised by the tendency for some elements of pre-industrial communities to be revitalised in the process of new group formation in the post-modern phase," (Kawamura 1988, p. 278). Ishida goes further and refers to a "breakdown of modernisation" to the extent that

through formal structures or through informal 'osmotic' networks," (Yutaka Tsujinaka quoted in McKean 1993, p. 78).

²³ Implicit in Muramatsu and Krauss' model is a bias against this pattern: the less "pattern" the better. They prefer the pluralism of autonomous groups probably best exemplified by the American case. By harbouring the hope that eventually Japan will move towards the US model, the two authors reveal their belief in equating modernisation and Westernisation.

loyalty, which makes overlapping group membership difficult, is maintained at the expense of functional differentiation (Ishida 1968, p. 332).

In most of this theory, the legitimacy of interests is assumed *a priori*. However, it is precisely that which appears not to be the case in Japan. An ideology has been operative which favours the concentration of political power in the state and which as a result can claim to represent the public interest. Traditional forms of Japanese association, that are symmetrical, competitive and reliant on hierarchical loyalties, lack this source of legitimacy as representatives of private interests. Political development has brought a differentiation of interests and the emergence of new types of interest groups. To some of them the state bureaucracy has been forced to allocate some legitimacy. However, not only have these new groups retained many of the characteristics of traditional forms of association, the rhetoric of "public" against "private" has continued to work against them. Far from actually keeping the two spheres of public and private separate in practice, the ideological roots described above have merely prevented the development of a normative balance between them. Private interests of course do penetrate the public realm but they do so without the benefit of a legitimating framework. The process of modernisation, as applied to the relationship between state and society, has produced ambiguous results. Some elements of a modern state are mixed with elements of traditional group structures. This ambiguity gives some ammunition to a "post-modernist" interpretation.

2.3. Transformation of Political Parties

In this discussion of interest groups, political parties have been mentioned as a special case. Of course political parties do represent private interests, as Percy Allum observes: "This often close relationship between interest groups and parties raises necessarily the question of defining the type and kind of interpenetration between the two,"²⁴ (1995, p. 243). Yet, parties also aggregate private interests as well as mediate between them and the state. This makes deciding whether political parties are public or private entities difficult. Are election campaigns public or private affairs? Is the candidate's seeking office a private good or a public good? The problem is especially pronounced where

Allum's "sponsorship" is concerned. Political funding is often thought to lead to corruption when a politician or a political party are forced to treat those private interests which provide their funding preferentially, to the detriment of the public interest. This has led to the introduction of public funding, for example of political parties, but there is also a reluctance to make the state provide all political funding. Does political funding primarily perform a public function or does it mainly have a private character? If political corruption is the confusion of public and private, then these questions must be answered to explain corruption in Japan.

In the Japanese context, some of these questions have no ready answers and may not even have been asked clearly. Especially scarce are normative ideas about political parties, in both the political and the academic debate in Japan. Any discussion is usually with reference to Western concepts of and Western experiences with political parties. Because Western concepts are so often a reference point,²⁵ below a brief summary of the development of political parties in terms of the distinction between public and private, with particular attention paid to the question of party finance and to the consequences for political corruption, will follow.

The Role of Political Parties in the West

Historically, political parties have developed from small parliamentary groups with narrow interests to large, extra-parliamentary parties with a wide array of interests. One way to interpret this development is to see it as a transition from the private to the public. In most cases, parliamentary parties developed out of localised interests which then allied with other such interests in parliament to form political parties. From the co-operation of their respective electoral committees a corresponding extra-parliamentary party would form. Political parties began as "cliques, clubs, and small groups of notables" (La Palombara & Weiner 1966, p. 5) and then broadened into mass-based organisations. Allum distinguished three phases:

²⁴ Allum identifies three kinds of relationship: first, a group may sponsor a party, second, a group may emanate from the party, and third, there may be an identity of interests between the two (ibid.).

²⁵ For example: "Today, the British Conservative Party has become the world model of a political party [...]," (Morikawa 1996, p. 126).

[...] an initial phase of estate representation in which interests coincided with the social system (*ancien régime*); a nineteenth century liberal phase in which representation was organised on an individual basis and association was entirely voluntary, and hence was fragmentary and unstable, and which phase—the transformation of regimes of representation—saw the birth and propagation of the notables' party; and, finally, a third phase from the end of the last century, characterised by mass parties and stable organised interest groups with multiple goals, professional leaders and bureaucracies (1995, p. 239).

Parliamentary parties were at times notoriously corrupt. According to Ostrogorski, corruption was an important element in the strengthening of the internal organisation of historical political parties. As long as ministers had to buy their majorities in parliament, they kept close watch over the voting patterns of those on their payroll. Thus the job of the "Patronage Secretary" or later party "Whip" in the English Parliament was to enforce party discipline, often aided by an intimate knowledge of each member's corruptibility. The Whip was a position "created for the corruption of members in the criminal sense of the word. Ministers bought their majority in parliament by actual cash; they had a window in the House itself where members came to be paid for their votes after the division," (Ostrogorski 1902, p. 138).²⁶

Later, political parties also developed outside of parliament. This kind of party grew out of extra-parliamentary organisations, such as labour unions or church organisations. By their nature they represented broader interests and often relied for power on organising and mobilising their mass-membership. Maurice Duverger concluded that "electoral and parliamentary creation seems to correspond to an old type and extra-parliamentary creation to a modern type," (1954, p. xxxvi). Mass-based parties often came about as a consequence of an enlargement of the franchise, which itself was often the result of a political crisis, such as a crisis of legitimacy, integration, or participation.²⁷ Held

²⁶ Duverger believed that in the majority of cases this kind of corruption has slowed the rise of political party power by warding off "pressure within the assembly" (Duverger 1954, p. xxvi). Walter Lippmann has also seen parliamentary corruption in terms of political development, indeed improvement: "[W]hat we call political corruption is the ancient and natural political process, but that corruption in the form of jobbery represents a decisive step upward in political life. [...] In the eighteenth century the civil wars in England came to an end and the habit of political violence dissolved finally in the organisation of a thoroughly corrupt but peaceable parliament," (Lippmann 1930, p. 90).

²⁷ They "[...] emerge in political systems when those who seek to win or maintain political power are required to seek support from the larger public," (La Palombara and Weiner 1966, p. 19). The large extra-parliamentary organisations not only served the purpose of interest articulation but also performed education and socialisation functions.

together by strong philosophies, they were often class-based, and thus still tied to a relatively narrow range of interests. But due to their ideological, i.e. universal, convictions, they were less corruptible than the parliamentary groups had been.

By and large, the emergence of political parties came to be seen as closely tied to the modernisation of the political system. According to La Palombara and Weiner "the political party is a creature of modern and modernising political systems," (1966, p. 3).²⁸ Modernisation, however, was a necessary but not a sufficient condition. Initially, it could indeed work against parties. La Palombara and Weiner found that modernisers might regard political parties and the competition for power between them to be a luxury.

Where the emergence of parties is deliberately impeded by a dominant elite, the rationale will usually be that the country is not yet 'ready' for parties (which may or may not be the case), or that some overriding national problem, such as security, requires that the development of political parties be consciously delayed. [...] Where parties have actually existed for a time, the attack on them [...] will generally be based on the claim that the nation's problems grow out of or are intensified by party activities (ibid., p. 22-3).

After World War II, parties in Europe have transformed into catch-all, people's parties, focusing more on their electoral performance than on ideological divisions. Otto Kirchheimer claimed that "National societal goals transcending group interests offer the best sales prospect for a party intent on establishing or enlarging an appeal previously limited to specific sections of the population," (1966, p. 186).²⁹ But they had become "a relatively remote, at times quasi-official and alien structure" to the average citizen (ibid., p. 199). This de-ideologisation has led to a discussion about the decline of political parties. Some observers, like Kirchheimer, have claimed that the broadness of interests represented by catch-all parties made effective goal formulation difficult.

²⁸ Conversely, the larger socio-economic environment has to be conducive to them, so that the origin of modern political parties is "also closely bound up with the general process of modernisation". In particular, the appearance of entrepreneurial/professional classes with occupational autonomy, the expansion of transportation networks and the growth in technology enabling greater flow of information had an impact on the mobilisation and communication in parties (La Palombara and Weiner 1966, p. 21).

²⁹ Catch-all parties have become more adept at obtaining the powers of government, but have changed character in the process: they have become top heavy through a "drastic reduction of the party's ideological baggage," through a "strengthening of top leadership groups," by "downgrading the role of the individual party member," through a "deemphasis of the *classe gardée*," and by "securing access to a variety of interest groups (ibid., p. 190).

Others disagreed and claimed that with the operationalisation of their philosophies, parties had become more truly competitive (Beyme 1983, p. 363).³⁰ While this development has generally improved the legitimacy of political parties, it has not removed the occasional charge of corruption, especially where the parties' sources of political finance were concerned, as will be shown below.

The latest development was the special case of the so-called "Left-libertarian" or "post-industrialist framework parties" which grew out of social movements such as the ecology movement. These movement-based parties are less professional, less formalised in their organisation and communications, and the links between them and their constituent interest groups are more tenuous as the attempt to establish a party organisation based on decentralised, participatory social institutions was not always successful and has sometimes led to "organisational dealignment" between the parties and their social constituencies (Kitschelt 1990, p. 180). Nevertheless, like the ideological mass-based parties before them, the conviction politics pursued by these parties made them less vulnerable to the corruption of the classical sort: "the dominant character in Left-libertarian parties is [...] a post-materialist 'political entrepreneur' who has devoted his or her life to politics, but neither practices an independent profession nor derives a regular income from political office". This "entrepreneur" relies instead on occasional income from jobs, party employment, electoral office, and the state's welfare system (ibid., p. 195). So this latest development, too, points to the important issue of party finance.

Political Finances: Public or Private?

"The classic resource of [interest] groups in relation to parties is obviously finance," (Allum 1995, p. 242). The ties between interests and political parties are especially apparent in their financial links. As loyalty is linked to financial support, and the source of finance can determine whether an institution is private or public, the ambivalence between the parties' public and private roles is demonstrated by the possible array of sources of party finance: members' fees and donations, outside donations from

³⁰ Utilisation of the mass media and modern management of the organisation through the computerisation of membership files have professionalised the approach to election campaigning and weakened the role of party activists.

individuals and corporations, public subsidies, and mixed forms such as donations from party members who are also earning an income from public office, or tax exemptions for political contributions. When private sources of political finance appear to connect with preferential policy making, the result is often a corruption scandal. But by the same token, the dependence on private financial sources "[...] is often mitigated if the recipient is 'collectivised,' as are, for example, campaign funds," (Heidenheimer 1989, p. 161).

Parties traditionally associated with mass-membership structures originally relied heavily on membership fees or on publications sold to their membership to finance political activity. With time, however, the financial needs of political parties who put particular emphasis on the socialisation and education of their membership, have run far ahead of the supporters' willingness to provide funding. There has been a "permanent gap between voluntary giving for political purposes and established functions of political parties (Nassmacher 1989, p. 236). The result has been the introduction of public funding of political parties.³¹ The British Hansard Society, an independent body primarily in charge of publishing the records of the British Parliament, found that prominent among the reasons for introducing subsidies in different systems was the avoidance of corruption. Public subsidies provide the regularisation and equalisation of access to public funds, by obviating those corrupt uses of state funds which accrue only to the party in power.

Mass-based parties welcomed public funds. Parties organised along the model of the parliamentary party on the other hand tended to reject public funding. Opposition to and criticism of public funding has focused on the relationship between political parties and the state (Beyme 1985, p. 201). The extreme left suspected that parties were losing their

³¹ Public funding was further encouraged by the state's increasing control over political finance in the quest to limit its influence—what could be called the ultimate collectivisation —: setting limits, enforcing laws, setting qualitative restrictions, controlling the rules and sanctions on elections, generally defining the public interest (Alexander 1989, p. 12). The greater the regulatory interest the state takes in political finance, for example through regulation, the greater the pressure to absorb responsibility for also providing political finance. At least 21 nations have introduced some sort of public funding of political activity: Costa Rica was followed by Argentine (1955), Puerto Rico (1957), Germany (1959), Sweden (1965), Finland (1967), Israel (1969), Norway (1970), Italy (1974), Austria (1975), Spain (1977), the USA (1974 and 1976), and Australia (1984). Italy is the only country that has abolished public subsidies. This was a result of the 1993 referendum on political reform. In fact, until recently Japan was the only

critical function and were likely to be co-opted by the state if they received state funding; from a different vantage point but in a similar vain, so did the liberals:

[...] old liberals clung to their convention that there must be a separation between state and society with parties anchored in the social sphere. They overlooked the fact that parties remained in opposition to the state as long as the state, in constitutional periods, opposed them, with a bureaucracy hostile to the party system. When parties were given greater opportunities for participation, [...] they lost their old fear of the state (Beyme 1985, p. 203).

As a result, political parties, as mediators between societal interests and the state, have tended to move away from society and closer to the state.³² Presciently, Maurice Duverger had foreseen this possibility by thinking that the development of parties in most cases had strengthened the authority of the government and its hand in averting the censure of the parliament through the co-optation of the majority party (Duverger 1954, p. 403-5). Today, it is often difficult to distinguish between the party in power and the government, even in democratic regimes. Thus the funding of political parties mirrors the development of parties as a whole described above. As parties have taken on the role of collectivising both resources and influence, they have also made political finance more public and less private. At the same time, they have in many cases become nearly an organisational extension of government, exceptions such as Left-libertarian parties notwithstanding.

Political Parties and their Finance in Japan

Political parties have existed in Japan from the 1870s as political cliques. Even after the convening of the Diet in 1889, they were largely clubs of regional interests.³³ The parties' reputation, as institutions whose purpose was the defence of private rather than public interests, has continued until well into this century, and, as some would argue, until today. Robert Scalapino described the pre-war political parties in Japan as follows:

major democracy—except Britain, where only the opposition receives a small "equalising" handout—that did not have such aid.

³² Christine Landfried frames this idea: "Etatisation commonly describes the influence of public money and the danger posed when parties become more dependent on the state than on membership dues," (Landfried 1994, p. 133).

³³ As James Huffman, for example, wrote: "In the Meiji era, indeed right up to World War II, political influence and control flowed largely through the landlord (*jinushi*) class of rural Japan. In exchange for

The Japanese parties, it must be emphasised, were highly elitist organisations, not mass-based or mass-participating parties. Qualifications for membership included sponsorship, dues paying, and other requirements that made it likely that only those with special personal interests in politics would seek membership. [...] Thus the key to party strength was not mass affiliation but ties with 'families of influence' in each particular region, support from local and prefectural office holders, and access to funds (Scalapino 1968, p. 271).

Even today, "the public political parties are widely viewed as private households, controlled by and functioning on behalf of their members or special constituencies," (MacDougall 1988, p. 224). Individual candidates, regardless of party affiliation, have been accustomed to seeing themselves as representatives of their constituencies first and as members of a party second. Thus they have tended to feel threatened by a "public" party, or a modern party with a hierarchical top-down structure. Similar to the situation described by Ostrogorski, the parties in the Japanese parliament have been held together by the flow of money.³⁴ Payments for specific votes in the Diet have tended to be made primarily across party boundaries,³⁵ while within the parties' organisation, payments of money have been the base of leadership contests as well as of the support of party factions for the party president's government (see Hiroaki 1989).

Although the LDP has professionalised many of its functions and offices, most of the important political positions, such as the chairman of Political Affairs Research Council, are unattainable for party members who do not also command authority within their own faction. Because party factions are personality, rather than interest-based, their

political, official, social and economic favours, the local landholding elite could be trusted to deliver the village vote on election day," (1974, p. 508).

³⁴ Some people believe that a political party's *raison d'être* is to channel political funds. One commentator has claimed the LDP's only purpose is to reward the "cleverest schemes to collect money" (Yayama 1990, p. 107). At least one powerful 1930s party figure thought that the financial interests of the parties were themselves a sign of modernisation because it was a development away from the dependence on local interests: "The corruption of political parties is a natural outgrowth of their having reached a stage of maturity. As history spirals upward, the corruption of party politics inevitably develops as a natural phenomenon, and its very development contributes to our future political health," (quoted in Tsunoda, de Bary, Keene 1964, p. 374).

³⁵ Overall, the opposition parties have not been able to match the financial muscle of the LDP. As a result, a strange funding process between the LDP and the opposition parties has established itself. Because of the symbolic importance of unanimous decisions in the Diet, and the opposition's ability to slow down the legislative process through non-cooperation, the governing party has funded the opposition parties for each instance of cooperation under the euphemistic name of "Expenditures for Diet Measures" (*kokkai taisaku hi*) in order to smoothen the process of policy making (Hirose 1989, p. 50-2, also Jimintô Giwakushi, p. 293).

finances are often private sources of income of the faction leader. Traditionally, a faction leader's first qualification is the ability to raise funds to supplement the campaign war chests of his followers. A freshman Diet member will join one of the factions and expect financial support from the faction leader or its senior members in return for supporting their cabinet ambitions. Thus modern, functional differentiation serves as a mere veil for what is in fact a much more traditional type of association (see Morikawa 1996, p. 136).

To a lesser extent, money is also provided by the party. A large part of the LDP's funding derives from the peak organisations of the business community such as *Keidanren*. The opposition parties may rely on support from labour unions, like the Socialists do, sale of their own publications, like the Communist Party does, or contributions from religious groups, like the Clean Government Party does. Political parties' income is comparatively more "public" in the sense that it is more collectivised, for example by collection through the LDP's central fund-raising body, the *Kokumin Seiji Kyôkai*. MacDougall found that political money in Japan is more "sanitised" the more it has passed "through public or at least transparent channels," (MacDougall 1988, p. 221). By most accounts this portion of all funding is small. The vast majority is collected by individual candidates, although exact numbers—or their relationship to party income—are difficult to come by.

These finances of the parties in Japan are a reflection of their organisational structure: they are primarily parliamentary parties, not mass parties.³⁶ In the case of the LDP, for example, individual politicians' political machines, the *kôenkai*, have been the party's only meaningful grass roots substructures.³⁷ The *kôenkai* have been most typical of the LDP. Although the left-wing parties have tended to rely more on labour union support, they have also not evolved into classical mass parties. According to Gerald Curtis, the

³⁶ As a result of the localised organisation, parties have been only partly successful in appealing to a mass base through unifying policy platforms. Most observers seem to agree that parties in Japan have not been successful in representing class interests. For example, "despite the existence of self-proclaimed class parties [...], the attractiveness of class appeals is bound to be attenuated in Japan, given its cultural values and social structures," (Ike 1978, p. 45).

³⁷ The membership of these support groups, however, is most often sought out by the candidate who will even arrange to have the membership fee paid; more rarely does the member seek out the politician (Hirose 1989, p. 37). "Local *kôenkai* have often been described as a combination of employment agency,

kôenkai function as the substitute for the regional base of the more traditional landlord-type candidate, and they are particularly prominent in small- and medium-sized cities where their function consists of organising and bringing out the electorate. In rural areas, this role is performed by local leaders (1971, p. 137). Although the *kôenkai* are not based on the ideological appeal of a classical mass-party, Nat Thayer identified two kinds of *kôenkai*, one organised vertically and the other horizontally. While the vertical *kôenkai* encompass a large number of disparate groups with relatively narrow regional concentration such as the politician's birthplace, the horizontal *kôenkai* appeal more to functionally similar but geographically dispersed groups and thus approximates the policy appeal or ideological appeal of a modern party more closely (1969, p. 98-9). Nevertheless, among Japanese academics and critics, the focus on individual candidates' political machines was seen as a failure to evolve towards the modern party model, as presented, for example, by the British case.

While the predominant form of party organisation failed to develop in the same way as in the West, the changes in Japanese society were forcing changes in the electoral strategies. To the extent that the modernisation of Japanese society involved a demographic shift from a predominantly rural population to a predominantly urban one, the fact that the LDP traditionally had relied on strongholds in the countryside meant that, during the 1960s, the party was losing electoral support. At that time, "the 'progressive intellectuals' argued that the LDP represented traditional, outdated, and 'feudal' elements in Japanese society, and therefore, as the Japanese were becoming more and more 'modernised and democratised,' LDP dominance would decline in the course of history," (Murakami 1982, p. 30). But the LDP adapted to the increasing diversification of interests that accompanied economic growth and urbanisation, and which had created a "new middle mass" in Japan. By the late 1970s, the conservative party had managed to re-make itself into an "interest-oriented catch-all party" by capturing the urban middle class vote in addition to its traditional supporters (Murakami 1982, p. 60). McKean likened the LDP to an "encompassing" organisation of a large

school placement service, counselling centre and social club [...]," (Huffman 1974, p. 508). Membership in a single *kôenkai* can reach tens of thousands (Thayer 1969, p. 88).

number of societal interests much like the peak organisations of labour or business. As such it had higher incentives for pursuing the public interest (1993, p. 97).³⁸

This led some political scientists in the 1980s, encouraged by the structuration of the LDP's long rule, to declare the LDP to be modern in its own right. Satô and Matsuzaki argued against the "modernisation" mainstream by saying that the present system worked and that was the most important thing (1986). The individual candidates' election machines were the functional equivalent of a mass-organisation. While previously party structures and the LDP's long-term rule were seen as manifestations of "pre-modern values", they now acquired a more positive assessment. Gerald Curtis tended to agree with this assessment, not only because he was sceptical that Japan would shift wholesale to a "Western" system and away from a "system in which local political organisation is structured around individual politicians" but also because he believed that parties in the West, where party identification was progressively weakening—as exemplified by the emergence of Left-libertarian parties—no longer conformed to the "modern" model proposed for Japan:

There is something decidedly old-fashioned about the model of 'modern' party organisation that has been so widely accepted in Japan. [...] It is not inconceivable that over time these organisations [i.e. political parties in Japan] will be seen as possessing modern attributes, much as has been the case with forms of Japanese business organisation, that in earlier years were dismissed as backward and feudal (Curtis 1988, p. 190).

2.4. Summary: Corruption in the Process of Modernisation

The preceding sections have illuminated the way in which corruption has been linked to the process of modernisation. Investigating the degree of legitimacy that different kinds of collective identities have enjoyed in the political process led us to the larger question of the relations between state and society where the differentiation between public and private was an important criterion for the definition of political corruption. In the

³⁸ While this applies more to well-organised interests, there are also incentives for the LDP to consider and preempt not-yet-organised interests that may threaten the party's hegemony at some future election. Muramatsu and Krauss agreed: "[...] one of the functions of the party system is to promote emerging interests," (Muramatsu and Krauss 1987, p. 539). Yet, it remained "particularly dependent on farmers for consistent and overwhelming support at the polls and on big business for campaign contributions," (Krauss and Pierre 1990, p. 232).

research on Western party models, both parties' organisation and their sources of finance have been shown to have developed from relatively private groups into relatively public ones, in a process generally described as modernisation.

In the case of Japan, these categories could also be used in a meaningful way. However, the development in Japan has not been the same as in the West. At least some of the time, Japan has appeared to describe an alternative path to modernity from the one taken in the West. In some ways Japan has become more modern than the West, in others it has remained very traditional, thanks to its particular skill of maintaining immobility in the face of dynamic change. In particular, the Japanese conceptualisation of political parties shows a predominant ambivalence about the public or private nature of political activity in general—where the public enjoyed a higher degree of legitimacy than the private.

Corruption scandals point to the existence of a fundamental ambivalence in the system of political values. In the terms employed by Carl Friedrich, different value systems have co-existed in Japan where one might have expected the demise of one value system, and the slow emergence of another. This co-existence of different value systems is particularly apparent in the practices of money politics where certain political behaviour is labelled corrupt and pre-modern on the one hand, yet is condoned and expected on the other hand. Although money politics is seen to be the primary cause for political corruption, it can not easily be dismissed but is well engrained in the political system.

3. The Political Culture of Money Politics

3.1. Money Politics

The value system that allowed the existence of money politics has been embedded in a web of informal institutions. Most of the formal rules governing elections and other political behaviour forbid the practices which constitute money politics. Bribery is illegal. Ceilings on political contributions are set by the political funds law: far below the actual levels. The provision of food and drink to constituents is explicitly forbidden by the election law. Yet the formal rules have been largely ignored. Although technical aspects of these laws sometimes make prosecution difficult, the public prosecutors have

in addition, shown little zeal in prosecuting money politics cases. Industry managers who were supplying illegal political funds have asked: "Was what we were doing illegal?" (Woodall 1996, p. 135). They were quite able to explain informal practices rationally and with reference to accepted norms.

Corruption in Japan is legitimised by its systematic perpetration. It is so highly organised and has become so much a part of the extra-legal ways of the Japanese system that most citizens or foreign residents do not recognise it for what it is, but accept it as part of the system (van Wolferen 1989, p. 136).

That there was any great illusion among voters and public about money politics is hard to believe. Its practices were never particularly secret. They are written about widely in the press and in journalistic accounts of book length. Yet clearly van Wolferen is right in that money politics has been an accepted part of the cultural context, building on traditions such as gift-giving and *giri-ninjo* (feelings of indebtedness). "There is [...] the universal conviction that 'everyone does it,' that the *kinmyaku-jinmyaku* [money ties and personal ties] system sends its favours and benefits into every corpuscle of Japan's political life," (Huffman 1974, p. 514). Although money politics, again and again, has led to scandal, this often merely served to embarrass the perpetrators who would return to their offices after they had been redeemed by re-election. "[...] politicians caught up in money scandals merely had to feign remorse and hang low for a while, until the short memory of the Japanese public allowed for a rehabilitation," (Redl 1995, p. 254). To be sure, moral stigma has been attached to money politics, especially when it became public. However, there were good reasons for money politics.

The cause [...] boils down to one thing: politics cost money. As long as it remains impossible to get elected without collecting the necessary money, the most eloquent preaching about ethics is only going to fall on deaf ears (Yayama 1990, p. 107).

Although this fact has been lamented for decades,³⁹ the laments have had little impact. In the meantime, politicians dealing in money politics performed exactly the role

³⁹ Tsurumi Yûsuke, whose political career spanned pre- and post-war Japan, noted in 1924 "[...] the unavoidable need of every member of the Diet to recover the money he spent during the campaign. Every member of the Diet cannot be expected to be a good businessman. Hence the unsavoury dealings which

expected of them. "Influence-peddling by politicians is tolerated and even expected within certain bounds [...]," (MacDougall 1988, p. 225). Politicians require money to finance campaigns, maintain their local political machines, and support the political ambitions of their acolytes. For them, money politics is part of their professional behaviour, so much so, in fact, that one commentator suggests that "removing money from elections would [...] put all present Diet members out of business," (Fujita 1980, p. vi). However, money politics did not primarily provide the personal enrichment of politicians. "It should be noted that personal corruption, while far from rare in Japan, is dealt with harshly. 'Dishonest graft', wherein political professionals are personally enriched at the public's expense, when exposed, can result in the end of a political or bureaucratic career," (MacDougall 1988, p. 225).⁴⁰ Most of the money was eventually expended for political purposes.⁴¹

After the Recruit scandal, more precise information about the high cost of politics became available. The average annual expenditure for the individual Diet member amounted to ¥116 million. During an election year the typical costs, resulting from the more intense activity of the politicians, could well be above ¥200 million. The cost of activities in the electoral district together with the maintenance of the individual candidates' support organisations (*kôenkai*), made up about a third of these expenditures. Another third went towards salaries for secretaries and drivers, of whom the average Diet member employed about fifteen in various offices in his constituency

constitute a great evil of Japan," (Tsurumi 1924, pp. 60-1). The Justice Ministry vice-minister said in 1932: "If it has become impossible to earn votes without spending dirty money, the country's politics will degenerate, the very basis of representative parliament will founder," (Soma 1986, p. 149). Right after the war, the *Yomiuri* editorialised: "what is constantly in the mind of a Diet member is how to raise his electioneering funds for the next occasion and not how to advance the interests of the people whom he represents," (December 23, 1947).

⁴⁰ Some politicians have apparently found irresistible the temptation of the large amounts of money passing through their hands. They have diverted money for their own private purposes—the most famous example being Tanaka Kakuei who amassed billions of Yen from nothing. Yet, from a financial point of view, it is generally thought risky for politicians in Japan to enter politics. Most candidates for political office lose a lot of their own money, especially if they are not elected.

⁴¹ To be sure, the policy process and the bureaucrats have not been entirely above the fray of money politics. Bureaucrats have benefited from lucrative post-retirement jobs in private industry (*amakudari*). More recently bureaucrats have been found at the center of corruption scandals, and at the receiving end of bribery. These revelations have followed, and may well have been caused by, a general questioning of the power enjoyed by Japanese civil servants, their ubiquitous presence in the running of government, and their generally assumed superiority over elected politicians. However, both in terms of scale and frequency, bureaucratic scandals are far outweighed by money politics scandals.

and in Tokyo and only two of whom were paid for by the state. The balance was made up by office communication and travel costs (Hirose 1989, p. 32).⁴²

Among the activities in the electoral district, the attendance at weddings and funerals where gifts of money were expected was the most costly. A politician attended—or had his assistants attend—an average of 26 funerals and 7 weddings a month. Each of these could cost the politician ¥50 000 or more.⁴³ Similarly, an average politician would appear at more than a hundred year-end or New Year parties, stretched out over the months of December and January, and each time again a gift of money would be expected.⁴⁴ The average annual expenditure for all these purposes, according to the *Yûtopia* group, came close to ¥17 million. Electoral district activities also included those organised by the Diet member himself, so-called "vote gathering events". There were bus tours to the capital with visits to the National Diet building, *karaoke* competitions or two-day boat cruises for which the participants generally paid fees that covered only a fraction of the actual cost (Hirose 1989, p. 15 - 23). The Diet member, through his *kôenkai*, often served as general benefactor in his constituency.⁴⁵ By doing so, he would hope to secure the community's loyalty at election time. Although outright vote buying—once the prevalent way to gather votes—no longer exists, even today's money politics has relied on the willingness of the voters to cast their vote as asked, for example, by the village headmen. "Since high status has traditionally been associated with the legitimate exercise of power, certain segments of Japanese society continue to

⁴² These numbers are based on the figures for the years 1988 and 1989, from a survey carried out by the *Asahi Shimbun*, polling 100 members of the Diet, and from the publications of *Yûtopia Seiji Kenkyûkai*, a group of ten freshmen Diet members. Most politicians talk freely about the cost of their political activities, portraying them as socially condoned, but this group, for the first time, published detailed figures and showed actual expenses to be greatly in excess of the legally required reports on political expenditure. They contrast starkly with the officially reported figures of around ¥3.240 million p.a.

⁴³ At the time of writing, ¥100 million are about £500,000 and ¥10,000 correspond to £50. That makes attendance at a typical Japanese wedding more expensive than an Oxford or Cambridge May ball, even though it is much shorter and less entertaining!

⁴⁴ Among such parties that one certain politician attended were the Elementary School Alumni Group, the Taishô Generation Club, the Merchants' Golfing Association, a Trucking Association, various local pensioners groups and over 100 neighbourhood associations, with anywhere from 10 to 1000 members.

⁴⁵ "The village makes great demands. The elders want to purchase fire-fighting equipment. The village schools want either a piano or an organ; nowadays, it is more likely to be a swimming pool. Well-stuffed envelopes are expected at each festival, wedding, and funeral. The shopkeeper expects a wreath when he opens a new store. Somebody must pay for the outing of the boy scouts. When the ladies of the village decide to visit the hot springs, somebody must hire a bus. For these and all the other expenses, the Diet man is expected to pay handsomely," (Thayer 1969, pp. 26-7).

take their cues from local notables who, together with the centres of power, are regarded as somewhat analogous to a legitimate ruling class," (Richardson and Flanagan 1984, p. 177)

With these kinds of expenditures, "seeking money therefore becomes a way of survival for Japanese politicians, most of whom spend more time in their election districts raising funds than in Tokyo drafting policy," (Redl 1995, p. 254). At least initially, money could come from the candidate's own family or business. The sons of wealthy, regional sake-brewers, are said to have been prominent in post-war politics. Third-party funds would be obtained only rarely from individuals, and more often from corporate supporters such as companies or labour unions. Unfortunately, the income of political finance was never made as transparent as the expenditure.⁴⁶ In the electoral districts, there would often be long-standing relationships between local businesses and candidates, organised for example through the *kôenkai*. Often, companies did not make contributions but became directly responsible for financing, publicising and vote-getting on behalf of individual candidates, or they provided drivers and other assistants who remained on their payroll (Murray 1975, p. 173). The activities in the *kôenkai* had two functions; the first was to provide the Diet member with ties to his electorate, and the second was to provide the local interest groups, local businesses, as well as politicians in the local assemblies, access to the Diet member. The result was a complex network of loyalties.

3.2. "Structural Corruption"

Money politics has been engrained in the political culture for some very rational reasons. Some commentators have claimed that corruption in Japan is "structural" (*kôzôteki na fuhai*) because it is so intimately integrated into the system.⁴⁷ To start, the

⁴⁶ Apparently, if political money were more transparent, politicians would leverage knowledge about other contributions to extract greater donations which would soon lead to the end of corporate contributions. If a company gives money to a certain politician, another may turn up and demand the same. "That's why corporations don't want everyone to know how much we're giving to whom. If we had to declare these payments, a lot more politicians would expect us to back them too." (Anonymous "insider" quoted in *Tokyo Shimbun*, adapted in *Japan Views Quarterly*, Autumn, 1993, p. 18). Therefore, politicians have no interest in transparency (Narita, 19.7.95).

⁴⁷ Different words have been used to describe the same phenomenon: *yuchaku* (collusion) comes up in the 1990s (See Yoshida 1990, p. iii, 25, 28). Systemic corruption is not uniquely a Japanese phenomenon. As Walter Lippmann wrote, "... corruption in some form is endemic. I do not mean that everybody is

pre-1994 electoral system had a built-in bias that favours rural electoral districts. At its most typical, therefore, the money required to perform constituency services was provided by local companies who were in a position to benefit from government contracts; these contracts in turn were paid from national budget allocations over which Diet members could exert influence to the benefit of the regions; government-funded economic activity would bring employment and wealth to these regions. The common interest in the continuation of this arrangement united voters, politicians and companies of a particular region. It is probably no exaggeration to say that money politics has promoted the development of the geographically disadvantaged parts of Japan.

Money politics played a role not only in the re-distribution of wealth in Japan but also in the re-distribution of political opportunity. Tanaka Kakuei has often been thought to have been the master of money politics.⁴⁸ His achievement was to derive maximum benefit for his voters in backward Niigata and also to show that money politics was available to any politician, regardless of background. According to Chalmers Johnson,

Tanaka did not invent the role of money in politics [...]. Tanaka merely carried the system to its logical conclusion, and equally important, began to ensure that the less naturally well-connected local politicians such as himself were as well-oiled with money as the big business-connected ex-bureaucrats who got all they needed without asking (Johnson 1986, p. 11).⁴⁹

bribed. I do mean that the exchange of favors is the elemental and essential motive power which operates the semi-private machinery of government," (Lippmann 1930). Rousseau has said: "It is not the corruption of men which destroys the political system, but the political system which corrupts and destroys man," (quoted in Friedrich 1972). "Systemic corruption" is sometimes used when corruption is a basic ingredient of a political system, sometimes even a necessary condition for the existence of the political system (see Galtung 1995, p. 172).

⁴⁸ The voters in Tanaka Kakuei's electoral district Niigata, for example, are reported to have cast their vote for "Kaku-san" because he had dug tunnels, spanned bridges, and constructed roads and railways for them. But it is not mere gratitude for the added convenience of these roads and bridges, or even the money spent by the politician in the constituency. The livelihoods of many Niigata residents had come to depend on public construction, and therefore on government subsidies (Ishikawa 1981).

⁴⁹ Johnson continued "what Tanaka's discerning eye saw above all was that money was indeed the mother's milk of politics and that whoever controlled the largest amounts of it in the system, controlled the system [...]. Tanaka had a lot of money and he used it—not for himself as Professor Nishibe also acknowledges, or even exclusively for the people of Niigata, but in order to get things done," (ibid.). Tanaka's image as a self-made man—he had not graduated from high school—was as inspiring to many new politicians as it was revealing about the reasons for his financial largesse. Unlike his predecessors in high political office, he lacked the ties to wealthy circles that either a prestigious family or a distinguished education could have provided. Tanaka had been forced to buy himself into the circle of power.

In practice this meant that politicians were always in searching to fill their bottomless coffers. A policy with financially beneficial repercussions to certain corporate constituencies would be immediately followed by demands for a "cut", carefully calculated with reference to the extent of the benefit. Documented examples are train fare rises which were followed by political contributions from the private-sector railways, or tax breaks for gas stands which resulted in contributions from oil companies (*Nikkei Business*, August 30, 1993, p. 17). Woodall described the case of the Construction Ministry:

Over time, career politicians had come to dominate the LDP's legislative contingent, and they prized their links with construction industry constituents. Reforming government procurement policies would undermine the delicate system of 'honest graft' through which a percentage of revenues from public works contracts were funnelled back into the coffers of influential legislators (Woodall 1996, p. 133).⁵⁰

However, especially for large businesses, the reasons for making contributions could be several. "It should not be assumed, as many critics do, that specific pay-offs in the form of favourable legislation or administrative dispensations are the necessary *quid pro quo* for corporate contributions made through the other major channels. The bulk of corporate contributions are regularised contributions aimed at building access and influence over the long run," (MacDougall 1988, p. 222). Large, national companies have been willing to make contributions in order to insure the continuation of a policy environment that was generally friendly to business. This was especially important during the period of the Cold War when businessmen continued to perceive the threat that the Socialist Party—once in power—would dismantle the capitalist system oriented towards economic growth. For "the maintenance of this pro-capitalist system [...] businesses had to put out seemingly endless resources, thus facilitating 'money politics'" (Eiji Tomimori, summarised in Kohno 1997, p. 212).

The Japanese post-war policy achievements have certainly been impressive. To a large extent, the LDP has been able to take credit for the policies of economic growth and increasing wealth for all. A few corruption scandals were thus easily accepted into the

⁵⁰ During the general contractors scandal (*zenekon*) the press reported that the "introduction fee" to the politician for a public construction contract was a uniform 3%.

bargain. One could even make the argument that economic policy was successful not in spite but because of money politics. The political funds derived from leveraging collusion with business interests provide stability to the electoral results and thus predictability of the policy regime. Money politics has thus reinforced the rule of the incumbent party. While in government, the LDP was most able to provide pork barrel on the one hand and business-friendly legislation on the other. The resulting stream of political donations, or rather of opportunities for exacting political donations, put the party at a considerable advantage over its rivals at election time. This strategy was, like money politics, also older than the LDP. Silberman has written about the first party president who became Prime Minister in 1918, Hara Kei:

Hara's genius lay in his ability to combine the pork-barrel with economic development so that it had the appearance of economic rationality and would therefore be difficult for the bureaucrats and the private sector to resist (1996).⁵¹

Indeed, the systemic aspect of money politics is also reflected in its long history, but in comparison with the post-war period, the sources of political money were less diversified in Hara's time. Behind the political parties were the giant *zaibatsu*. The rise of the parties would hardly have been possible without the *zaibatsu* bank-rolling their organisational and electoral expenses in return for participation in the political process. Sumitomo, Mitsui and Mitsubishi are said to have supported the parties at the time with as much as ¥3 million each per election. By today's standards that would be the equivalent of ¥30 billion each (Hanamura 1994). Ties between the *zaibatsu* and politics were indeed numerous and well established.⁵² Many businessmen entered politics, and many politicians were employed by private-sector companies. The *zaibatsu*, especially, could easily afford to put a number of politicians on their payroll. However, "[...] most

⁵¹ Hara Kei's pragmatic attitude to money in politics is well summed up by an anecdote reported by Peter Duus: "When a well-known liberal newspaperman, Baba Tsunego, urged [Hara] to work for clean politics that did not depend on the use of money, he replied, 'How can such a foolish thing exist? Doesn't everyone want money? Go ahead and make a society that doesn't want money, then I'll show you politics that doesn't depend on money,'" (1968, p. 137).

⁵² However, one contemporary commentator polemically criticised these ties as signalling the corruption of capitalism. The moral shortcomings of the politicians were not the cause for this "corruption" but rather an economic framework in which capitalists no longer had the talent to seek profit through entrepreneurship was the cause for this "corruption" (Takahashi 1929, p. 26).

of those who actually became Diet members were associated with small- and middle-sized enterprises rather than big business," (Tiedemann 1971, p. 278). Small and medium sized businessmen and entrepreneurs ran for Diet seats themselves while larger companies and *zaibatsu* relied on their family and financial ties to the parties (see Ishida 1968, p. 305).

4. Thesis

From this description, we can conclude that money politics is an institution governed by informal rules. As Douglass North states, these rules are relatively "impervious to deliberate policies" but the "key to explaining the path of historical change". They are not immune to change, especially where they are the "extensions, elaborations and modifications" of formal norms. However, if the institutions of money politics such as personal electoral machines in Japan operate by "socially sanctioned norms" and "internally enforced standards" (all from North 1990, p. 40), they may well exist even after the rationale for establishing them has gone. "A new informal equilibrium will evolve gradually after a change in the formal rules," (North 1990, p. 88). North's approach suggests, that eventually, the reform of the electoral system may lead to the desired results. It equally suggests, however, the importance of a historical perspective to discover how the current political institutions such as money politics came into being.

This study will show that political reforms in the past have interpreted political corruption, and the money politics in which it was based, predominantly as an issue of political culture. To the extent that money politics has been a response to the old electoral system's formal rules they are likely to change as the changes in the electoral system feed through over time. However, it should be noted that reforms of Japanese political institutions had been underway for some time without much change in the practices of money politics. There have been a number of other attempts to reform the political culture of money politics. The Japanese Diet has had a "Special Committee" for political reform for most of the post-war period. Even before the war, a number of initiatives had been taken to address the "problem" of money in politics. The existence of these reforms supports the idea that the legitimacy of money politics has not gone unchallenged; but the frequent abortion or diminution of the reform plans also show that the challenges were often unsuccessful and that the political culture proved surprisingly

resilient. The frequent eruption of scandal also suggests that there has been considerable public ambivalence in the evaluation of money politics and that there have been contradictions between the informal rules that govern money politics and the formal rules which are created to reform money politics. In this view, corruption scandals are the escape vent for unrealised rationalisation and modernisation processes.

Considering the modernisation process that Japan has gone through in the areas of technology and industry, one would question how resilient traditional patterns have proven in the political realm. Indeed, the past reforms show that the political culture of money politics was seen as closely tied to the development of political institutions, especially political parties, and political maturity in Japan. The lack of success of these reforms, which essentially pursued a programme of modernisation, can be explained by the ambivalent attitude that Japan has continued to hold towards a modernisation that was strongly identified with Westernisation.

However, despite the fact that money politics has persisted for so long and reforms were often unsuccessful, the perception of money politics has changed, as illustrated by the evolving character of reform. Corruption is therefore not only an indication of those remnants of traditional Japanese values that have yet to be Westernised, but it was also a response to the influx of the new, Western-imported values seen from the vantage point of traditional values. In this sense, the perception of corruption has been closely connected to the experience of Western forms of government since Meiji. Political corruption has served as an argument to reform political institutions in both a Western direction and in a Japanese direction.

Some of the antagonisms along the way to modernity have taken the form of a rhetoric denouncing modern forms of state-society intermediation as corrupt. In particular, this was applied to the role of political parties. Clearly money politics hinges to a considerable extent on the attitudes of the voters and their willingness to define their interests as geographical or community interests rather than class-based or functionally-determined interests. Political parties are instrumental in aggregating such interest articulation. Thus the role of political parties was integral in the programme of modernisation. Over the past 70 years, political reform of money politics focused on efforts to replace a culture based on traditional, i.e. geographically describable and non-

voluntary, structures in politics with a culture based on modern, i.e. functional and voluntary, structures.

Implicit in this debate are ideas of what a political party is or should be. This study aims to contribute to both a broader and deeper understanding of the changes undergone by the concept of political party in Japan during the period of modernisation. Having examined the information presented here, we should be able to assess what contribution the political reform discourse has made to the distinction between public and private as a question of political modernisation in Japan.

This debate has cut across party lines. There were "modernisers"—as well as those who tended to block political reforms—in all camps. The efforts were advanced, and the issue of corruption was used as a programmatic rallying point by a coalition of modernisers that also included politicians, both on the government and opposition side. Its opponents were largely from the ranks of politicians of the ruling party. A pivotal role fell to the bureaucracy which first tended to support the modernisers, but then increasingly took a neutral stance in light of the existential importance of political reforms to the politicians involved.

This study will aim to demonstrate that political reformers saw money politics predominantly as a function of political culture, not of the electoral system. Specifically, they placed this political culture in an evolutionary process of modernisation which sometimes did, sometimes did not resemble Westernisation. It will also show that they were concerned especially about the role of organisations such as labour unions, companies and political parties as mediators in the relationship between the Japanese voters and the state. Finally, it will argue that the fact that a changing coalitions of politicians, bureaucrats and independent activists supported the modernisation of the political culture suggests that this interpretation of money politics was widely shared.

4.1. Design

The subsequent parts of this study will not attempt to describe money politics in all its colourful aspects and variations. Instead, political reforms that were either launched or discussed with the intention of changing money politics will be investigated. The advantage of this method derives mainly from greater accessibility to factual accounts. It is primarily through these reforms that the discourse on money politics and the

competition between money politics and the formal rules has manifested itself. Thus political reforms, and their historical development, reflect the changes in both money politics and attitudes towards it over time. A hermeneutic approach is employed, discussing the debate on political reform in its historical and intellectual context, reconstructed from legal texts, reform proposals, expert advice to the government, commentary and historical analysis.⁵³

This approach provides a certain advantage. Presumably, to an outsider, Japanese political culture is not as easily understood as one's own culture would be. From a cross-cultural perspective, an important methodological premise should be that of understanding, or "Verstehen" in the Weberian sense. Because money politics and corruption are easily portrayed in normative terms, particular sensitivity is required from the outside observer and resistance to the temptation of defining money politics in terms of one's own culture is necessary. Normative standards should only be those inherent in the subject of study; both description and evaluation should be taken with the Japanese context in mind and not from an outside value system. The method of using the Japanese *reform* discourse to probe into money politics, therefore, has an important advantage: it provides to an outsider the eyes and ears of an insider. For example, to the extent that money politics has been identified as corruption, i.e. as something in need of reform, the vantage point of reform helps to understand what the participants in the political system have thought to be corrupt, why they have thought it to be corrupt, and how this conception of corruption has changed over time.

The method employed here will present three case studies of different political reforms that were aimed partly or exclusively at changing money politics. Case studies will allow us to take account of the specific historical and institutional circumstances of the different reform efforts. Together, they span the post-war decades and, in the first case study, also include some of the pre-war experience of regulating and reforming money politics. One disclaimer must be made. In spite of the importance of Western models to the Japanese political reform efforts, the comparative perspective has not been given special attention here. A longitudinal comparison within the Japanese system is

⁵³ This approach is not unrelated to the idea that "institutions are conceptualised as sedimented discourses. In other words, they are discourses which, as a result of political and social practices, have

favoured over the cross-national comparison. Adopting both dimensions, historical and cross-national would have been beyond the scope of this study.

The purpose of this study is to identify and differentiate between the elements of competing value systems—indeed different interests in the reform process are likely to spawn as well as reinforce different ideologies—making it, therefore, essential to distinguish between the different actors, observers and discussants.

4.2. Actors, Observers, and Discussants

Actors' interests and attendant ideologies are shaped by institutions but they also, in turn, shape them. While institutions depend on traditions and are slow to adapt, they do reflect the interests of some of the actors involved in creating and changing them. To be sure, to the extent that institutional change is slow, existing institutions structure their own reform. But if "the immediate instruments of institutional change are the political or economic entrepreneurs" (North 1990, p. 100) we need to know what these entrepreneurs are doing, but particularly what they are saying, both about what they are doing and about what they ought to be doing. We need not assume that they have perfect information at their fingertips. They, too, have acquired the kind of knowledge that appeared useful in the given institutional framework.⁵⁴ Generally, these actors, or political reformers, appear as participants in the reform discourse as representatives of organised interests. It may be useful to identify three—though not exclusive—kinds of organisational framework for this discourse: first, bureaucrats in charge of election and other political regulation, second, politicians, and third, commentators such as academics, experts and journalists.

The bureaucratic agency involved in all three case studies is the Ministry of Home Affairs, (MHA), or *Jichishô*, the smallest but by no means least important of the successor institutions to the once almighty pre-war Home Ministry, the *Naimushô*. The relatively small Election Department, or *senkyobu*, handles the mundane but politically sensitive business of drafting the laws and revisions related to electoral matters, such as

become relatively permanent and durable," (Howarth 1995, p. 132).

⁵⁴ In the economist's words: "if the markets are incomplete, the information feedback is fragmentary at best, and transaction costs are significant, then the subjective models of actors modified both by very imperfect feedback and by ideology will shape the path," (North 1990, p. 95).

the Political Funds Control Law and the Public Office Election Law. It is also in charge of overseeing and executing procedures under these laws. While elections as such are monitored by election commissions, i.e. politically elected and self-governing institutions, the MHA enjoys oversight over all regional electoral commissions, and has direct authority over the national level commission. The ministry publishes two magazines on electoral and related affairs, *Senkyo* and *Senkyo Jihô*, to serve these constituencies. The MHA is also the ministry which oversees prefectures, cities and villages (hence its Japanese name meaning "local autonomy ministry"), drafting legislation, issuing regulations and administering the finances, public employment, tax collection, and central assistance etc. at the local and prefectural levels. As a result, one of the career prospects for civil servants after retiring from the ministry is elected office in the regions. A large number of former MHA employees have embarked on successful careers in local politics, so that in 1993 eighteen of the fifty-two prefectural governors were former bureaucrats of the *MHA* (*Sentakū*, 1.11.1993, p. 122). This fact, in addition to the usual dependencies with politicians in the Diet, may well have an impact on bureaucrats' personal interests in dealing with politicians and in setting election and political finance rules.

Japanese political practitioners, i.e. candidates and their activists, have not only been socialised in a culture where money politics provides access to power, they have also acquired skills and knowledge specific to this form of political activity. This determines the politicians' approach to the issue of reform, since their own past history and possibly imperfect feedback on the consequences of the existing arrangements is likely to influence their role as legislators of reform. Politicians are naturally interested in the reform legislation since it will introduce new restraints on their behaviour. Moreover, they are the authors of their own reforms. While bureaucrats will be involved in detailing the drafting of legislation, none of it is made into law without approval from the Diet. At the time of a scandal, however, the pure expression of self-interest may well be tempered by public scrutiny through media, the fear of electoral defeat or intra-party discipline. Naturally, a politician's position in either the government or opposition camp may influence the position taken on issues of political reform.

As aggregators of the various interests present in society, political parties and politicians, one might expect, should reflect the full range of opinions on political

reform. However, as a result of politicians' institutional interests being at stake they are less likely to reflect these opinions but are likely to be guided by their own interests. All other opinions and interests are better articulated by journalists, academics and other experts. While such people enjoy some degree of publicity, quite often they are also involved in official advisory bodies, convened by the government. The advisory body relevant to political reform is the Election System Advisory Council (*senkyo seido shingikai*), attached to the Prime Minister's Office. Because the experts sitting on it are largely selected by the MHA, and because their discussions are not public and are not always publicly reported, their representation of public opinion cannot be assumed. *Shingikai* have received the epithet *kakuremino* (fairy cloak) for serving as a legitimating cover for the ministry's interests. Yet, they still provide criticism of or justification for a variety of positions. The opinion or the conclusions presented tend to be much broader than those of the ministry. The Election System Advisory Council in the 1960s, for example, had special members delegated from the political parties. In contrast, the *shingikai* of 1990/1 was dominated by academics.⁵⁵

4.3. The History of Reform: Three case studies

The historical perspective on the reform discourse suggests that corruption was not primarily seen as a function of the electoral system but of political culture, which in turn was shaped by political ethics, political modernisation, and political education. Political reform efforts tried to influence these different aspects of political culture in a variety of ways. Ethics, for example, could be addressed through sanctions. Modernisation was often a code word for borrowing from Western political models. These different perspectives will become apparent in the three case studies in the main part of this study: first, a political education initiative, second, the law controlling political finance and fund-raising, and finally, a law on political parties.

The first case study will investigate the so-called Election Purification Campaigns. As the attempt to carry centrally designed political education to the voters at the grass roots, these campaigns were built on the conviction that practices such as vote buying only flourished because the voters were insufficiently politically educated to cast their

⁵⁵ Schwartz (1993) gives a good account of the role of *shingikai* in general.

vote autonomously. They began in the early years of the century and peaked in the 1930s when they were used by the state bureaucracy to streamline the political parties' election campaigns. Election Purification Campaigns survived the war to grow into a nation-wide organisational network in the 1960s, although since then they have been in decline.

The second case study will discuss the Political Funds Control Act that was established during the American occupation of Japan, in 1948. It regulates the income and expenditures of politicians, political organisations and parties, primarily by requiring reporting to the MHA. It complements the Election Law which regulates the income and expenditures directly related to elections, i.e. those which are made within the relatively short election campaign period. The law was famous for its ineffectiveness, hence it being called a "sieve law" because of the number of available loopholes. Several revisions aimed to strengthen the law, yet the effects of the revisions were sometimes unexpected and none of them completely succeeded in regularising political finance along the lines intended by the law. Substantial changes occurred first in 1975 when quantitative restrictions on contributions were also included. Another important revision occurred in 1994 when the fund-raising venues open to individual candidates were severely restricted. Both revisions were preceded by considerable political crises resulting from political scandal; one after the Lockheed scandal, and the other as part of the Recruit political reforms package.

The third case study will examine the repeated attempts to introduce a party law that would define and restrict political parties. Among the 1994 reforms, direct public subsidies to political parties came into being as an entirely new institution. Such subsidies had already been part of a series of attempts to introduce a party law. But the party law would have done more than introduce subsidies. It would have given political parties a firmer legal standing and it, further, would have provided accountability for their internal organisation. Previous attempts resulted from the desire to make party-internal finances transparent, decrease the number of recognised political parties in order to raise the profile of the remainder, and reform the primarily candidate-centred political culture in which intra-party competition and money politics was fostered.

The second and third case study describe political reforms which attempted to change or regulate money politics through the introduction of laws: the political funds law and a party law. Both approaches employ formal, codified rules to regulate the informal norms of money politics. In this they are no different from the approach eventually preferred in 1994: the change of the electoral rules. Nevertheless, the Election Law itself is not one of the case studies here, although it appears in each of the case studies as an important aspect of the reform discourse even before 1994. Because changes to the Election Law have been debated in a much wider context than that of money politics—including the issues of party systems, electoral advantage, and constitutional change—the Election Law is less useful for the purposes here. In the cases of the political funds law and the party law the point is to go beyond providing a mere legalistic view on political finance and to trace the changes in the understanding of money politics by analysing the way in which money politics was reflected in the discourse on political reforms. In general, this discourse will be treated as a means to understanding the cultural contingency of money politics.

First Case Study: Election Purification

1. The Ideological Underpinnings of Election Purification in Taishô

Politics

In 1916, Yoshino Sakuzô , (1878-1933), professor of political history and political theory at Tokyo University, and generally considered the most vocal advocate of so-called "Taishô Democracy" explained how money politics conflicted with democracy:

The most important point regarding the relation between the people and the legislators is that the people always occupy the position of master of the house, while the legislators are of necessity transients. [...] whenever the people, who should supervise the legislators, are instead manipulated by the latter, then the operation of constitutional government is replete with innumerable scandalous corruption. If the government seduces legislators with offers of gain, if legislators also lead the people astray with offers of gain, then the proper relationships are inverted and the structure of constitutional government is filled with abuses (Yoshino 1946).

According to Yoshino, money politics was an indication of the corruption of the entire political process. He suggested three counter-measures: (1) inculcation of election ethics, (2) the necessity of adopting and enforcing strict election regulations, and (3) the necessity of extending the suffrage as widely as possible. At one point or other all three recommendations were followed. The franchise had been enlarged continuously, culminating in universal suffrage in 1925. At the same time, the regulation of elections and money politics was also tightened.⁵⁶ However, as these measures did not result in any perceivable drop in money politics, the emphasis was increasingly placed on the first method, election ethics, also referred to as "election enlightenment" (*senkyo keihatsu*).

It was first conceived in the 1910s and 1920s by such men as Gotô Shimpei and Tazawa Yoshiharu, and was institutionalised as a bureaucrat-sponsored organisation under the name of *senkyo shukusei*, meaning "election purification" or "election discipline". This

⁵⁶ Yoshino thought, for example, that "it is especially important to impose strict penalties on the corrupt practices which may be carried on between the legislators and the people. [...] In this respect, a rather strict election law has been adopted in Japan; the only thing to be regretted is that it has not been enforced rigorously enough, and that the government tends to be lax in dealing with the activities of its own party," (Yoshino 1946).

political education effort prepared the ground for the Imperial Rule Assistance Association. Interrupted by the U.S. Occupation, it was revived after the war under the name of *kômei senkyo*, and continues to operate a network of election education organisations all over the country today. The ostensible purposes of election enlightenment are illustrated by slogans like "prevent election abuse", "break evil practice in politics", and "stop voter abstention". More fundamentally, these campaigns were designed to raise the political consciousness of the voters and to help establish elections as the central institution of building a modern state. Election enlightenment is the subject of this chapter.⁵⁷

1.1. Money Politics, Election Reform, and the Parties

Grass Roots Anti-Corruption Campaigns and Universal Suffrage

The political ferment of "Taishô Democracy"⁵⁸ engendered greater expectations towards political institutions. At the same time, parties and politicians featured in a string of corruption scandals, and even more frequent manipulations of the electoral process. The parties' legitimate function as representatives of the people had been compromised by a continuity of election corruption and interference (see, for example, Awaya 1988, p. 310). The experience of a variety of scandals at the local government level, especially in the larger cities had prompted initiatives for the clean-up of city politics. Such grass-roots initiatives were taken, for example, in the local politics in Osaka in the 1910s and

⁵⁷ The academic who has done the most to analyse the role of election purification both before the war and after it has been Soma Masao. In 1959, he published a series of articles in the magazine *Toshi Mondai* which formed the basis of a central chapter in his 1986 book on the history of the election law. To Soma, the election purification efforts are a symptom of the authoritarian approach to elections that has prevailed in Japan both before and after the war. In the 1970s and 1980s, election purification was discussed by historians [for example, Awaya (1974), Susaki (1976), Itô (1980), Miwa (1983), Honma (1986) and Namida (1986)] as a precursor to the totalitarian political structures during the war such as the Imperial Rule Assistance Association. In 1972, Soma was asked to author the official history of the election purification movement. Where not noted otherwise, the historical facts of the election purification movement and institutions recounted here are taken from this publication.

⁵⁸ This period of liberalisation and of greater parliamentary power vis-à-vis the bureaucracy "saw continued steps in the direction of constitutional government" (Fairbank, Reischauer & Craig 1974, p. 692). It followed after the waning of power of the *genrô* and the apocalyptic mood caused by the end of the Great War in Europe. In Japan, "[...] modernisation had created as many problems as it had solved, and it was also apparent that the rulers of Japan had not yet attempted to cope with the problems of an industrialised society. To many observers, politics seemed to lack direction or purpose, and they cried out for a 'reconstruction' of the country lest it once again fall behind the advanced nations of the world," (Duus 1968, p. 108).

1920s. In spite of their local focus, they were hardly parochial: they had taken an example from a similar campaign in New York, that was aimed at dismantling the political machines there. In Osaka, political bosses had gained control even over some of the judges. The citizens decided to do something about this. Enlisting the support of the newspapers, they managed to put up and elect clean candidates to the city assembly. In Tokyo, too, there had been a similar grass-roots campaign in 1929.⁵⁹

The ground swell of popular discontent remained relatively disorganised. It served, however, to support another initiative which was, in part, motivated by a desire to clean up politics: the universal suffrage movement. Cleaning up elections was one of the motives for the supporters of universal suffrage. Greater numbers would make vote-buying and personal influences over voters—at which the Seiyūkai was better than the Kenseikai—too expensive. Uehara Etsujirō mentioned that if "[...] the right to vote is extended to [all those who reach their majority regardless of property or wealth] it will become impossible to fight elections as previously by means of personal ties, connections, or bribery," (quoted in Duus 1968, p. 129-130). Like Uehara, Yoshino Sakuzō explained the potential beneficial effect on the corruption of elections with these words, making the connection with political education:

If the suffrage is limited, corrupt practices are carried out unreservedly. When the suffrage is extended to the limit, there can be absolutely no distribution of bribes and the like. Moreover, only when it has become absolutely impossible for candidates to fight one another with money and things of value will they compete by sincerely and frankly presenting their views and personal qualifications to the people. Consequently, the people will gain an opportunity to receive a political education through these means. When suffrage is limited, as it is today, there is a chance of winning a contest without presenting one's views and qualifications. Therefore the political parties pay little heed to the political education of the people (Yoshino 1946).

A movement in favour of universal suffrage had already existed in the early years of the century, but gained greater momentum in the late 1910s, coming to fruition at the same

⁵⁹ Less political, more educationally oriented, were similar organisations in a variety of cities and regions, for example a *kōyūdan* in Fukuoka and a *Senkyo Kakushin Kai* in Kōchi City (Soma 1972, p. 127 and Soma 1959, p. 76). During the first universal election a number of women's associations formed the Committee for Obtaining Women's Suffrage (*Fusen Tassei Fujin linkai*) with the objective of establishing women as election observers to prevent election interference, abstentions, vote buying etc., and to campaign for women's suffrage (Soma 1972, p. 132).

time as the Taishô Democracy. In 1918, the political impasse, resulting from the power vacuum left by the dying off of the *genrô*, the oligarchs who represented the remainder of the group of young *samurai* who had founded the modern Japanese state after the Meiji Restoration in 1868, led to the first "party cabinet" under Hara Kei, who was not a former bureaucrat but a pure party politician and leader of the Seiyûkai, one of the two leading parties. This alone did not satisfy the reformers, especially since the Seiyûkai's own interests were far too much based in the *status quo* for the active pursuit of political reforms. While the Seiyûkai, the party in power, remained relatively unresponsive and tried to defuse the universal suffrage issue, the opposition Kenseikai was concerned about social unrest, and willing to champion reform legislation to ward it off (Duus 1968, p. 135). The Kenseikai wished to make government conform with wider interests than the parochial interests of the established parties and they hoped to provide a "safety valve" for the discontent of the disenfranchised which might otherwise lead to revolt and violence. Tsurumi Yûsuke agreed:

It is by emancipating the middle and working classes that the system of faction and corruption that is so powerful in Japanese politics can be broken down (Tsurumi 1924, p. 62).

The universal suffrage movement reached its first climax in 1920, when the opposition parties proposed a number of bills in the Diet against the Seiyûkai. Hara Kei, President of the Seiyûkai and Prime Minister, however, managed to ward off the divided opposition by calling elections early. In a second attempt, the reformers had more success. In 1924, the Seiyûhontô split from the Seiyûkai and allowed the Kenseikai to form a coalition government under Katô Kômei. Katô set out to implement the reform agenda immediately. The passage of the new electoral law was not easy because the Peers still hoped to maintain classifications of financial status, as measured by tax payments to determine the right to vote—which was incidentally seen as an indicator of political maturity. Ultimately the new law was passed also with the support of conservative forces who hoped to stave off a radical revolt.⁶⁰

⁶⁰ An enlarged franchise promised to make vote buying more difficult, but it also threatened to make elections less predictable. At the same time as the election law was amended, the Peace Preservation Law gave the police considerable powers of controlling and restricting political organisations. It was primarily aimed at extremist organisation sprouting up on the left of the political spectrum. Peter Duus doubts that

The Minseitô pushes reform

By the late 1920s, a spate of corruption scandals, most recently involving the railways in Tokyo, Hokkaidô and Osaka raised the volume of criticism of the parties. The 1928 election also experienced rampant vote buying and official interference. Like other parties before them⁶¹, the Seiyûkai and the Minseitô—which had succeeded the Kenseikai as the second large party—took advantage of the power of government during the election process when it was available to them, and used the police or politically appointed regional officials in order to harass their opponents or apply the election restrictions selectively. The first universal elections were no different in this respect than elections under the old system. So universal suffrage appeared to have in fact increased election offences and not reduced them. As a consequence, reform was still on the agenda even after the revision of the election law in 1925. Pressed by public criticism and aware of the need to maintain public trust in themselves, the parties proposed countermeasures. Specifically, they proposed introducing some kind of election oversight. Once the parties had initiated this process, however, they failed to retain full control of it.

The Minseitô, like the Kenseikai, was again more willing to embrace reform than the Seiyûkai. While his party was in opposition, Minseitô party elder Izawa Takio—himself a bureaucrat from the Home Ministry (Naimushô) —first suggested a large scale election monitoring scheme in January 1928. With slogans such as "Let's make the first universal elections fair!", for the "safety of the nation," and to "avoid threats to Constitutional Government," (Soma 1986, p.103-4) and in order to bring about a reform of elections and eradicate vote buying, election interference and other violations of the law, the Minseitô began to establish branches of the monitoring organisation in all prefectures. The Seiyûkai in turn accused the Minseitô of using this watchdog organisation merely to discredit the Seiyûkai and to influence the voters' mood in the

a political trade-off was the reason for both laws being passed at the same time, but there can be no doubt that the Peace Preservation Law addressed the concern that universal suffrage would open doors to political corruption of an ideological kind. The Privy Council resolved: "[...] the government must establish and put into effect laws and regulations for the rigid control [of dangerous ideas] and must exert itself to prevent evil abuses and practices" (Duus, 1968, p. 203).

Minseitô's favour. The Seiyûkai's response therefore was to use Home Ministry personnel to spy on the Minseitô watchdogs.

When the Minseitô gained power in 1930, it raised the profile of this approach by initiating action in the legislature. It had set up a consultative council for the Revision of the Lower House Election Law (*shûgiin giin senkyo kaisei shingikai* or *shingikai* for short), with the three purposes of eliminating vote buying, reversing the increase of election costs caused by vote buying, and stopping election interference. Prime Minister Hamaguchi himself was chairman and the Home Ministry served as the *shingikai*'s secretariat. In the opening words to the *shingikai*, Hamaguchi made the connection between money politics and political education, among other issues:

With regard to the present situation in the country's politics, we feel that it is necessary to plan its clean-up. As a first step to this end, we are recognising foremost the urgent duty to reform the world of elections, and have therefore set up this consultative council. 'Election Reform' is easily said, but it entails an extremely wide range of issues and positions. Beginning with the electoral system as the matter in question, the problem of active and passive voting rights, the problem of election campaigns and their cost, the problem of proportional representation etc., and matters related to the problem of the spread of political education as a basic policy are also deeply important, we believe (quoted in Soma 1986, p. 117-8).

A Minkan Dantai for Political Education

At this stage, before *senkyo keihatsu* had become fully institutionalised, the emphasis was primarily on political education. The *shingikai*'s fifth special committee discussed it extensively under the rubric of "cultivation of constitutional thought" (*kensei shisô kan'yô*). Among the members of the *shingikai* who were seeking a solution to the problems of political corruption, there were proponents of political education on the one hand and proponents of a reform of the election law on the other hand. This latter group was particularly interested in the strengthening of sanctions. One of the supporters of political education, Prof. Onozuka Kiheiji of Tokyo Imperial University, expressed his concerns:

⁶¹ Hara Kei, for example, was not only the first to lead a "party cabinet", he was also the first to use police influence systematically to his political advantage at election time, beginning a tradition of all kinds of electoral interference (Berger 1977, p. 19).

[...] when it comes to reforming our electoral system, we must lose no time; it is already late. I do not know all the facts but I believe that the governments until now have not been in favour of the expansion of constitutional politics, of education about real constitutional politics, of emphasising the people's right to political participation, and consequently of strengthening the power of the lower house. If encouraged, education would be sure to make great progress. But I feel that there has not been much education on constitutional politics (Soma 1986, p. 118).

Another *shingikai* member, Takata Sanae, President of University Waseda, and also a Diet member, was more concerned with the political integration of all parts of society. He too emphasised the need for education in constitutional matters which had lagged behind the considerable progress of education in schools and universities. It was necessary to instil a sense of admiration for constitutional politics, especially in the teachers, he thought. "He desired the spread of respect of the constitution through the education of political culture" (Soma 1986, p. 120).

One of the reasons for disagreement on political education in this *shingikai* sub-committee, was the question of its efficacy. Even Onozuka thought that the phenomenon of political corruption had grown since the Diet was first opened, although people had become much better educated and informed in the meantime. Home Ministry bureaucrat Mizuno Rentarô, too, was not convinced about how much effect political education would have, how realistic it was to aim for perfect education and whether it would do anything to "set right the rot in the political world". While he agreed that the most important thing was to raise the level of political morality among the people, a lot more than empty talk by "missionaries and priests" would be necessary. If one approach was political education, another would have to be reform of the electoral system.

Sceptical about indirect approaches that focused on ephemeral issues like respect for the constitution, yet aware that tougher sanctions were not a panacea, he preferred a hands-on, direct remedy through the election law (Soma 1986, p. 121).

Nevertheless, the sub-committee made a concrete proposal: the government should assist in the establishment and the running of a private organisation (*minkan dantai*) which was to concentrate on the reform of elections through political education. In

particular, the government should support this organisation with public funding.⁶² In addition, the sub-committee advocated political education through more established routes, such as the school system. However, since these channels were under the firm control of the Ministry of Education, a rival to the Home Ministry, the dominant part of the movement should occur under the umbrella of a new organisation, which would be placed under the jurisdiction of the Home Ministry. The *shingikai* had been convened under its tutelage, and its officials were unlikely to produce draft proposals that would favour a rival. Eventually, the proposals were adopted as the *shingikai* report with but one notable change: the references to "private organisation" were changed to "private educational organisation" to avoid confusion with a political association or even a political party. The *shingikai* thought that the new organisation would have to be above politics.

The Seiyûkai's Turn

Prime Minister Hamaguchi's death and the subsequent dissolution of the cabinet prevented the *shingikai*'s recommendations from being debated in the Diet so that the planned political education organisation was not realised either by Hamaguchi or his successor, Wakatsuki Reijirô. Inukai Tsuyoshi, however, who became the next Prime Minister in December 1931 for the Seiyûkai, was committed to picking up the reform issue, but his assassination on May 15 the following year prevented him from realising the establishment of a Diet committee. Although the election reform process made only slow headway in the Diet, the Seiyûkai was no longer prepared to leave the issue of political reforms to the Minseitô and formed an internal party committee to work out proposals for election reform. Okuda Tadahiko, Makino Ryôzô, and Kimura Masayoshi were at the centre of this committee.

Of these three, Kimura was the one to propose an election committee in every electoral district. This was to consist of executives from all parties, regional bureaucrats, police officers, and educational officials. It was to be chaired by the *chihô chôkan*, the

⁶² Minobe Tatsukichi was not in favour of the proposal to support political education campaigns with public money. Educational institutions would essentially amount to political associations: they would be working on a par with political parties and should not be publicly funded any more than the parties (Soma 1986, p. 126).

appointed top local official, who would select the membership in consultation with the regional chief prosecutor. It would make public reports, administer pledges professing the inviolability of the law, investigate campaign expenses and watch over election campaign regulation. Kimura was motivated by the idea that politicians should exercise self-restraint, and self-control. The crucial point in his proposal was the appointment mechanism to the election committees. Because the political parties controlled the appointments of *chihô chôkan* they would therefore indirectly control the committees. Although a new layer would have been introduced between the parties in the Diet and election supervision, perhaps preventing the excessive partiality of election supervision, parties would still have policed themselves.

Non-Party Cabinet Realises Reforms

In the Diet, the reform process was not re-started until the formation of the first “non-party”, coalition cabinet under Saitô Makoto.⁶³ In August 1932, Prime Minister Saitô appointed a legislative council (*hōsei shingikai*) for the reform of the election law which eventually led to new legislation in 1934. It owed intellectual precedence both to the 1930 *shingikai* and to Kimura's proposals; certainly there was overlap in the committee membership. In the *shingikai* of the Hamaguchi cabinet the pro-party forces still outweighed those likely to oppose party power. Sixteen members from the established parties faced six government bureaucrats, eight Privy Councillors and members from the upper house, and seven other members. But in the *hōsei shingikai* the balance had shifted. Thirteen Seiyūkai and Minseitô members on the one hand, joined five government bureaucrats and eleven Privy Councillors and members from the upper house. From the remaining four members, two were from progressive parties, such as the Musantô or the Kokumin Dômei, and likely to sway the majority in the *hōsei shingikai* against the parties (Itô 1980, p. 52). The committee delivered its report in November of 1932 focusing on the elimination of vote buying and election interference, as well as the lowering of election costs.

⁶³ Saitô had ended a Navy career as admiral and had twice been appointed as governor-general of Korea. He had also been chairman of, though perhaps not closely involved in, the *Chûô Kyôka Dantai Rengô* which had been researching—on government grant—the efficacy of political education for the Naimushô and the Mombushô since 1925. During the 1932 general election, it had drawn attention to the need for a “clean-up of politics,” (Soma 1986, p. 184, n. 1).

On the issue of so-called "election committees" Okuda Tadahiko of the Seiyûkai took the initiative. He had entertained similar ideas at least since 1928, and had been one of the key supporters of Kimura's proposals. The deputy chief of the relevant sub-committee, explained the sub-committee's conclusions to the full *hōsei shingikai* as follows:

By setting up a system of election committees, a permanent committee will be established in every prefecture consisting of bureaucrats, teachers and politicians, and efforts will be made towards the active political reform both between elections and during election campaigns. We reached this conclusion in the conviction that arranging conferences whose purpose is [...] the pursuit of political education of the general voter, should greatly benefit the clean-up of politics (quoted in Soma 1986, p. 158).

This idea was not unopposed in the full committee. Saitō Takao, for example, wondered whether 30 commissioners would suffice to do the job with which they were charged. He thought that the top civil servant in the prefecture—whose job was to appoint the committees—had no business meddling in elections and that in light of the probable ineffectiveness, this expenditure of public money was inappropriate. Matsuda Shōichi thought it would merely invite more official interference in elections. Strongly in favour, on the other hand, were Tazawa Yoshiharu and the Agriculture Minister, Gotō Fumio, both of whom had collaborated on the election clean-up in the 1920s. In the end, the proposal to establish election committees was decided in the *hōsei shingikai* by a margin of a single vote. The *hōsei shingikai* proposal submitted to the Diet in December 1932 said its aim was "to establish public election purification committees in the prefectures in order to prevent unfair practices in elections and propagate healthy political thought through the planning of discipline in elections" (quoted in Susaki 1976, p. 45).

These proposals were not made into law immediately, but later when they were they met with public approval. The full report of the *hōsei shingikai* contained of course many reforms besides the introduction of election committees.⁶⁴ Because of other, contentious

⁶⁴ These reforms covered the whole range of electoral law and regulation. In order to lower the cost of elections, restrictions were placed on written election materials, the legal limit for election expenditures was lowered, the public administration of elections was expanded, and sanctions for violations were toughened. Many of the restrictive features can still be found in the Election Law today. Political education was thus combined with stronger sanctions. While the former would help to make the masses

issues the bill was delayed until March 1934 when it passed both houses of the Diet with relative ease. The election committees—now referred to as election purification committees (*senkyo shukusei iinkai*)—were strictly speaking not part of the reforms; they were established not in the election law but by a ministerial directive from the Home Ministry one year later.

The bill would probably not have passed without the support of the Minseitô. The Kenseitô had been the party of reform in the run-up to the universal elections, and its successor Minseitô continued the reformist stance in the early 1930s. By allying with the new forces it hoped to weather the demise of party power better than had the Seiyûkai. In the 1930 election, the Minseitô had done poorly. The logic of elections and electioneering at the time meant that being out of power would disadvantage the Minseitô at the next election, too. Entering into a coalition cabinet under Saitô, however, implied that the Seiyûkai's government-party advantage would be neutralised (Berger 1977, p. 43). The strategy paid off: In the 1936 election, the first contested under the banner of *senkyo shukusei*, the Minseitô's long-standing reform agenda allowed it to position itself at the centre of a coalition which opposed the corrupt politics of the Seiyûkai, and to achieve relative success. Although, in one way or another, both large parties had championed political education through election committees, election purification was not realised until the first non-party cabinet. In fact, the ideological underpinnings of election purification were provided by servants of the state more than advocates of political party power.

1.2. The Roots of Election Purification

Gotô Shimpei and the Rinrika Undô

In April 1927, just after the recovery from his first stroke, Gotô Shimpei, 1857-1929, kicked off his political ethics campaign (*seiji rinrika undô*) with a speech to a packed audience in Tokyo's Aoyama Kaikan. The ailing elder statesman gave a surprisingly long (three hours!) and impassioned speech. As long as materialism drove the

politically responsible in the long run, in the short term the rules governing elections needed to be tightened.

corruption of party politics, it threatened the security of the state.⁶⁵ Therefore *rinrika undô*'s objective should be the reform of political parties, because party politics epitomised all that was wrong with politics in general: the selfish desire to obtain power for its own sake. The campaign should be a national movement and it should rely on the enthusiasm of the young. It was necessary to take a neutral stance, and to maintain distance from party politics or from social and class divisions, Gotô expounded (Tsurumi 1967, p. 745-782).

The speech created a sensation at the time. Most newspapers carried reports of it on the first or second pages. Kôdansha published the imprint of the lecture in one million copies, a record at the time. In spite of his delicate health, Gotô took his campaign on a tour through the entire country. For the next 12 months he gave a sum of 183 speeches, lecturing for a total of more than 254 hours. He likened this *tour de force* to Gladstone's Midlothian campaign and to Teddy Roosevelt's presidential campaign of 1911 on the independent ticket of the Progressive Party (Kitaoka 1988, p. 213).

What prompted Gotô to start this campaign at this particular time was the institution of universal suffrage two years previously in 1925. By 1927 there still had been no elections under the new rules, but they were anticipated for the following year. Gotô was afraid that the quadrupling of the electorate entailed political risks. He was convinced of the need for greater inclusiveness of the political process to ward off the spectre of class conflict in the industrialising Japan, but like many conservatives, Gotô considered the new voters politically immature. If left to the tactics of the parties and their candidates fishing for votes, these new electors would be corrupted and the chance for political enlightenment would be lost (see Gotô 1927). Money politics was not the only problem. The electoral process was corrupted also by personal relations with the candidate or intimidation. Gotô's *rinrika undô* was the conservative answer to the same problems which had made the liberals call for universal suffrage:

⁶⁵ Gotô gave a report of his political philosophy, a commitment to political enlightenment: that knowledge was a value; Japan should know itself, and it should know the world around it; eventually it should also let the world know about itself. Like progress in the sciences, Japanese society had to advance, lest it again fall behind the Western nations. Social progress would necessitate a changing interpretation of the Meiji Constitution. Morality constitutes the state.

What is the purpose of this [ethics campaign]? We are facing imminent universal elections. If, caving in to temptation, we were to diminish the elections, if in other words, for reasons of power, money or connections, we would run the elections contrary to our conscience, I am afraid that would fundamentally indicate the depravity of the political parties, the corruption of the Diet and the weakness of government (quoted in Tsurumi 1967, p. 779).

Whereas the Peace Preservation Law introduced at the same time as universal elections was about restriction of political activity, Gotô believed in the education of political judgement. Education would create self-conscious national citizens. Thus Gotô's year-long campaign of speeches found institutional reflection in the "Universal Election Preparation Group" (*Fusen Jumbi Kai*). Although it existed for only one year until the elections in 1928, it managed to enrol 251,567 members. For an annual membership fee of 40 *sen*, anyone, men and women, young and old, even members of political parties could join as long as they subscribed to the aims of the association: "In view of the fact that utilitarian thinking is dominating present-day politics, this association hopes to place ethical sentiments at the centre of political activity in our country," (ibid., p. 770). The group did, however, reserve the right to expel members, in order to prevent infiltration from political opponents, and to advertise the names of the expelled in the newspapers. The group published pamphlets and organised lectures by a variety of speakers, it showed films, placed articles in the news media and it organised visits to the Diet in Tokyo. Gotô said,

The political ethics campaign is a national movement of forward-looking universal brotherhood, using self-governing self-awareness. It charts a middle course of great justice. It is not exclusive and does not represent separate classes like the parties and factions. Actually, we are all friends, all comrades, who desire the progress of the Japanese nation. Those who aim for the private profit of the individual, of a party or faction, or of a single group, are our common enemy [...] (quoted in ibid., p. 762).

Gotô Shimpei's political ethics campaign of 1927 and 1928 is generally thought to be the beginning of *senkyo keihatsu* in Japan. In 1915, Gotô had first thought that the way in which elections were carried out was the root of the corruption in politics. When elections were to be held that year, he proposed that the House of Peers, as a kind of

neutral arbiter, should exercise special oversight of the elections.⁶⁶ When he was Home Minister under Terauchi, in 1917, Gotô formally proposed an election watchdog organisation, though without success. His *rinrika undô* a decade later can be seen as a particular variation of this purpose. By educating the masses of new voters, Gotô hoped to create "more than ten million election watchdogs" (*ibid.*, p. 780). Gotô brought his considerable public standing to this task which was to be the last of a great variety of activities during his eventful life.⁶⁷

Tazawa Yoshiharu

The other individual who critically shaped election purification before the war was Tazawa Yoshiharu, 1885-1944. Though not as famous as Gotô, Tazawa effectively wielded greater influence in bringing about the institutionalisation of election purification. Like Gotô, he was a former Home Ministry bureaucrat, but his skills and talents were quite different. Tazawa had both experience with educational institutions and a belief in their political and social importance.⁶⁸

Encouraged to stand for a Diet seat in the 1924 election by supporters from the Shizuoka Youth Corps, he pursued a "model" election campaign, advocating the purification of politics, the participation of the people in politics and their inclusion in policy, suggesting the expansion of the suffrage and welfare policies respectively. He stood as an independent because he thought that the parties were too far removed from

⁶⁶ In particular, he was critical of the use of technology in elections: such as, speeches held from a campaign railway car, or recorded election speeches. He also attacked local political machines (*kôenkai*), newly formed in response to the continuously larger franchise, which undermined the restrictions in the election law (Soma 1972, p. 74-5).

⁶⁷ After a career in the Naimushô where he occupied posts such as Taiwan bureau chief, he was the first president of the South Manchurian Railway, and a cabinet member in two Katsura governments. He served as Interior Minister under Terauchi and later became mayor of Tokyo (Soma 1986, p. 181). He was, however, apparently not suited for the top position of Prime Minister. "Gotô ... was a man so given to shifting his allegiances that he had come to be known as the 'wandering star of Japanese politics'," (Peter Duus, 1968, p. 43). "Gotô ... was held to be too impulsive, too free with grandiose schemes, and too little inclined to follow his plans through to make a suitable head of the government," (*ibid.* p. 60).

⁶⁸ He is best known for his organisation of the Youth Corps (*seinendan*). The creation of these regionally based Youth Corps in the second decade of the century was motivated by a concern about the relative neglect of the education of the rural youth. This concern had led Tazawa, when he was put in charge of the construction of the Meiji Shrine in Tokyo's Shibuya ward, to recruit young men from the countryside, first for the Shrine's building, then for an annual pilgrimage to it. In 1921, along with Prince Konoe Fumimaro, he was appointed a director of the *Nihon Seinen Kan*, as the central organisation for Youth Groups. Tazawa also played a role in the organisation of labour—at the request of Home Minister Tokonami Takejirô—and was appointed to the House of Councillors in 1933.

moral politics. Tazawa's campaign won him much support, but he failed to win a seat in the Diet by the extremely small—even under the electoral system at that time—margin of 250 votes (Gotô 1967, p. 1100). The year after the election, together with Gotô Fumio,⁶⁹ Tazawa recruited Prince Konoe, Ogata Taketora, Ôta Masataka, Maruyama Tsurukichi and others, to form the *Shin Nihon Dômei*, a non-partisan political reform group united by a concern for the future of the country. It became active in the run-up to the 1928 election when it campaigned on an anti-corruption platform and put up about 25 "non-aligned" candidates with the idea of forming a casting-vote third party. The initiative met with little success partly because Tazawa and Maruyama themselves would not stand for election (Soma 1972, pp. 127-8).

After this failed attempt to take an anti-corruption reform agenda into the political realm directly, Tazawa devoted all of his attention to the more indirect method of political education where he could best use his previous experience with the Youth Corps. Neither the regular schools, which stopped at the age of eighteen, nor the *seinendan*, which only had members under the age of 21, could serve this purpose adequately. In February of 1929, Tazawa was joined by Gotô Fumio, Gotô Ryônosuke, Maeda Tamon and others in creating the Grown Men's Associations (*sônendan*).

In the March 1924 issue of the magazine *Shinsei*⁷⁰, just before the May election, Tazawa first proposed the organisation of political education groups in every electoral district. The purpose of the so-called "election purification groups" was: first, to loosen the parties' grip on the electorate in the constituencies; second, to allow the voters to associate independently of the parties and to reject vote buying; and third, to warn about unfair practices, uncover illegal actions, intervene in election interference, and demand public election and policy statements from candidates. As a first step towards realising the reform agenda contained in his proposed election purification groups and thus towards institutionalising election enlightenment, Tazawa established the *Senkyo*

⁶⁹ In 1967 Gotô Fumio published a collection of Tazawa's writings, as director of the Tazawa Yoshiharu Memorial Society (*Tazawa Yoshiharu Kinenkai*).

⁷⁰ Tazawa had also, in January of 1924, started a small publishing venture called New Politics (*Shinseisha*) which published two monthly magazines, *Shinsei* and *Taisei*. For the next ten years this publishing venture served as one of the platforms on which Tazawa and like-minded reformers propagated political ideas and proposals, many of them regarding corruption clean-up and political education issues (Gotô 1967, p. 1100).

Shukusei Dômei Kai in August 1927.⁷¹ The *Senkyo Shukusei Dômei Kai* put in a formal request for the establishment of an institution of political education to Hamaguchi's *shingikai* and appears to have had some influence on it, as the final report bore considerable resemblance to this request. Later, Tazawa Yoshiharu was an extraordinary member of Saitô's *hōsei shingikai*.

The Ideologies of Gotô and Tazawa

Gotô Shimpei and Tazawa Yoshiharu were quite different in personal characteristics: the first was a man of policy, but probably too much of a civil servant to push his reform ideas into practical reality; the other was a man of organisation, and an institution builder. Yet both were at the same time ex-bureaucrats and reformers. Their ideological underpinnings were also similar. Both believed in the possibilities of political education. They shared a scepticism of the political parties which dominated the political scene during Taishō Democracy, although such scepticism was not unusual at the time.

The *genrō* never had much good to say about party politics, instead preferring to keep cabinet formation and responsibility safely out of the parties' reach. That attitude did not mean that they did not establish, use and manipulate the parties when doing so served their interest. In 1900 Yamagata, for example, attempted to introduce a three party system—by means of large electoral districts which would have been allowed to push at least one "government loyalist" candidate to succeed in each district (Duus, 1968, p. 150). His reasons were as follows:

Recently the evils of party strife have become increasingly acute. [...] The parties seem smugly unconcerned about the danger to our country of having to stand alone and without support in the future among the powers of the world. The evils of partisan politics are indeed deplorable. [...] We must organise a group consisting of fair and intelligent men who will stand between the two existing parties and be partial to neither; who can check

⁷¹ Founding members were Gotô Fumio, who was influential in bringing about the official *senkyo shukusei* campaigns in 1935, Sekiguchi Ichirō, Ueda Teijirō, Maruyama, Maeda Tamon, who rebuilt the *senkyo keihatsu* after the war, Hashimoto Seinosuke, Masuda Sakutarō and others. Unlike the *Shin Nihon Dômei*, its aims were not political but educational although it lacked the resources to expand into a national organisation which could have brought education to a significant number of voters. It proposed that the voters follow two simple rules: First, vote on your own conscience, not as you are requested by someone else. Second, support the candidate of your own choice financially by paying at least 40 *sen* to defray his election campaign cost (Gotô 1967, p. 1102).

party excesses and irregularities; who can restrain the ambitions of those who seek to satisfy their avarice or their desire for political power through the instrument of the party; [...] (quoted in Takahashi 1925, pp. 139-41).

The establishment of the *Fusen Jumbi Kai* in 1927 led to the speculation that Gotô would use it to advance a political platform, and that it would become a new political party, a competition for the existing parties. The written statements of *Rinrika Undô*, however, made explicit Gotô's distrust for political parties and his motive of inculcating ethical standards about politics in general. However, Gotô had a genuinely non-party-political agenda: reform of the parties from the outside, through political education: "On what is called the riddle of corrupt elections, [I believe that] the ethical sense of the voters themselves is poor, and as long as they do not realise the importance of an autonomous self-consciousness, not even in their dreams will they think of making politics ethical," (Gotô 1927, p. 15).⁷²

His view of political parties was not negative in principle but he considered political parties to be too inflexible to react to the changing needs of the times. Gotô's conception of the corruption of the parties was that they were only "interested in securing power, immature, ridden by excesses and crime, ignorant of the people's opinions and narrow-minded" (quoted in Tsurumi 1967, p. 752-5). The essence of his criticism targeted the relationship between the parties and the public interest, that is between the parties and the state: Gotô said,

When I look at the condition of the country, and especially of the political world presently, I cannot bear the worry and anxiety because quite mysterious political language has been circulating and has consequently perturbed the spirit of the nation. What I mean is "Politics is power." Similarly, speaking unreservedly of "our party's cabinet" without any embarrassment for the lack of constitutionality, cannot but bring terrible harm to the nation (ibid., p. 756).

Although Gotô liked to compare himself and his *Rinrika Undô* to Roosevelt and his Progressive Party, he thought that ideas such as "the key to politics is people's weakness" or "politics is power" were not historically Japanese concepts but had been

⁷² To those who doubted his intentions, he pointed out the fact that his association not only welcomed existing members of all parties but also women. Because the vote was still restricted to male electors, this allowance made it clear that a new party was not what Gotô was after (Tsurumi 1967, p. 779).

imported from the West. He hoped that Japan would realise the falsehood of these maxims and that in fact the exact opposite was true: "The key to politics is protecting people against their weakness," and "politics is service, public service" (quoted in *ibid.*, p. 780). Gotô hoped to pit "moral power" against materialism. The purification of political conflict was necessary because the basis of the state, and indeed its distinction from anarchy, was morality. The state's institutionalisation of social justice differentiated modern society from the immoral rule of power and might in pre-modern society.

Tazawa held similar ideas about the moral basis of the state. Within the Youth Corps, Tazawa had paid particular attention to the so-called "moral cultivation" groups (*shôyôdan*); in labour politics he professed his desire to abolish all class and status barriers. His political philosophy was based on a conception of humanist morality of pre-imperial Japanese society. He saw the economic and social development that had taken place since the Meiji Restoration under the banner of the Emperor System to be the cause of the loss of this humanist morality. Nevertheless, he was no revolutionary. Like Gotô, he felt that the moral state, without class differences, would stave off the danger of revolution at a time of crisis. To Tazawa, the earthquake of 1923 was a blessing in disguise. In the subsequent rebuilding of Tokyo, people united in a single objective, and discovered the basis of their political strength in the process. The disaster made clear the need for a state ethics campaign (*kokkateki rinrika undô*) because the short-sighted politics of the day was corrupting the nation (Soma 1959, p. 74).

Present day politics [...] have lost their moral sense, party strife has become more and more vulgar [...], infiltration of party evils of both the regions and the centre has led to both carelessness in national policy and the abolition of moral principles; for this reason, concerned people have lost their hope in politics, and look upon [the parties] as a kind of sin. [...] they have lost their interest in the affairs of the state (Tazawa, quoted in Soma 1972, p. 124).

Tazawa rejected parties as a matter of principle, believing that parties were focused on individual and private interests and not on policies. Thus they had no sense of responsibility for solving the social problems caused by society's division into labour and capital, propertied and non-propertied classes. According to Tazawa, the electorate should not become part of the parties' constituencies, but rather stand aloof from them in order to retain the ability to criticise them from the outside, and to function as judge of

the parties' policies (Soma 1959a, p. 76). Popular distrust of politics made acute the need for a programme of political education that could provide public opinion with a basis for fair judgement. Only political education, through the spread of social and political knowledge, would solve the problem of political corruption. Tazawa's political education was, in fact, a moral education (ibid., p. 75). In October 1924, Tazawa organised a series of political education lectures, employing for example Gotô Shimpei as one of the lecturers. Both men shared the belief that the political maturity of the voters was the key to the clean-up of politics.

1.3. The Changing Perception of Political Parties

Why focus on elections?

The Japanese political reform debate and the concerns about political corruption before the war were focused almost exclusively on elections. In 1916 Yoshino Sakuzô, the liberal stalwart of Taishô Democracy, put the point of political education and the inculcation of election ethics succinctly:

I do not think that the ethics of the Japanese are, broadly speaking, especially low. Yet, since elections are a new experience for them, they have, regrettably, greatly ignored morality in conducting them. I feel it is necessary for us to inculcate the principles of election ethics in the people of the nation. This being the case, what points should the people be made especially to understand? One of them is that though a single vote seems to be of very little importance, it actually is of great consequence to the fate of the nation. It is too sacred to be subject to influence by bribes or intimidation. A second point is that one votes in the interest of the nation, not for the profit of a single locality. To vote with local interests alone in view is likely more often than not to result in sacrificing the interests of the whole nation. A third point is that voting is our prerogative, not something to be done at the solicitation of the candidates. It is up to us to recommend proper candidates to the nation (Yoshino 1946).

Gotô's *Rinrika Undô* and the liberal movement for universal suffrage had both focused on elections, and the 1934 reforms and the issue of political education were also discussed in the framework of elections. This focus went beyond the narrow agenda of reducing election law offences. The Japanese state, as set up in the Meiji Constitution, was thought to link the Japanese people and the Emperor through the electoral system. Political participation through election was not so much a matter of power sharing as it was an opportunity for the people to show their support and oneness with the Emperor

and with his government. In this function, elections had become an important element of modernising Japan.

Conservatives as well as liberals saw elections as fundamental to the political process. The conservatives perceived them as the institution which was holding the Emperor and his people together. And they felt that the *meibôka* corrupted this link. The liberals, for whom the elections made the people "master of the house", lamented the constitutional diminution of the Diet. Any restructuring of the political institutions and their meaning would have to begin here. Concentrating on elections also drew attention to the internal inconsistencies of the Meiji Constitution, especially the difficulty of squaring imperial authority with the system of popular Diet elections. If elections were to facilitate the mobilisation of the masses in support of the regime, their role would have to be clarified (Berger 1974, p. 467-71). *Senkyo keihatsu* sought clarification in the sense of eliminating all private and partial interests that were corrupting the electoral process. Elections would be made to serve a different, 'public' rather than 'private', purpose. *Senkyo keihatsu* was a method to get away from partial, competitive and symmetrical structures, towards national, unitary and complementary structures.

Parties are Partial

Some of the emphasis on the electorate was directed against the political parties. Criticism of political parties had become increasingly wide-spread. The prominent law professor at Tokyo Imperial University and constitutional scholar, Minobe Tatsukichi, who, as one of the architects of Taishô Democracy, had been very supportive of the political parties, had become critical of the politicians' lack of specialised knowledge, which effectively reduced them to a rubber stamping institution for policies advanced by the professionally competent government bureaucrats. National mobilisation and the transformation of the economy were too complex for the political parties. Even for Minobe, this dilemma called into question the *raison d'être* of parliamentary government (Minobe 1934a, p. 9).

For a while, during the Taishô years, it looked as if the parties would be able to arbitrate among a variety of interests which were increasingly pitted against one another by economic and social developments. As the authority of the *genrô* had waned and power had become more diffuse, the parties had managed to make themselves indispensable by

occupying the centre of a balance of power. Hara was successful in increasing the influence of the parties because he carefully balanced between the different centres of power. This balance can be reduced to two dimensions: mediation between different elite interests, and mediation between the masses and the elites. The one dimension reflected in particular industries and businesses that were seeking political representation through the parties. They had grown strong under the tutelage of the state, but now began to emancipate themselves.⁷³ The other dimension reflected the way in which the Diet and its members provided a rudimentary way for the Japanese people to participate in politics through their election networks in the local communities. "[...] the parties provided useful channels for expanding political participation without surrendering control of politics to the masses," (Berger 1977, p. 14).

From the late 1920s, the parties' image underwent a change. No longer seen as a conduit for securing popular acquiescence to elite rule, they became corrupters of the relationship between the government and the people through their focus on *zaibatsu* and *meibōka* interests.⁷⁴ Increasingly these two types of mediation gave rise to the criticism that they *only* represented the interests of the *zaibatsu* and the *meibōka*. These were more substantial charges than the frustration with the parties' squabbling and manipulation. Criticism of party politics was fundamental, not just rhetorical. With increasing military commitment to the war in China during the 1930s, the challenge of the day was to muster all national efforts towards the goal of readying the nation for military conflict. The civil and military bureaucracies did not trust the parties whose nature was to be continuously competing: "National mobilisation (*kokka sōdōin*) is the task of marshalling the entire society of the state in times of need, moving from a peacetime footing to a wartime footing, the state must then organise, unify and utilise all available resources, material and human [...]" (Colonel Nagata Tetsuzan in 1928, quoted in *ibid.*, p. 87).

⁷³ As the parties "grew stronger after 1918, so did the influence of the business community" (Tiedemann 1971, p. 279).

⁷⁴ The *zaibatsu* were family-owned industrial and trading combines and the *meibōka* were "men of reputation" in the communities, perhaps best translated by Weber's term "local notables".

2. Election Purification as a National Mobilisation Effort under Militarism

2.1. The Institutionalisation of Election Purification

Gotô Fumio: The Bureaucrats Take Over

In July 1934, the Saitô Cabinet resigned when the Teijin Affair had forced two cabinet members, the Minister of Commerce and the Minister of Education, out of office.⁷⁵ Okuda Keisaku formed another non-party cabinet in which Gotô Fumio held the prominent position of Home Minister, where his jurisdiction, of course, included the administration of elections. Gotô Fumio turned out to be the driving force behind making *senkyo shukusei* a state sponsored mobilisation activity. As minister of agriculture—the election reform bill proposing election committees was still delayed in the Diet—he had already wanted to establish *shukusei* committees in all prefectures, but had failed to convince his colleague, Home Minister Yamamoto.⁷⁶ Gotô was, however, to have more luck this time. When he was Home Minister in May 1935, an ordinance was promulgated to establish the committees. By doing so, he wrested control over the anti-corruption campaign initiative from the political parties.

Unlike the other election reforms of 1934, *senkyo shukusei* was established as ministerial regulation, not as a law requiring Diet approval. The ordinance was similar to the *hōsei shingikai*'s proposal but it gave the government bureaucracy greater powers at the expense of the political parties' influence. The committees were not empowered to investigate and report on election violations; this right remained with the police, and therefore under the Home Ministry's direct control.⁷⁷ Unlike Kimura's Seiyūkai proposal which had suggested that committees be established for each electoral district, the

⁷⁵ The biggest of the corruption scandals at the time was the Teijin Incident, which involved stock shares of the Teikoku Jinzō Kenshi Kabushiki Kaisha. "[...] After gifts of money seemed to have changed hands all along the line, the Bancho-kai group bought 100,000 shares of the Teijin stock in May 1933. A deal of this magnitude could not be kept quiet and the inevitable rumours of corruption spread" (Tiedemann 1971, p. 295-6)

⁷⁶ Opposition in the Naimushō came especially from parliamentary vice-minister Saitō Takao—who later achieved notoriety for being expelled from the Diet for criticising the military establishment (Awaya 1988, pp. 12-13, 312).

⁷⁷ Though this change may have been made for legal rather than political reasons, i.e. equal treatment of criminal investigations, it still weakened the new institution.

ordinance laid them out by prefecture, which in turn gave the Naimushô-delegated prefectural governors greater control over them. In the Diet debates, Kimura had warned against the predominance of bureaucrats, claiming that bureaucrats did not know about elections. Elections were not logical affairs but were about the people's everyday concerns. If bureaucrats took control, he feared, the initiative could be turned against the parties (Soma 1986, p. 183). In the end, his fears were borne out.

On May 8, 1935, the Imperial Ordinance 110 established a *senkyo shukusei* committee in every prefecture. The *chihô chōkan* (prefectural governor) selected—or, as the case required, dismissed—the up to thirty members of the committee among politicians, practitioners, educators and, of course, regional government officials, who were thus answerable and subordinated to him (Sasaki 1935, p. 119). Earlier that year the bureaucrats had worked out the details of the organisational structure and had secured a budgetary allocation of ¥670.000 from the Diet. The new organisation was designed as a vehicle for increased social control of, and bureaucratic penetration into, society. Below the prefectural committees—serving as headquarters—the organisation would extend to the level of every village and town and reach every single voter with the purpose of "rousing the people's national consciousness" (Soma 1986, p. 185). However, the Home Ministry bureaucrats harboured no illusions about the viability of reforming social structures. In order to facilitate the organisation of society at the local level, local committee members were to be recruited from the traditional pillars of local society: village headmen, teachers and small landowners. The organisation was meant to extend, however, to every Japanese individual. Home Ministry instructions even invoked the five-family-unit system of the feudal age as a way to use group pressure and enforce conformity (ibid., p. 189).

Senkyo Shukusei Chūō Renmei

In each prefecture, the governor chaired the prefectural committees. In addition, the Home Ministry quickly moved to tighten its control by creating a central organisation which would ensure the uniformity of the prefectural committees. The *Senkyo Shukusei Chūō Renmei* was established in June 1935 and Saitō Makoto⁷⁸, the most recent Prime

⁷⁸ Saitō had already advocated a "clean-up of politics" as chairman of the *Chūō Kyōka Dantai Rengō*.

Minister, was recruited as its chairman. Under President Nagata Hidejirô, Tazawa and Horikiri Zenjirô served as permanent directors (*jônin riji*). The *Renmei*'s list of officers included names from politics, academia, business, and of course retired bureaucrats. The similarities with Tazawa's earlier *Senkyo Shukusei Dômeikai* were numerous. Gotô Fumio, Maruyama Tsurikichi, Horikiri Zenjirô, and Tazawa Yoshiharu were former Home Ministry bureaucrats who had already sought to 'purify' elections in the 1920s. In January of 1937, Tazawa succeeded Nagata as president.

The *Senkyo Shukusei Chûô Renmei* not only served to extend the Home Ministry's control over the prefectural election committees, it also enlisted the support of other social institutions. Its institutional members were a total of 14 central or national associations of social and educational institutions, including Tazawa's *Senkyo Shukusei Dômeikai*.⁷⁹ While some of these were already under the effective control of the Home Ministry (Awaya 1988, p. 312), another group was under the jurisdiction of other ministries such as the Ministry of Education and yet others were relatively independent. The inclusion of educational associations was also necessary for tactical reasons.

The Home Ministry and Ministry of Education had already co-operated in political education in the *Chûô Kyôka Dantai Rengô*, but the Home Ministry had to be careful not to appear to want to compete with the Ministry of Education. Through its network of schools and teachers, the Ministry of Education had by far the most complete and effective tool of social organisation among the ministries, and teachers traditionally were afforded respect in rural communities. The Home Ministry therefore tried as much as possible to work together with educational institutions, and to include headmasters and teachers in the local organisation of the *senkyo shukusei*.⁸⁰

⁷⁹ The others were Teikoku Kyôiku Kai, Tokyo Shisei Chôsakai, Toshi Kenkyûkai, Chûô Kyôka Dantai Rengô Kai, Chûô Hôtoku Kai, Dainihon Rengô Fujin Kai, Sônendan Chûô Kyôkai, Shakai Kyôiku Kyôkai, Shakai Kyôiku Kai, Senkyo Shukusei Dômei Kai, Zenkoku Chôsonchô Kai, Seiji Kyôiku Kyôkai, Senkyo Shukusei Fujin Rengôkai, Aikoku Fujin Kai (Soma 1959b, p. 78; and Soma 1972, p. 205).

⁸⁰ Naimushô vice-minister Ômori explained the *senkyo shukusei* to the Conference of Representatives of the National Association of Educational Organisations (*Zenkoku Kyôka Dantai Rengô Daihyôsha Taikai*): "[...] since *shukusei undô* has the characteristics of an educational institution, education related members will of course be included," (Soma 1986, p. 185). The *Kyôka Dantai Rengô* itself was one of the member institutions of the *Renmei*.

Three women's organisations were also among the institutional members—the *Renmei* had no women officers but five prominent women served as advisors—of which the *Dainihon Rengô Fujin Kai* was the official bureaucrat-sponsored women's organisation but which had had no experience in political activity. The other two, however, had been started as private initiatives. The *Senkyo Shukusei Fujin Kai* had roots in the movement for women's suffrage and itself was composed of 23 different women's groups.

By using the *Senkyo Shukusei Chûô Renmei* as an umbrella for the political activity of these organisations, the Home Ministry could both influence their agenda and use their networks to impose its mobilisation activities on a larger proportion of the local population. The inclusion of the leaders of these organisation in the *senkyo shukusei* committees was meant to facilitate the displacement of the *meibôka*; a strategy that met only with limited success. Although the leaders derived their authority partly from their function, many of them were themselves *meibôka* (Soma 1986, p. 177).

2.2. The Political Environment

From the arrival of Perry's Black Ships on Japan's shores, the country's state-builders had followed the maxim of *fukoku kyôhei* (rich country, strong army). It led to the conclusion that only a modern, efficient state would be able to counter the threat of colonisation by the Western powers and compete with them. Yet the same industrialisation that would make the country rich had brought disruption to the traditional sectors of the economy, especially in the countryside. Poverty in agricultural areas both caused social problems and slowed down the process of nation building. The masses were not only needed as conscripts but also to sustain a possible war effort on the home front. At the same time, the rural areas were seen as an important counterweight to the slowly progressing, but unwelcome Westernisation.

National mobilisation was seen not only as necessary for the concrete purpose of war-making, but it was a general requirement of modernisation, i.e. of state building.

Without it no modern state, relying on mass-production and universal conscription, could expect to prosper, it was thought. There were two ways to achieve national, civil mobilisation in order to get the Japanese public to prepare for the demands and difficulties of war. It came down to a choice between "political mobilisation" (*seijiteki sôdôin*) and "public mobilisation" (*kôkyô sôdôin*). "Public" mobilisation would mean a

propaganda or ideological campaign, while "political" mobilisation would imply an institutional organisation (Berger 1977, p. 188-190).

"Political" Mobilisation

Theoretically, "political" mobilisation might have been the domain of political parties. Yet they did not measure up to the challenge of mass-organisation of the rural population as they had managed only superficial penetration of local authority structures, relying instead on the mediation of traditional authority figures. Diet politicians were dependent on the *meibôka*, ties with whom they cultivated through gifts, money, and personal contacts. These relationships in themselves might appear corrupt. More importantly, from the perspective of the state-builders, they blocked the direct identification with the new state. The power of local authority figures was a hold-over from pre-Restoration times, when loyalties were accorded locally rather than nationally. The party-*meibôka* alliance's influence presented a direct challenge to the legitimacy of the newly formed Japanese state. If the *meibôka* continued to control their communities and the electoral process, and if the parties continued to support this status quo, optimal efficiency of bureaucratic administration would be jeopardised (Berger 1974, p. 466-9). For the parties, however, the local notables were the pillars on which individual candidates' electoral success depended. Political parties were seen not only as dividing the national unity through their competitive structure, but also as preventing the civic mobilisation of the nation because the local notables blocked a top-down command structure.

By contrast, the Home Ministry tried to co-opt the local notables. In principle, the authority of the Ministry's police and local government structures reached from the level of the prefecture down to the village and even to the groups of five or ten families derived from the traditional patterns of local control. Yet, in the Japanese countryside the influence of landlords, priests or school headmaster etc. was still predominant so that the formal administrative apparatus of the Home Ministry did not always prove effective. In response the Home Ministry also followed a strategy of either marginalising or co-opting local power holders: through non-governmental local associations such as the *hôtokusha*, a proto credit association dating from the late Edo period, and the *seinenkai*, youth organisations. In the case of the *hôtokusha*, for

example, the Home Ministry established a central body, the *hôtokukai*, as the parent institution for the already existing local and privately organised groups (Pyle 1973, p. 61). "[...] vital to the Home Ministry's vision of local improvement were extending and nurturing government control over a variety of autonomous local organisations in their activities that served the national interest. [...] the result by 1915 was a system of dovetailing rural associations that left only infants and old people free from bureaucratic guidance." (Waswo 1988, p. 572)

Not all attempts to co-opt the *meibôka* as semi-official functionaries were made by the Home Ministry. In 1910, the Army Ministry established a nation-wide system of reservists associations. Senior local reservists headed these associations and were subordinated to the regional military commander who reported to the Army Ministry. This structure was doubly threatening to the Home Ministry, as the lowly social background of many reservists made them more effective mobilisers than the traditional authority figures. Reservists associations were the first form of organisation of the modern Japanese state that reached all the way down to the citizen level without having to resort to traditional patterns of influence (*ibid.*, p. 576). By and large, however, thanks to its sweeping domestic powers, the Home Ministry remained the national force most central to mass mobilisation.

In this context, election purification was of course not able to mount a full-scale "political" mobilisation effort. By relying on the utilisation of social and educational organisations with already established structures, *senkyo shukusei* passed up the opportunity to establish its own organisational structure—which would have amounted to the "political" mobilisation of the entire electorate. This would have required a much greater commitment in terms of money, time, and effort than was available to the *senkyo shukusei*. The only other way in which a central initiative could reach the masses was a large scale propaganda effort—"public" mobilisation. If the parties' own mobilisation attempts had failed because of their reliance on the *meibôka*, then a successful mobilisation would have to appeal to voters directly. In the context of *senkyo shukusei* this meant the ability to enlist ordinary citizens in the campaign against political corruption and election law violations (Soma 1986, p. 176).

"Public" Mobilisation

If at all, *senkyo shukusei* could only work as a "public" mobilisation or what Awaya Kentarô refers to as "national spiritual mobilisation" (Awaya 1974, p. 108). There had been other, similar propaganda campaigns. The 1937 drive for citizens' savings, for example, was converted into a Movement for Mobilising Popular Morale (*Kokumin Seishin Sôdôin Undô*), jointly administered by the Home Ministry and the Ministry of Education which normally tended to compete with one another. Already in 1908, Home Minister Hirata Tôsuke "promoted many kinds of co-operatives at the local level, regarding them as a form of 'social education' " (Pyle 1973, p. 61). The first sustained and organised effort was the Local Improvement Movement (*chihô kairyô undô*). Pyle describes this effort as a "process of nationalism by which large numbers of people of all social classes were psychologically integrated into active membership in and positive identification with the nation-state" (ibid., p. 52). The political parties were quite willing to adapt ideologically and to support "public" mobilisation but they did recognise "political" mobilisation to be a challenge to their very existence.

Even propaganda campaigns were potentially difficult to differentiate from the activities of political parties. *Senkyo shukusei* was primarily "public" in that it was not dependent on existing political parties. Promoting "free and fair" elections precluded the support of or opposition to any given candidate or party (Soma 1986, pp. 187-8). As a consequence, the movement could not be active when the parties were waging their election campaigns. In other words, the distinction between campaign periods and non-campaign periods in the election law allowed a distinction to be made between "political" and "public" or educational activity. If "political" activity was limited to the campaign period defined by the law, then by transcending this period *senkyo shukusei* was technically "public" in nature. Yet, for all the professions to the contrary, the Home Ministry bureaucrats were motivated by highly political objectives. Their hope to enlist Japanese society in support of the regime and of the Emperor System put them in structural competition with the parties.

The fact that *senkyo shukusei* was not established by law but through a bureaucratic ordinance was therefore no accident: on the contrary, the issue had been discussed in the Diet. When the issues of political education and election committees were discussed in

the Diet Special Committee for the Reform of the Lower House Election Law, one committee member thought that if the election committees were going to have both the duty and the authority to investigate election offences they should be established through the approval of the Diet. The bureaucratic spokesperson replied that *senkyo shukusei* was about spreading healthy political thought and about "making proposals to the administrative authorities concerned" and that this was not a legislative but an administrative matter (ibid., p. 171). The role of the officials was to be that of an impartial *arbiter* who did not discriminate between differences in social stature and reputation, or between parties or factions. Home Ministry vice-minister Ômori stressed the importance of maintaining a neutral stance. The bureaucrats' duty was to support and aid the movement, and to ensure its effectiveness. Thus *senkyo shukusei* would be a mutual effort between officialdom (*kan*) and the people (*min*). There was no room for political parties in this relationship (ibid., pp. 176, 186).

Revisionist Bureaucrats

The ideological challenge against the political parties was raised by an unlikely coalition between the extreme right with the moderate left. Upholders of the emperor system had allied with those concerned about social and class conflict which the process of industrialisation threatened to bring about. There were also "journalists, intellectuals, and representatives of the nascent labour and tenant movements [...] who decried the failure of the parties to be truly representative of the masses" (Berger 1977, p. 27). More than any other group, however, the so-called "revisionist bureaucrats" embodied this alliance. The most prominent revisionist bureaucrat was perhaps Gotô Fumio who played a central role in the institutionalisation of *senkyo shukusei*.⁸¹

⁸¹ Gotô had been a Naimushô bureaucrat until a few years previously, occupying the post of chief of the police bureau and Taiwan Bureau in the Naimushô, but had notably not risen to the top rank of vice-minister. At the time of his ministerial appointment, he was a member of the House of Peers. Throughout the decade, Gotô continued in important political posts, serving first as director then as vice-president of Konoe Fumimaro's IRAA (Soma 1986, p. 182). In his 1932 cabinet, Prime Minister Saitô made Gotô Fumio minister of agriculture, the youngest member of his cabinet. Gotô successfully pushed through proposals for new institutional arrangements which provided opportunities for many other revisionist bureaucrats: he created economic divisions in all governors' offices, and two super-ministerial agencies, the Manchurian Affairs Bureau and the Cabinet Investigation Bureau (Spaulding 1970, p. 56). In Okada KEisaku's 1934 cabinet, Gotô was promoted to Home Minister. His influence had grown to the point where he was seen as the central figure in the appointment of five further revisionist bureaucrats to the cabinet (Spaulding 1971, p. 65, also Spaulding 1970, p. 54).

The revisionist bureaucrats were a heterogeneous group with a diffuse set of objectives, but they had in common "a pragmatic nationalism emphasising the economic role of the state, a willingness to collaborate with like-minded men in other ministries, and in the military services, and a desire to change the existing order from within by non-revolutionary means," (Spaulding 1970, p. 52). Less inhibited by concerns for hierarchy, their reforms aimed for cabinet super-agencies to increase the nation's spiritual and military strength, and greater co-operation across sectional lines. These men were mostly "well-established career bureaucrats in their forties" (ibid.) and "included liberals, ultra nationalists, Communists, Marxists, opportunists, and several men committed only to bureaucratic roles," (Johnson 1964, p. 116).

Senkyo shukusei was part of a general de-politicisation of the national bureaucracy. In their heyday, during the 1920s, the parties had attempted and partially succeeded in penetrating the bureaucracy. Through the position of Home Minister the parties colonised the Home Ministry. With the end of party cabinets, the tables were turned. In June 1932, most of the governors who had been appointed during Inukai's tenure as Prime Minister were replaced with non-political bureaucrats. In September 1932, an imperial ordinance moved the responsibility for the appointment and dismissal of career bureaucrats to an independent commission. The Commission on Guarantee of Officials' Status protected bureaucrats against politically motivated sackings. The de-politicisation of the Home Ministry was closely associated with the rise of the revisionist bureaucrats, who filled the void left by the diminished political parties.

2.3. The Quick Demise of Election Purification

The Substance of the Senkyo Shukusei Campaigns

The first two *senkyo shukusei* campaigns occurred before local elections in 1935 and lower house elections in 1936.⁸² The activities of the movement centred around the distribution of pamphlets and posters, the organisation of lectures and informal talks (*kondankai*), and viewing movies or listening to recordings. There was even an official

⁸² *Senkyo shukusei's* non-political or public stance prevented its activity during the electoral contest. But this applied only to the short official election campaign period. In practice, the *senkyo shukusei undô* was most active in the months just before an election.

senkyo shukusei song. Occasionally, party representatives were invited to pledge that they would conduct fair campaigns and restrain their campaign spending (Hata 1987, pp. 7-8). In Fukuoka Prefecture during the 1935 campaign, for example, 57% of all eligible voters (a total of 272,488 individuals) participated in at least one *kondankai* and 43% took part in an official pledging ceremony.⁸³ The content and scheduling of these events was "suggested" by the *Renmei* whose instructions recommended what lectures would be appropriate at what times (Soma 1986, p. 189). One of the possible lecture topics for the general audiences was "How Mischievous Party Competition Destroys Home and Country." While voters were important targets, there were also appeals to youths and women. Elementary school children were engaged in calligraphy contests and women were invited to speeches like "*Shukusei* [Discipline] Begins at Home" (Soma 1972, pp. 209, 211).

If the logic of *senkyo shukusei* was that the parties and their election tactics were at the root of political corruption, one should perhaps wonder why voters and not election candidates were made to swear not to engage in vote buying. In fact, however, the political parties' practices were targeted merely at a superficial level, in practice the usurpation of their very power base was the objective. *Senkyo shukusei* aimed to obtain from the voters a greater loyalty than that to their social networks on which the parties relied. This required some drastic measures. Home Ministry instructions suggested that those who did not participate in the pledging ceremonies were to be ostracised ("*murahachibu*") (Soma 1986, p. 190).

This kind of political education was a far cry from what the supporters of political education in the 1930 *shingikai* had had in mind: "the education on real constitutional politics, [...and] emphasising the right of political participation to the people, and consequently strengthening the power of the lower house," (ibid., p. 118). The Home

⁸³ A *kondankai* could have an agenda along the following lines: "1) By no means vote for a candidate engaging in illegal activity such as vote-buying, offering of favours or house-to-house canvassing; 2) do not persuade or be persuaded to vote in a certain way in a secret meeting; 3) do not violate the freedom of legitimate election campaigns; 4) definitely do not abstain from voting," (Hata 1986, pp. 5-8). The schedule for a pledging ceremony was also laid out. After all had sung the national anthem, *kimi ga yô*, the Meiji Emperor's words at the promulgation of the Constitution were read; an address by a Shinto priest followed, and then individuals—representative for all in attendance—pledged to follow a set of principles similar to those discussed during a *kondankai*; the ceremony ended with three shouts of *banzai* (Hata 1986, pp. 5-8).

Ministry had constructed the political education provided by *senkyo shukusei* as an ideological backup to the toughened sanctions of the Election Law passed in 1934. As Home Ministry vice-minister Ômori had maintained during the *hōsei shingikai*, while it was possible to affect elections merely through rules and sanctions, they could be made more effective through educational leadership designed to reduce the people's lack of understanding (ibid., p. 186).⁸⁴

Responses to Senkyo Shukusei

The established parties, while naturally wary of the movement, felt compelled by public sentiment to play along, claiming that "occasionally you can hear that our party is not interested in *senkyo shukusei*, but that is a misunderstanding", in the case of the Minseitō, or "since *senkyo shukusei* was originally advocated by our party we should exert ourselves towards its realisation", in the case of the Seiyūkai (both quoted in Honma 1986, p. 2-3, see also Awaya 1974, p. 111). In spite of the number of party representatives overall, there were some efforts, especially on part of the members close to the *shinkanryō* to keep the two established parties, Minseitō and Seiyūkai out of the local *shukusei* committees (Honma 1986, p. 12-13).⁸⁵ One commentator on the 1935 election, Sassa Hirō, remarked: "The purification movement creates a premise for the cleansing of the political world and for the reconstruction of political parties. [...] The state would be an ally of the people against the corruption of the established parties," (quoted in Mitchell 1996, p. 65).

⁸⁴ Soma compares the complementary relationship between the election law revisions of 1934 and *senkyo shukusei* to that between the Constitution and the Imperial Rescript on Education: in both cases the state used education to reinforce a law, indeed to create the civic morality underlying compliance with the law. The use of the compulsory educational system during the Meiji period for the inculcation of state ideology was laid out in the Imperial Rescript on Education: education as the tool with which to mould the Japanese citizen in the image of the requirements of a modern, centralised state. Measured against this objective, *senkyo shukusei* appeared rather clumsy. "Rather than instilling a real sense of piety, [*senkyo shukusei* was merely] empty worship and acclamations of belief [...]," (Awaya 1988, p. 313). Nevertheless, *senkyo shukusei* must be understood as part of the electoral system. The election law governed the campaign period while *senkyo shukusei* governed the pre-campaign period (Soma 1986, pp. 180, 187-8).

⁸⁵ For example, of the thirty members of the Niigata *Senkyo Shukusei* committee, six were from the Minseitō, another six from the Seiyūkai, two were businessmen, four were journalists, three were representatives of social organisations such as the young men's association. The remainder consisted of an academics, local mayors or bureaucrats (Honma 1986, p. 5).

In supporting *senkyo shukusei*, the Minseitô had made a pact with the devil. What worked against the Seiyûkai in the short term turned out to be bad for all parties in the long run. This could be seen by the way that the election law amendments of 1934 altered elections. Bureaucrats on the one hand had been almost unanimous in favouring stronger sanctions, which were largely opposed by politicians on the other hand. The election reforms had led to a considerable increase in the restrictions on elections. Both main parties complained bitterly of the "unreasonable" degree of control which they thought to be in contradiction of the spirit of the amended election law. In 1937, another consultative council called for yet another reform of the election law.

Originally, there had been some emphasis on a volunteer element in *senkyo shukusei*: Tazawa had suggested in the *shingikai* that the committees could act as a kind of popular "volunteer police force," earning the enthusiastic approval of Minagawa of the Justice Ministry. But the idea's cool reception by the Home Ministry was more indicative of what was to follow (Soma 1986, p. 159). There was plenty of policing, but of the professional kind, strictly controlled by the Home Ministry. In April 1937, the Fukuoka prefectural police department welcomed *shukusei undô*:

If [candidates'] recommendation meetings and pre-election meetings are held with unitary, universal election bodies [i.e. the *shukusei undô* organisations] as a pivot [...] then achieving the expected effects should be possible without giving rise to corruption (quoted in Namida 1986, p. 63).

The effectiveness of *shukusei undô* remained difficult to ascertain because it was part of a change in mood that also allowed the police to act more decisively. In Fukuoka, 33 of 44 city councillors were arrested and 24 of them indicted for bribery in the mayoral election. Money politics in Fukuoka City had been particularly pronounced since the introduction of universal elections, but only after the introduction of *shukusei undô* was the police able to intervene (ibid., p. 65). Yet, the reactions of newspaper editorials to the first and second *senkyo shukusei* campaigns were mostly critical, noting that there was little abatement in election interference, that election speeches had become cautious and dull, and that voters who suspected that they were being blamed for "corrupt" relations with the candidates showed neither interest nor involvement, contributing to a

low turnout.⁸⁶ A Niigata newspaper pointed out: "The cure that heals a hundred times out of a hundred has killed the patient. [...] before the current *senkyo shukusei* will bring election offences to an end, it may well kill elections," (quoted in Soma 1986, p. 197). The 1939 local elections saw the police heavily involved in *senkyo shukusei* activities, even authoring slogans for the movement. Also as a result of the amended election law which allowed greater police control over elections, the police department became stronger within the Home Ministry (ibid., p. 177).

Eventually, *senkyo shukusei* no longer concerned itself merely with the corruption of the electoral process but moved into the proactive stance of trying to ensure that the right candidates stood for election and that the correct spirit prevailed. In city council elections in Utsunomiya, for example, a new initiative operated a multi-stage selection mechanism for candidates in elections to the city council. According to a 1936 Home Ministry publication, "*shukusei undô* should not stop at preventing only unfair practices, it should work towards making better representative chambers and better local politics," (quoted in Awaya 1974, p. 112). Increasingly, *shukusei undô* usurped the traditional functions of the political parties. In August 1938, a Fukuoka newspaper editorialised that "at the same time as the formation of something like the [local *shukusei* organisation] was necessary, taking passive measures such as the prevention of election law violations as in the past would be insufficient, and active measures such as planning the rebuilding of clean city politics through the election of outstanding candidates had to be devised" (quoted in Namida 1986, p. 68). This approach eventually led to the Imperial Rule Assistance Association elections which were contested by officially endorsed candidates selected according to occupational categories and which replaced all political party organisations from 1942.

Senkyo shukusei did not achieve local mobilisation to any large extent. Namida has called *shukusei undô* the bureaucrats' first "counter punch" against the established parties and the network of *meibôka* supporting them (ibid., p. 74). Funada Ataru of the Seiyûkai thought that the "results of *senkyo shukusei* will bring a great shock to the established support structures (*jiban*) of the parties. These support structures of the established parties are extremely strongly rooted but if through *senkyo shukusei*

⁸⁶ The participation in the 1936 election dropped by 7.4 points to 76.7 % (Mitchell 1996, p. 66).

bureaucratic authority is to interfere fundamentally, it will after all destroy them," (quoted in Susaki 1976, p. 52). Yet, so long as *senkyo shukusei* relied on propaganda more than organisation, it left the party-*meibôka* nexus intact. Furui Yoshimitsu from the Regional Bureau of the Home Ministry emphasised the need to penetrate society as deeply as possible by the use of *senkyo shukusei* committees. His plans were, however, not realised:

In order to bring home an enlightenment movement such as *senkyo shukusei undô*, there is certainly too much distance for sending an order from a far-off place like the prefectural offices. [... Concentrating on] only towns and villages is still too large. Unless we move hamlets or neighbourhood associations we will not bring economic reconstruction and *senkyo shukusei* home [...] (quoted in Awaya 1974, p. 108).

Over the years, *senkyo shukusei* slowly changed in character.⁸⁷ *Senkyo shukusei* became concerned about the compatibility between the spirit of the Meiji Constitution and the electoral system. An October 1935 assessment of the *senkyo shukusei* campaign published by Fukuoka Prefecture noted that, because the electoral system "is modelled on foreign countries, there is a sense that it does not conform to our national essence (*kokutai*), and just as the Meiji Constitution conforms skilfully to our national essence, we must attempt a fundamental re-assessment of how to make the election law conform to the national essence as well" (quoted in Hata 1986, p. 5). The army bureaucracy tried to intervene, having always resented Home Ministry dominance in the countryside. In January 1936, Army Ministry vice-minister Furushi Yômotoo, for example, sent a "Note Regarding *Senkyo Shukusei*" to Home Ministry vice-minister Akagi Tomoharu in which he advocated the re-orientation of the movement to concentrate on selecting candidates supportive of the "emergency situation", and to stamp out anti-army sentiments (Awaya 1988, p. 315).

Konoe's One-Party Movement

As the international situation became increasingly precarious for Japan, political streamlining at home to establish a "National Defence State" became more urgent. The

⁸⁷ While "[...] campaigns were waged annually until 1942, [...] they gradually reflected the official shift from electoral politics and became movements for the local promotion of state ideology," (Berger 1977, p. 73).

senkyo shukusei movement was soon overtaken by more direct attempts to bring about a national focus, in order to prepare for total war in Japan. The ideology, however, remained the same, carried further perhaps, for example in Prince Konoe's New Political Order. Prime Minister in 1937-38 and 1940-41, Konoe had tried in 1938 to form a new mass-based party, and in 1940 sought to bring about a one-party structure (Berger 1977, p. 161-74, 257-66). Konoe's aim, the elimination of the diffusion of power in the Japanese system, logically led to the formation of a one-party state. Yet as long as the war in China made division at home doubly risky, Konoe hesitated to oppose the existing parties who would have resisted the establishment of a powerful new political force. The parties were weak but by no means irrelevant (Berger 1977, p. 304-5).

Konoe's one-party agenda was a direct legacy of the third-party aspirations of Yamagata, Gotô Shimpei and Tazawa. He also inherited their ambivalence about whether to fight or join the political parties. A pure propaganda platform would be ineffective, a political one would be discredited and opposed by the parties.⁸⁸ Yet in many ways, though not in every respect, Konoe's ideas were imported from the fascist regimes in Europe as well as its, structurally not so different, antithesis in the Soviet Union. They both offered one-party state structures with a high degree of mass mobilisation. Opposition parties, competing centres of power, institutional balancing of power were all dismissed as ineffective, as a drag on the development of the state. Similarly Oda Tohiyo wrote about Japan in 1940: "Konoe and many other Japanese leaders in 1940 were critical of the concept of 'separation of powers,' holding that it was a legacy of decadent Anglo-American liberalism. At the same time, they were profoundly impressed by the obvious effectiveness of the Nazi and fascist systems in mobilising and integrating the energies of the state toward specific goals. Of course, Konoe's new order construct was no more a mere imitation of the German and Italian systems than party government had been a wholesale adoption of Anglo-American political institutions," (quoted in Berger, 1977, p. 268).

⁸⁸ Konoe was faced by a particular difficulty. If his aspirations were political, he could, for example not count on the support of the army. The Imperial Rescript to Soldiers and Sailors explicitly prohibited them from joining political associations. Konoe argued, however, that the New Order had no private, only public goals and because it did not propose the establishment of an alternative government but sought instead national unity, it could not be regarded as political in the sense of the law governing political associations (*seiji kessha*) (Berger 1977, p. 302).

Imperial Rule Assistance Association

Konoe's New Order led to the disbanding of all political parties in July 1940. They were replaced by the formation of the Imperial Rule Assistance Association (IRAA)⁸⁹ in October 1940. It was established as the central organ of the Imperial Rule Assistance movement, essentially a war mobilisation exercise, with the purpose of ensuring the unity and the common understanding between the Emperor and his people. Konoe still prevaricated, and the political role remained uncertain. It did not acquire political meaning until Prime Minister Tōjō utilised it to hold general elections in April 1942 in which he sought to reinforce the Diet's supportive role of the recently begun war in the Pacific and to use governmental pressure to prevent unsuitable candidates from successfully contesting the election. Only approved candidates were allowed. After the election, the Diet membership formed a unitary block, the *Yokusan Seiji Kai*. Its structure was symmetrical to the structure of the political parties (Awaya 1988, pp. 374-84).

The similarities between the Imperial Rule Assistance movement and the *senkyo shukusei* movement are considerable. Both were supported by similar coalitions of Japanists, the moderate right wing, intellectuals and revisionist bureaucrats (Berger 1977, p. 345). Like *senkyo shukusei*, the Imperial Rule Assistance movement had wider backing before it fell under the more narrow control of government bureaucrats, especially at the Home Ministry. At first, the *zaibatsu* had been co-opted to finance the IRAA. They were, however, turned off by the "new economic order" and its *dirigiste* and even socialist overtones and withdrew funding, the burden of which then fell onto the government. The main winner was the Home Ministry whose bureaucrats occupied important positions in the IRAA. Former Home Ministry bureaucrat and *senkyo shukusei* protagonist Gotō Fumio was named one of its directors. The Ministry even obtained control over the appointments of local IRAA officials, consisting of ten-man committees appointed and chaired by the governors. The election endorsements under the Imperial Rule Assistance regime attempted to pre-select those who would be best able to serve their country. Like *senkyo shukusei*, the rhetoric was to make elections more "ethical", "open and fair", "devoid of favouritism and cheating", to bring about the

electorate's "self-awareness" and "enlightenment", and to make candidates and their campaigners "self-disciplined," (Soma 1986, p. 196). In practical terms, the IRAA further increased central and bureaucratic control over elections.

In an environment shaped by the war in China and the Pacific, the State Mobilisation Law and the *taisei yokusan* movement, the *Shukusei Chûô Renmei* looked increasingly out of place. Although *senkyo shukusei* had become official campaigns operated by the Home Ministry, those activists in the *Renmei* who were its former bureaucrats did not purely reflect the Ministry's institutional interests but retained a degree of independence. Its president Tazawa, for example, had made occasional recommendations for further amendments to the election law, such as proposing proportional representation. This kind of reform, however, no longer meshed with the political reform embodied in Konoe's New Order plans or the IRAA. When Tazawa was asked in May 1942 to join the *Yokusan Seiji Kai* he politely refused. Two months later he dissolved the *Shukusei Chûô Renmei*, and withdrew from national politics (Gotô 1967, p. 1109). Tazawa's justification for his refusal to merge the movement into the IRAA reflects his continuing ambivalence about politics: "I have come this far criticising the established parties, why should I now join an even more evil political party?" Tazawa's predecessor as *Renmei* president, Nagata Hidejirô, felt that the "responsibility for the present corruption of the political world lies not only with the party men but also with the bureaucrats connected with them who have corrupted the electoral process," (both quoted in Soma 1959d, p. 55).

2.4. An Assessment of the Pre-War Movement

How did the election purification campaigns before the war frame the debate on money politics? At the core of the movement was the rivalry between the Home Ministry and the political parties over the organisation of the apolitical masses, especially in the rural areas. "Corruption" in this context is often made with reference to the "depravity" (*akuhei*) of the political parties, especially during elections. The tendency of the terminology was to reject politics more generally, not just the venality of political parties. Political interests, precisely because they were partial and not unitary, were

⁸⁹ *Taisei Yokusan Kai* in Japanese.

mistrusted as the root and cause of political corruption. This perception of corruption resulted not so much from the means by which specific interests sought participation in the political process but from the fact that they sought any at all. Politics as such was branded corrupt. The attack on corruption was an attack on those forces that stood against the continued state-building efforts begun in Meiji and increasingly focused on organising (and mobilising) all Japanese in a quasi bureaucratic fashion. Corrupt was the non-bureaucratic, the unorganised.

Distrust of party politics had not always translated into a wholesale dismissal of the entire political system. Those who differentiated between the legitimacy of the elected politicians and that of the party, concluded that politicians should self-regulate and take responsibility for ridding politics of the bad influence of parties (Soma 1986, p. 127). Yet precisely the parties' abuse of police and local administration to influence elections had engendered the ideas for neutral, third-party election oversight. The parties' own proposals for election committees could not be realised because they were not prepared to relinquish political control over the committees. As the Home Ministry retained close control over election purification, the parties' organisational integrity was challenged at both ends: below by the Home Ministry seeking to usurp the local influence of the *meibôka*, and above by progressive bureaucrats who wished to reduce Diet influence and to impose efficient national mobilisation. The two challenges were not unconnected, both aiming for increased efficiency through greater central control: mobilising the local communities for purposes of increased production and war-readiness on the one hand, and advocating greater bureaucratic professionalism through freeing the bureaucracy from political interference on the other.

The anti-party ideology was supported by a wide spectrum that included liberals as well as conservatives, those within the bureaucracy as well as those in the military and the nobility. However, there was some debate on the remedy. The debates in the various consultative councils and the Diet showed that again and again the election system was the object of reform proposals and actual reforms. Minobe Tatsukichi for example, who was a member of Hamaguchi's *shingikai* in 1930, did not think that a propaganda effort led by the government would solve the political problems. He was opposed to political education if it was organised by the government (see Minobe 1930). Instead, he was in favour of a change in the election system. Money politics was not a moral or intellectual

problem but a structural problem of the election system. Rather than a control of the parties, he suggested that a change to an electoral system of proportional representation would ensure that elections were less focused on individual candidates and less oriented towards the regional interests of individual electoral districts.

However, as the political power shifted away from the political parties towards the bureaucracy, the Home Ministry sought the institutionalisation of election purification because it promised to serve the dual purpose of cleaning up elections and of mobilising voters in support of the regime. Yet, election purification was never more than a propaganda effort. Its aim was political education, not mobilisation through organisation.

Measured against its aspirations, election purification was at best a qualified success.⁹⁰ The movement had not been able to alter fundamentally the character of elections. It was not particularly successful in the aim to mobilise the voters in the imperial cause and it failed to address the issues of concern to voters especially in the regions, such as joblessness or problems of food supply. *Meibôka* dominance remained throughout the war: To challenge it would have proved too divisive during war-time. However, it did not survive the US Occupation.

The basic pattern that undergirds today's pattern of control is not, however, of recent origin. During the Tokugawa period a village headman class served as the political intermediary for the *han* and *bakufu* governments; a power elite (*meibôka*) comprised mainly of landlords and small capitalists played a similar role in the Meiji-Taishô eras. [...] After the war, power gravitated back down to a class of influential leaders and officials (*yûryokusha*) at the local level. The *yûryokusha*, however, have been little more than parasites of the system, since their influence depends on solely on the fact that higher officials have given them positions on the bottom layers of the bureaucratic pyramid (Matsushita 1979, p. 183).

Soma Masao conceded that *senkyo shukusei* may not have been a very important story in the history of the electoral system, yet it did have important consequences: (a) the extension of Home Ministry governance to the level of the hamlet and neighbourhood association, (b) the encouragement of the formation of a modern local leadership below

⁹⁰ If election purification is seen as a precursor to the totalitarian structures of *Taisei Yokusankai*, then the movement was slightly more successful. In the sterilised elections under the *Taisei Yokusankai*, the kind

the level of the *meibōka*, (c) an increase of political consciousness at the local level, (d) the introduction of the totalitarian ideas of public morality into the everyday lives of the Japanese, and (e) the introduction of some of the measures that were to be part of the wartime experience: transmission of orders from above, group pledges, shrine prayers, regular raisings of the national flag etc. (Soma 1959d, p. 55). In general, *senkyo shukusei* brought about a greater degree of politicisation of the life in towns and villages, at the expense of the forms of organisation that had worked for the established political parties thus far.

3. The Post-War Reconstruction of Election Purification

Prologue: Establishment of the Election Commissions during the US

Occupation

Throughout the wartime period, elections were held under the regime of the IRAA. Each of these elections was accompanied by the election purification propaganda of *senkyo shukusei*. The first election under the Occupation after Japan's surrender, and after the dissolution of the IRAA, again allowed the participation of separate political parties, and *senkyo shukusei* was disbanded (Soma 1959d, p. 58). As it happened, not for long. First, however, General Headquarters (GHQ) of the U.S. Occupation began to effect important institutional changes. In the Home Ministry, the administration and execution of elections at the various levels had previously been the responsibility of the ministry's Election Section (*senkyōka*) within the Regional Division (*chihōkyoku*): at the national level in the hands of the Election Section, at the prefectural level in the hands of the governors, and at the local level in the hands of the mayors and their officials. First among GHQ's reorganisation was the dismantling of the centre of pre-war authoritarian mobilisation: the Home Ministry. It was split into a number of smaller agencies, and the Election Section was entirely separated from it. Occupation policy sought not only to decentralise the administration and to oversee elections but also to have elections overseen by a neutral and independent third party but it was not guided by an anti-party ideology as the question had been before the war.

of election law violations and corruption that had been wide-spread when the parties were at their zenith of power were no longer rampant—at the expense of a general reduction of interest in elections.

The initiative came from the Americans, but the new system was formally established by the Diet legislative process. On November 23, 1947, a bill establishing the National Election Administration Commission (*Zenkoku Senkyo Kanri Inikai*) was presented to the Diet and passed on December 7 (Nii 1978, p. 238). This body replaced the Election Section. Its nine commissioners were appointed by the Prime Minister from candidates put forward by the Diet, reflecting the strength of different parties and groups. Its first chairman, Minobe Tatsukichi, was neither a politician nor a bureaucrat. Its responsibilities included maintaining information on political parties and associations. Primarily, however, it was charged with the administration and research on upper house elections, confirmation referenda of Supreme Court Justices, as well as, supervision of the other election commissions at the national and prefectural level.⁹¹ Already in 1946, the reorganisation of the local autonomy law and the introduction of elections for mayorships and governorships had newly introduced sub-national election commissions: municipal, prefectural and national (for the newly eligible House of Councillors). Commissioners were selected by the assembly at the corresponding level for three year terms. No more than half of the total, four at the municipal level, three at the prefectural level, could belong to a single party or group. These new structures illustrate that the Americans' guiding principle was political self-regulation.

Were these election commissions the kind of institutions advocated by Gotô Shimpei and Tazawa before the war but which the *senkyo shukusei* committees never managed to be? Not quite. Their purview, including the running of elections, was much wider as it included those functions which Naimushô officials had carried out before the war. The commissions were explicitly accountable to the respective elected body. While this structure isolated the commissions from the bureaucratic apparatus, it allowed the possible influence of the political parties. This squarely contradicted Gotô and Tazawa's ideas about taking election oversight from the control of the parties. Yet even during the Occupation, the new structures did not strip the pre-war state's power over electoral affairs as effectively as had been intended. The commissioners were too few in number—in 1946 Home Ministry bureaucrats had successfully resisted American suggestions to increase their number—to run elections without considerable

⁹¹ A further aim was to supervise the planned, but never realised, popular approval of the Constitution.

administrative help. This help was supplied by municipal civil servants who continued to be closely influenced by the national bureaucracy in Tokyo. In addition, the staff of the National Election Commission was not all new: the junior bureaucrats of the old Election Section in the Home Ministry had merely been moved to the new institution. In 1952, soon after Japan regained its independence, a new ministerial level agency was established with most of the functions of the Home Ministry's old Regional Division: the Agency of Local Autonomy. It also absorbed the National Election Commission. The same year saw the rebirth of election enlightenment.⁹²

3.1. The Leadership of the former Bureaucrat Maeda Tamon

Reconstitution of the movement in 1952 and 1953

The initiative for a post-war *senkyo keihatsu* was started in preparation for the first post-Occupation general elections and as a response to the particularly dirty local elections the preceding year that had seen many cases of money politics. In April of 1952 representatives from a variety of professional backgrounds were called to a meeting in the Tokyo Kaikan hall in Tokyo's business district Marunouchi. The event was hosted by five men in their late sixties and seventies with long careers before the war who were soliciting support for an election clean-up campaign.⁹³

Their biographies illustrate that their standing derived not so much from their particular commitment to the new political system but from an active involvement in affairs of the pre-war state. The meeting was only the first act in a well-orchestrated play to bring back election purification campaigns. The stage had been set in the winter months of 1951/52 when Gotô Fumio had approached Maeda. Maeda had been an associate of

⁹² On the genesis of election commissions, see Chihô Jichi Hyakunenshi Henshû Iinkai 1993, pp. 248-255.

⁹³ The five men were Maeda Tamon, who had served in the Naimushô, had been deputy mayor of Tokyo, governor of Niigata Prefecture and Education Minister in the Higashikuni and Shidehara Cabinets after the war; Shimomura Kainan who had risen through the ranks to become vice-president at the Asahi Shimbun, and who had served as director of the Information Bureau in the Suzuki Cabinet from April to August 1945; Matsumoto Jôji who was trained as a lawyer and had been director of the South Manchurian Railway, a member of the House of Peers, and a Minister for Commerce and Industry in the Saitô Cabinet; Murata Shôzô who had risen to the position of president of the O.S.K. Lines, served as Minister of Communications and simultaneously as Minister of Railways in 1940, and was then president of the Japan Ship Owners Association; and finally Ishiguro Tadaatsu who had worked in the Agriculture

Gotô Shimpei (Kitaoka 1988, p. 217), and a member in Tazawa Yoshiharu's *Senkyo Shukusei Dômei Kai*. Later he had been a member of the National *Chûô Shukusei Renmei*.⁹⁴ He was very sympathetic to Gotô's suggestions. Already in 1946, he had suggested in the Diet committee concerned with the revision of the election law that there should be an enlightenment (*keimo*) campaign utilising radio broadcasts and political education methods to prevent election abstentions (Soma 1959d p. 64, note 1). Gotô may have wanted to spearhead the initiative himself but Maeda's post-war record as education minister and his successful dealings with Occupation authorities regarding political education—teaching "civics" in Japanese schools—made him a better choice than Gotô to serve as the centrepiece to the new campaign.⁹⁵

Money politics was the topic of the day in 1952. Maeda's was not the only response to it but—exhibiting significant continuity from the pre-war movement and commanding not only approval but even co-ordination with national bureaucrats—it was the one that was ultimately successful in building an institutional framework on a national scale. After the April meeting, the campaign enjoyed a very well publicised start, showing careful planning on a considerable scale: In short succession it enlisted public support from the Diet, the civil service and the media. In fact, the first written document entailing the concrete approach of the new campaign was produced by the National Election Administration Commission and settled its name: *kômei senkyo undô*, translating to "Fair and Clean Election Movement". Maeda in the meantime founded the private sector organisation at the heart of the campaign, the *Kômei Senkyo Renmei* (Soma 1972, p. 289-90).

Summary of events in 1952	
April 10	meeting in the Tokyo Kaikan
April 28	Peace Treaty become effective, ending Occupation and returning Japanese independence

and Commerce Ministry and later served as an executive of the Imperial Rule Assistance Association and as Minister of Agriculture and Forestry under Suzuki (Soma 1972, pp. 279-81).

⁹⁴ In a 1936 speech to the Niigata *senkyo shukusei* organisation Maeda recommended to keep "black lists of election brokers and corrupt men" (Honma 1986, p. 6).

⁹⁵ Maeda recruited assistants who had been involved in Tokyo's "clean city politics" and election purification movements before the war, specifically Koyama Tadayoshi, Itô Hiroshi, Yokoyama Seiichi, Furuya Keiji, Tanabe Sadayoshi—who were later often referred to as the *goyôkai*, or the "five young sprouts" (KSR 1972, pp. 11-2).

May 1	guideline for <i>kômei senkyo</i> campaigns circulated by National Election Administration Commission to all prefectural election commissions
May 4	declaration advocating clean elections simultaneously published by Asahi, Yomiuri and Mainichi
May 7	Diet resolution passed in support of <i>kômei senkyo undô</i>
May 30	cabinet order establishing government financial support for <i>kômei senkyo undô</i> prepared by administrative vice ministers' conference (cabinet order dated July 1)
June 4	<i>Kômei Senkyo Renmei</i> founded by Maeda Tamon and others
July 1	Local Autonomy Agency established, absorbing the National Election Administration Commission
July 30	first campaign event, co-sponsored by the National Election Administration Commission, the <i>Renmei</i> , and three newspapers, featuring representatives from the four large parties and Maeda Tamon
August 7	declaration of support from the national conference of governors
October 1	general election
November 12	<i>Kômei Senkyo Renmei</i> established as a foundation (<i>zaidan hôjin</i>)

(Soma 1972, p. 289-90, also Uehiro 1967, p. 23).

The declaration which was published by three newspapers simultaneously on May 4 was prompted by the guidelines issued by the Election Commission proclaiming the campaign's importance to both the newly returned sovereignty and the new democratic institutions:

In support of clean and fair elections: Now that we have regained our independence, the task that has been put upon us, the people, above all is to ensure that our politics is democratic. If we are to attain democratic politics through our own efforts, open and fair elections must be at the beginning. The reality until now has been elections which were driven, regrettably, by money and personal connections, and repeated violations of the law. Now, facing general elections soon, [illegal] pre-election campaigning everywhere in the country is indicating a serious disorder and makes the democratisation of Japan extremely doubtful. In order to help put elections right, the three newspapers, Mainichi, Yomiuri and Asahi, have decided to support the great popular campaign in these pages or through other appropriate methods (excerpted in KSR 1972, p. 5).⁹⁶

Not only the news media but also private corporate support had been enlisted. Financial contributions from these corporate sources reached ¥3 million. They covered the

Renmei's running costs but were clearly insufficient to cover the cost of a nation-wide campaign (ASSK 1983, p. 501; also Soma 1959d, p. 58). As early as May 30, the conference of administrative vice-ministers, with power delegated to it by the cabinet, contributed ¥ 5.1 million from the general budget, thus revealing their commitment to this campaign. The money was to "aid private initiatives indirectly," (Soma 1972, p. 289-90). The exact relationship between the private elements of *kômei senkyo* and the state's contribution to it would become apparent as the movement unfolded over the years. Before long public money began to dominate.

"*Senkyo shukusei*", the name that had been used before the war, was abandoned in favour of the new name, *kômei senkyo*, but this innovation was due more to the change of the environment than of the campaign's aims. The new name implied both the public character and the cleanness which elections should exhibit; they should be tainted neither by private interests nor by their money (Soma 1972, p. 283). Yet Maeda—who served as president of the *Renmei* for the first ten years—clearly derived his motivation for *kômei senkyo* from the pre-war example. He thought that *senkyo shukusei* had left positive impressions on many (ibid., p. 280) and he saw no need to change the basic blueprint: as before the war, *kômei senkyo* was to stay out of all party-political activity.

[...] Where the motive power of democratic politics, elections, is concerned there are not a few who, swayed by the evil practices of money and personal connections, disrespectful of the long struggle for the right to participate in politics and incited by those around them, end up acting against their own best interests. As a result, representatives are sent who are then corrupted by mud-slinging and party-manoeuving in the Diet, and many think that this is not right (Maeda 1953, p. 38).

Violations of the election law were only a subsidiary concern of the campaign. The point of *kômei senkyo* was not to get violators arrested. Maeda continued the approach of the pre-war election purification movement in preferring political education over stricter election regulation. He hoped the campaign would raise the voters' "universal political morality" through political education and would enable the voters to reach the political maturity that would allow them to decide for themselves which candidates

⁹⁶ This declaration was eventually followed by another declaration from the same three newspapers just before the general election on October 1, which emphasised the role and importance of the campaign in making elections clean and fair and ridding them of the influence of money (KSR 1972, p. 40).

should best serve in the Diet. Universal and democratic suffrage had put the crucial decision in the hands of the people. If the campaign therefore sought to reach the voters' consciousness, not just change the appearance of elections, mere sermons were not enough. Maeda wanted to appeal to the voters' own sense of morality (Maeda 1953, p. 38).

About half a year after the inception of *kômei senkyo* there was a general election. Like the 1951 local elections, but more than any previous elections, the general elections of 1952 turned out to be especially fraught with money politics. Pre-election campaigning, vote buying and other violations of the election law were rampant, occurring in about 90% of all campaigns, representing a six-fold increase over the previous general election, then under the Occupation. At the same time, voter turnout at 76.4% was higher than at any previous post-war election (Soma 1972, p. 291). Public interest in the first general election after the Occupation was fuelled by a number of factors. The end of the Occupation gave the Diet real significance. There was some indication that the most corrupt candidates were those purged but recently rehabilitated (Soma 1959d, p. 58). At the same time, the issue of the Peace Treaty that had ended the Occupation was contentious. Arguably, the high incidence of money politics was a consequence of this public interest. It certainly vindicated the need for election purification in the eyes of the *kômei senkyo* activists (Uehiro 1967, p. 22).

Maeda and his collaborators were not to be deterred early in the process. They took credit for having raised awareness about the problem. If it had not been for *kômei senkyo*, Maeda claimed, neither prosecutors nor the public would have been watchful and a smaller number of violators would have been discovered. From the very beginning, the movement was designed for the long term (Maeda 1953, p. 38).⁹⁷ The 1952 elections were only the starting point. Within the short span of less than a year, the objectives of *kômei senkyo* had already changed from a focus on elections to the long-term approach of political education.

And indeed, per cabinet order of November 11, 1953, *kômei senkyo* was recommended to operate on a continuous basis even when no elections were imminent. Behind this

⁹⁷ Maeda even thought that short term expectations, "easily interested, easily distracted," were a particular problem to Japan that he intended to combat.

decision was the newly formed Ministry of Local Autonomy.⁹⁸ A statement supporting the cabinet order stressed that, first, it was necessary to distinguish "political education" clearly from partial campaign activities. Second, it was not the government's position to restrict private activity, and the provision of indirect financial aid by the government or by local authorities would not constitute such restriction. Third, *senkyo keihatsu* activities would not include the uncovering and reporting of election violations; these would remain the responsibilities of government officials. Fourth, since the movement's objectives could be reached neither with a one-time effort, nor in a short time span, the movement should be made permanent (cabinet order, Soma 1972, p. 292).

The activities of Senkyo Keihatsu

How did *kōmei senkyo* define its objectives and how did it go about achieving them? Article 6.1 of the election law defined the purposes succinctly: "[...] in particular, the knowledge of voting methods, of election violations and other election related issues must be raised among the electorate." In 1954, the *Renmei* published its "basic aims" for "education on clean politics" (*kōmei seiji kyōiku undō*): "to set up a permanent educational movement with the purpose of raising the people's political standard, to permanently and broadly sharpen the people's healthy and democratic common sense in political matters, to improve their ability for independent judgement, and to passionately advocate the realisation of open and fair elections and the attainment of open and fair politics." (KSR 1972, p. 71). These objectives went well beyond the simple goal of reducing money politics; but this wide scope only serves to prove how fundamental a problem money politics was perceived.

Concretely, these objectives translated into rules such as those published by the Tokyo Housewives Association in 1955:

"Twelve Rules: Do Not Elect A Candidate..."

- (1) ...who spends money on elections.
- (2) ...whose name appears everywhere.
- (3) ...who makes presents and contributions.
- (4) ...who bows obsequiously wherever he goes.

⁹⁸ It had recently been upgraded from Local Autonomy Agency and today it is called Ministry of Home Affairs.

- (5) ...who prides himself on his protector's (*oyabun*) name.
- (6) ...who is involved in *on* and *jô*.
- (7) ...who has built a *kôenkai*.
- (8) ...who flatters the opinions of others.
- (9) ...who favours the back rooms over the meeting hall.
- (10) ...who does not keep peace in his own house.
- (11) ...who is involved with corruption.
- (12) ...who uses force"

(Soma 1972, p. 272).

There were four categories of activities. Lectures and seminars provided frontal instruction, as did radio and later television advertisements. Pamphlets and reading material allowed greater depth, but only the last category of activity involved active education: small group discussions, also referred to as talk sessions (*hanashiai*) (KSR 1972, p. 73). This last method was perhaps the most innovative, as it borrowed the latest concepts from a discipline, group dynamics, that was just beginning to gain great popularity in the United States. *Hanashiai* was endorsed as the best way to realise *senkyo keihatsu* at a conference of the National Election Committee on October 5, 1956 with more than a thousand attendants in Tokyo. These small group sessions, often carried out in co-operation with adult education institutions, gave participants the opportunity to voice their own opinions as well as listen to those of others. By 1957 there had already been 124,201 participants in 2,861 *hanashiai* nation-wide (Soma 1972, p. 333-9).

The sessions proved to be a curious amalgamation of largely Western-influenced group therapy put in a Japanese context. The *Renmei*'s publication of the handbook on *hanashiai* in 1956 explained: *Hanashiai* could take many forms, "buzz sessions", panel discussions or role plays. What they all had in common, in accordance with the principles of group dynamics, was that they were designed "democratically". The group selected a leader from its members although the leader's role was supportive more than decisive. Still, *hanashiai* sessions were not wholly unsupervised: a trained moderator not only introduced all technical matters about this form of interaction, provided specialist knowledge and materials, he was also in charge of directing, if subtly, the discussion. It was to this person that the handbook addressed itself. The goal of the exercise was that participants would understand the connection between their daily lives on the one hand and politics and elections on the other (Soma 1972, p. 351-355).

The handbook also cautioned about the different ways in which a *hanashiai* could run into trouble: participants not used to open discussion might not contribute freely, some might be afraid of being ridiculed, a majority opinion might railroad dissenting voices, some participants might be too easily persuaded to change their opinions. The handbook also provided solutions should other problems become apparent: what to do if the awareness of the problem was not sufficiently developed among participants, if the role of the moderator was not accepted as legitimate, or if traditional social restraints like the human relations that existed between participants (*ningen kankei*) or custom interfered with the objectives of the group (Soma 1972, p. 358-61).

In principle at least, the purpose of such small group discussions was less their content than the exercise in basic democracy that they provided. They were based on the assumption that Japanese election practices were caused by a low level of civic experience. This—basically cultural—argument required that political education would furnish the kinds of experiences which Japanese history and tradition had failed to provide. It went as far as to proclaim that "we can all become subjective individuals" and "respect each other's personality and opinion." (Soma 1972, p. 348).

Institutionalisation and the Role of the Election Commissions

In its written documents, *kōmei senkyo* is frequently described as a "private, voluntary" movement (*minkan jishu undō*). While the *Renmei* did indeed serve as the private umbrella organisation, from the beginning, the Local Autonomy Agency and later the Local Autonomy Ministry—through the election commissions—formed its backbone. In a number of prefectures, "clean election" campaigns had already begun to spring up spontaneously. The May 1, 1952, guidelines, which the National Commission issued to the prefectural election commissions, sought to establish central control over these campaigns. The nation's election commissions were hierarchically structured and eventually came under the supervision of the Ministry of Local Autonomy after its absorption into that ministry. The staff of the regional election commissions, made up from local civil servants, was headed by a national civil servant delegated from the Ministry of Local Autonomy in Tokyo. Matters of policy were decided centrally.

Soon *kōmei senkyo* became the legal responsibility of the election commissions, and the financial responsibility of the central government (Soma 1959d, p. 59). The 1954

revision of the election law formally committed all election commissions to *senkyo keihatsu*. According to the law's articles 6.1 and 261.2, the election commissions "have to exert themselves towards raising the political understanding among the electorate, by availing themselves of continuous opportunities, so that elections will be carried out openly and fairly". It also committed government money to pay for *senkyo keihatsu*, specifically for lectures, meetings, seminars, and movies, for the production of newspapers, pamphlets and posters, as well as for the communication expenses with other groups.

At first the Ministry of Local Autonomy, ordered local authorities to allocate a part of the regional taxes.⁹⁹ Soon funding became even more centralised and the central state took direct responsibility for financing *senkyo keihatsu*. For the next ten years centrally reimbursed "commissioned expenditure" would prove the predominant means of financial support for *senkyo keihatsu*. No longer part of the huge pool of centrally collected tax money which was transferred back to the local bodies, the *senkyo keihatsu* finances instead became a substantial portion of the Ministry of Local Autonomy's relatively small "policy" budget (Soma 1959d, p. 61). The structural implications were a strengthening of the centre-periphery, top-down direction of decision making (ASSK 1983, p. 517). Nevertheless, a national meeting of all prefectural election commissions in Tokyo on March 26, 1956, welcomed the additional ¥100 million from the ministry, and endorsed continuous *senkyo keihatsu*.¹⁰⁰ After the government had stepped into the breach, the movement's advocates were repeatedly able to lobby for greater financial allocations. As the incidence of vote buying did not decrease in the 1955 election, for example, financial support was increased (ASSK 1983, p. 501-2).

⁹⁹ The original allocation from the regional tax distribution (*chihô kôfuzei*) was ¥100 million. Under "other miscellaneous expenses," prefectures were to budget ¥780,620 and cities and towns ¥52,730 each, making a total of ¥43 million for prefectures and ¥57 million for cities and towns. This money was intended to defray the cost of permanent, or "recurrent" (*jôji*) activities, i.e. continuous political education. On top of it was added the disbursement of "non-recurrent" (*riji*) expenses for election campaign initiatives. For example, the non-recurrent expenses for the 1954 local election amounted to ¥50 million. However, for the recurrent expenses, the method of allocating a portion from the tax distribution proved difficult, as it financed *senkyo keihatsu* out of the regional budgets over which the ministry had only indirect influence.

¹⁰⁰ In 1957, another ¥100 million were added under a different format, for a total of ¥200 million. Funds from the national budget were paid directly to prefectures, cities and towns as so-called "commissioned expenditure" (*itakuhi*) (ASSK 1983, p. 502-3).

The *Renmei* continued to be supported by private, corporate sources, but this approach soon ran into difficulties. In spite of continued efforts by the *Renmei*'s staff to raise money from industry and financial circles, insufficient response threatened to jeopardise the organisation. From 1954, the *Renmei* received a small amount of money from the Agency of Local Autonomy, also in the form of commissioned expenditure. While private money would have been preferable, the "reality unfortunately did not permit it." (KSR 1972, p. 64). There had been doubts from the very beginning whether the *Renmei* could survive over the long term with just private money (Kanemaru 1959), but Maeda continued to resist becoming fully dependent on the government. He preferred operating on a reduced scale over losing his freedom of action. In 1961 however, the ministry, intent on enlarging the scope of *senkyo keihatsu*, pushed an increased commissioned expenditure budget on the *Renmei* virtually against its will, though at the same time promising not to exercise its potential influence (ASSK 1983, p. 179).

At the prefectural level, the election commissions were actually not carrying out any activities themselves. In each prefecture, and later also in cities and towns, they preferred to assist the formation of *kômei senkyo suishin kyôgikai* (called *suikyô* for short) which brought together representatives from a variety of social organisations. Not unlike the *Shukusei Renmei* before the war, the *Kômei Senkyo Renmei* soon after its foundation had enlisted the support of a diverse array of organisations. Among the thirty-five "co-operating groups" (*kyôryoku dantai*) were the national conference of governors, the national conference of mayors and other groups close to the Ministry of Local Autonomy. There were Keidanren and a slew of other business councils, as well as farmers' associations, private media associations, and the NHK. They also included women's and housewives' groups, the *Jinja Honchô* and other central religious organisations, and the national conference of parent-teacher associations (KSR 1972, p. 16). Through these groups' local organisational structures, the *Renmei*—which could not hope to build its own local organisations in a short time—tried to bring its political education agenda to the grass roots level. The brunt of this co-operation was carried by two of these, the Young Men's and the Housewives' Associations.

The co-ordination of these groups at the prefectural level fell to the election commissions and the *suikyô*.¹⁰¹ Thus the administrative vice-minister at the time advised the prefectural election committee chairmen: "[...] as regards the methods of the movement, we would advocate close contact and effective and appropriate steps towards co-operation with these private groups [...]" (Soma 1972, p. 331). Providing public money gave the ministry influence, yet it also forced activities into a bureaucratic corset. In 1961, it laid down rules for "commissioned business" (*itaku jigyô*). It separated the different responsibilities of the *Renmei* and the ministry itself, and elaborated which activities were to be carried out by the prefectural *suikyô* and which by the municipal *suikyô*. (Soma 1972, p.339-40).

3.2. Trans-War Continuities and Discontinuities

Before emphasising the similarities between election purification before and after the war, we must appreciate the differences in the political environment. The political system had changed beyond recognition. Political parties were sufficiently powerful to be able to stop any budget allocations to election enlightenment. The Home Ministry was no longer in existence. Defeat in war had changed the goals of national mobilisation. Nevertheless, the political culture of money politics continued. In line with the greater importance of political parties, money politics possibly mattered more than it had before the war.

The current state of the Diet, driven by corruption and influence peddling, is disowning the very democracy that was earned with noble sacrifices from the people, and at the same time its behaviour can only be called anti-popular, forgetful of the great mass of the people (Kômei Senkyo Renmei 1972, p. 74).

This statement was submitted by 46 representatives of young men's associations around the country, at a three day retreat organised for young men's and housewives organisations in July 1954. It used the term "democracy" to express the same disdain for parliamentary politics as *senkyo shukusei* had before the war and exposes a continuity of ideas and ideology. So while the changes had an impact on the movement for election

¹⁰¹ By 1961, there were prefectural *suikyô* in all prefectures, though only in a fraction of the cities and towns: In nineteen of the forty-three prefectures fewer than one-fifth of the cities and towns had *suikyô*

purification, there were also many continuities. These continuities are easily explained by the fact that the men who resurrected the movement had all been involved before the war and had in fact modelled the post-war activities on their pre-war experience.¹⁰² There are three areas in which significant continuities were apparent: first, *kōmei senkyo* continued to concentrate on elections as the crucial political institution to "clean up" politics, second, it maintained its distance from the political parties, and third, it was a movement of political education.

Both the continuities and the discontinuities are exemplified in *senkyo keihatsu's* approach to elections. The focus before and after the war remained squarely on elections, and the role of the election commissions after the war owed some precedence to the commissions that had been planned by the political parties before the war. Yet, the function of elections within the political system had changed. Maeda Tamon thought that elections under the old constitution had merely provided popular "assistance"¹⁰³ and the real business of government was then carried out by officials in the name of the emperor (Maeda 1963, p. 98-9). Kanamori Tokujirō, minister (*kokumu daijin*) in charge of constitutional revision in Yoshida's first cabinet, had pointed out how the constitutional framework had changed. The source of political legitimacy was no longer the emperor but the people:

Whereas before, the people existed by virtue of the emperor's recognition, now under the new constitution, the emperor continues to exist by virtue of the people's recognition (Kanamori 1957).

Kanamori wondered about the exact implications of this reversal. If the people really ruled, then there should be no dissent with the government, no corruption, no anti-government demonstrations. That was clearly not the case: the government and the people were often opposed to, and bad-mouthing one another. Similarly, Maeda had no expectation that democracy by itself would be less susceptible to money politics than the old system and was clearly doubtful of the competitive nature of the new system. Whether Maeda expected this system to change or not, he did plan the rebirth of

(Soma 1972, p. 344).

¹⁰² Maeda continued to think most highly of the pre-war *senkyo shukusei* movement until his death in 1962 (Maeda 1963, p. 98-9).

election purification to coincide with the end of the U.S. Occupation. He argued that a gap existed between the institutional set-up of the Japanese political system and the spirit which governed it (Maeda 1958, p. 1). To close this gap was the aim of *senkyo keihatsu*.

The following example was given by one of the bureaucrats in charge of *kōmei senkyo*: although the new constitution emphasised individual rights, the point of politics was not to facilitate the existence of the individual but the art of living in a community. Political maturity—which is what *senkyo keihatsu* aimed for—was a prerequisite for achieving the increasingly difficult arbitration of individual and communal interests and to prevent the overemphasis of individualism. Politics aimed to accommodate both the interests of individuals with those of the state through the mechanism of parliamentary representation. Its purpose was not just to provide the majority power over a minority but to achieve a "large majority" that could claim to represent the public interest with greater legitimacy (Uehiro 1967, p. 21).

Senkyo keihatsu sought to instil a "public spirit". It was lacking, Maeda felt, because of the ease with which one could shun one's responsibilities in the freedom of a democracy. For each individual it was easy enough to expect the next person to do the job. Elections provided the opportunity to display this public spirit. Voters who did not merely maintain a by-stander's or a critical attitude, but realised the responsibility they had for the communal livelihood, Maeda thought, would not be swayed by vote-buying (Maeda 1963, p. 98-9).¹⁰⁴ In a *senkyo keihatsu* publication Tokyo University Law Professor Miyazawa, the successor to Minobe, argued that elections were the way to realise one's responsibility towards the communal livelihood. The community at stake, however, was primarily the national, not so much the local community. Elections were not merely a right but a duty to send the most suitable person as a representative. They were a duty to the state. This duty had to be exercised for the public good, not in

¹⁰³ "Assistance" is used in the same sense as in the Imperial Rule *Assistance* Association.

¹⁰⁴ At a regional *senkyo keihatsu* meeting in Hiroshima, Maeda invoked the spirits of the war dead. Their sacrifice for the nation, he claimed, had brought elections that were a central link between the people and the government. Maeda's respect for the pre-war election purification stemmed from his perception that such a "public spirit" had been its core (Soma 1972, p. 436-7).

exchange for some private good or obligation towards a relative or helpful friend (Miyazawa 1958).

Unlike the election purification movement before the war, *senkyo keihatsu* did not so much espouse an anti-party ideology, as it ignored the existence of political parties altogether. No publication or guideline until well into the 1960s recognised the existence of, much less a legitimate role for, political parties. There was no discussion of the political parties' and individual politicians' money politics practices. However, this approach was consistent with the belief that problems of money politics were deep and cultural, and that a change of traditional practices required a long-term educational solution. Consequently, there was no need to meddle in party politics. The movement's aims, however, suggest the continued structural competition with political parties at the grass roots level. Educating voters, raising issues, putting national, regional and local politics in relation to everyday lives were functions which the political parties could also claim.¹⁰⁵

Kômei senkyo could have addressed the parties' lack of organisational structure and their inability to educate the voters. Instead, it attempted to build a nation-wide organisation that would have made mass-based political parties superfluous. In this sense, it continued to deny the legitimacy of political parties. Before the war, election purification had been overtly directed against political parties. After the war the anti-party attitude became much more implicit. Of course, there was no question of displaying an openly hostile attitude to political parties. The movement had to avoid direct confrontation with the Diet. A head-on dispute could easily have spelled the end of the movement in the post-war context.¹⁰⁶

¹⁰⁵ To Kondô Misao, a member of the Advisory Council on the Election System in the 1960s, the failure of the Japanese parties to provide these functions suggested their immaturity and the backwardness of the Japanese system: "Similar political education drives are the work of political parties, and are not a business promoted by politically neutral groups. In our country, it began as a response to the complete change to a democratic system suddenly after the war, [...]" (Kondô 1972, pp. 11-2).

¹⁰⁶ To be sure, the movement could not have existed without its accommodation of the ruling conservatives. At first glance, *kômei senkyo*'s reformist attitude could appear anti-establishment, its modernising impetus anti-conservative. In fact, the movement never attempted to influence voters in a direction away from predominantly conservative voting patterns. Voter mobilisation tended to support the ruling party; especially if little time was spent to discuss competing ideologies. In one particular instance, *senkyo keihatsu* appears to have moved closer to conservative interests by designing its campaign for the 1960 election under the slogan of "Let's maintain the election law." The movement also tended to de-politicise every day experiences, and to discourage voters from active participation in

In a third continuity to the approach of election purification before the war, the preferred method for instilling a "public spirit" was political education. People would have to be taught to "do one's share without looking to others," Maeda thought (Maeda 1963, p. 103-4). A lack of vigilance on the part of the voters left the recruitment process to the Diet open to abuse. Candidates only won elections through money politics because voters who could be swayed by gifts or other inappropriate considerations lacked maturity. However, a mature, educated voter would select the right candidates. By conceiving the Japanese political system as fundamentally backward, *senkyo keihatsu* implied that rationalising Japan's political culture could not be achieved through simple changes of the legal framework. Traditionally, violations of the election law drew only little social sanction and met with considerable tolerance (Sakurazawa 1962, p. 86). As long as the law's observance was contingent on tradition and precedent, a change of these attitude required political education, not legal reform.¹⁰⁷ In order to provide this kind of education *senkyo keihatsu's* scope had been enlarged from an intermittent effort—which, waged in the election run-up, tended to focus on election law offences—to a permanent campaign in 1954.

The terminology employed to describe political education such as election "enlightenment" (*keimo*) or election "awakening" (*keihatsu*) was indicative of its modernising impetus. A "modern" state was linked to a national identity. Both pre- and post-war movements sought the modernisation of the Japanese political system, in order to build a rational, modern, internationally competitive state. These goals, a centrally conceived and planned mobilisation of the regions to make the nation as a whole more efficient, were almost identical to those of the Home Ministry before the war. There was also a similarity in the top-down, centre-region structure. Although the Ministry of Local Autonomy never did have as much power as the Home Ministry had commanded,

politics. Soma Masao has criticised the movement for its "superficial" political education which, he said, prevented a radical overhaul of political consciousness that would have favoured opposition parties, and that its failure to address political fund-raising presupposed the legitimacy of the existing unequal distribution of capital (Soma 1959d, p. 60-3).

¹⁰⁷ Nevertheless, during the 1960 election a "Let's maintain the election law" campaign was organised within *kômei senkyo*. It focused attention on the shortcomings of the law. Indeed the campaign called not only for the strengthening of sanctions on the more serious infractions such as vote buying but also for a relaxation of many traditional restrictions of the election law (KSR 1972, p. 91). Increasingly, *senkyo keihatsu* began to address legal changes in addition to its original preference for advocating broader changes of political culture.

it did use *senkyo keihatsu* as one of the channels through which the central bureaucracy exercised control over the regions.

4. The Organisation of Election Purification and the Role of the State

4.1. The Changing Organisation of Election Purification

Although *kōmei senkyo* initially took little account of political parties, the parties on occasion had reason to take notice of *kōmei senkyo*. The extension of the Security Treaty under Prime Minister Kishi Nobusuke in 1959 had an adverse impact upon the public image of the LDP. The charged political atmosphere in turn made the 1960 general election particularly contested, and arrests for violations of the election law rose markedly. One of the political priorities for Kishi's successor, Ikeda Hayato, was to increase public trust in politics again. These circumstances set the stage for large increases in *kōmei senkyo* funds in the early 1960s (ASSK 1983, p. 510).

The increase in these violations resulted in the convening of a consultative council on the election system (*senkyo seido shingikai*).¹⁰⁸ Over the course of the 1960s, the ministry attempted to forge a broad alliance of academics, practitioners, and other reform-minded modernisers to provide "expert" opinion on just about every aspect of the legal and structural reform of political institutions, especially the election law and the *kiseihō*. These *shingikai* included representatives from the major parties as extraordinary members, usually Diet members. Diet members who had been elected under the existing system, regardless of their party affiliation, had few incentives for political reform and on these councils tended to obstruct reform proposals. Although a number of reform bills were drafted as a result of the councils' deliberations, they were

¹⁰⁸ Since 1949, there had been a number of "research commissions" on the electoral system (*senkyo seido chōsakai*) which had also debated *senkyo keihatsu* among other issues. In 1961, Prime Minister Ikeda upgraded this commission to an "consultative council". Until 1971, there were six further consultative councils on the election system, the first three convened by Ikeda, the latter four by Satō. Officially, consultative councils were independent committees of experts and practitioners offering research and advice on legislative matters. In practice, they were selected and administered by the ministry in charge, in this case the Ministry of Local Autonomy. The discussion papers, containing information as well as draft proposals, were provided by the ministry. Not only were quite a few of the council members former Home Ministry or Local Autonomy Ministry officials, but even those who were not were appointed by the ministry. Normally, politicians did not sit on these councils, but because of the political nature in this case, there were also a number of supernumerary members from the Diet (see, for example, Schwartz 1993).

often allowed to expire in Diet committee hearings as none of the parties appeared interested in a change of the *status quo*. Only minor reforms were realised. The councils did serve a political role, however: both Prime Ministers, Ikeda Hayato and Satô Eisaku, often attended the plenary sessions of these councils and thus used them to portray a reform-minded image in order to appease a public opinion incensed as much by repeated money politics scandals as by dirty elections.

The *shingikai* also discussed the organisation, effectiveness and problems of *senkyo keihatsu*.¹⁰⁹ The Council's findings largely confirmed the approach and intentions of *senkyo keihatsu*, suggesting however that the movement needed to make its methods more concrete to be effective, and to this end required greater financial support from the government. Ministry of Local Autonomy Section Chief Sakurazawa summed up the findings:

In order to make the elections in our country clean and fair, of course we need to improve the election system. Even more important, however, is the deepening of the people's self-consciousness and the wakening of their political common sense (Sakurazawa 1962, p. 84, 94).

The *shingikai* harboured no illusions about the effectiveness of *senkyo keihatsu* as it was practised. The subcommittee identified four problem areas: a general disregard for laws and regulations in the area of elections that made the movement's efforts especially difficult, a lack of commitment from voluntary and private organisations officially recruited as "co-operating groups", a lack of professionalism in the educational methods of the movement, and the ineffectiveness of the methods which were, in fact, employed. Regarding the last two points, the Council had concrete proposals. Election issues should be included in school teaching and there should be teaching materials prepared that would make possible such an approach in middle and high schools. The movement's methods could be reinforced by better training of the discussion group

¹⁰⁹ By 1960, the profile of *kômei senkyo* had risen sufficiently such that one of the four subcommittees of the First Advisory Council on the Election System dealt exclusively with *kômei senkyo undô*. It did so at the special behest of its chairman Nomura Hideo who, aged seventy-four, had been chairman of the national broadcasting company, NHK, before the war and managing director of the Asahi Shimbun. He thought that the experience of the research commissions of the 1950s had shown that a purely legalistic, or "technical" (*gijutsuteki*) approach to elections was unlikely to yield the desired results. Believing that it was necessary to consider the preparation of the voters and to develop their "good sense", Nomura had personally pushed for the separate subcommittee on *senkyo keihatsu*.

leaders, and the utilisation of radio, television, movies and similar media (Sakurazawa 1962, p. 87-8).

Ineffectiveness of the Election Commissions

The movement had no dedicated staff except at the *Renmei*. The election commissions were not very effective in carrying out and co-ordinating *senkyo keihatsu* activities. The Council came to the conclusion that members of the commissions were on average too old, too often male, not sufficiently educated and, in terms of professional background, too much weighted towards agricultural professions. Most importantly, they were too pliable. It suggested that the problem could only be solved if greater restrictions were placed on the types of people that could be elected as commissioners, their term was lengthened to at least three years, municipal assemblymen were barred from serving as commissioners, and at least one of the commissioners held a permanent position.

All these proposals were, in fact, in line with the organisational interests of the ministry. They would have made the central control of the commissions far easier (Sakurazawa 1962, p. 93). Already the commissions' staffs—local civil servants—were headed in rotation by a delegate from Tokyo, although ultimate control rested with the municipal or prefectural assemblies.

In practice, commissioners were at the mercy of the very politicians they were meant to control. A chairman of a municipal election commission was recalled by the city's assembly because he had been too zealous in his pursuit of *kômei senkyo* (Soma 1963, p. 44). Often, an unsuccessful candidate for political office was subsequently made a commissioner. Such a situation made it difficult for the commissioner to condemn those practices of politicians' who had been successful. Also, he was likely to be less well-connected than the successful politicians, and therefore of little use to the organisational efforts of *senkyo keihatsu*. In addition, the commissions had failed as effective transmitters of *senkyo keihatsu*, because they lacked the influence in local society which was central to the movement's objective of political education. The Council concluded that as long as the assemblies, i.e. politicians themselves, controlled the selection of commissioners, no degree of educating them could be expected to result in greater effectiveness for the clean-up of elections, indeed that the commissioners were holding up the "progress" of elections in Japan (Sakurazawa 1962, p. 92).

A reform of the election commissions did not take place, but as a result of the Council's report, the Ministry of Local Autonomy was able to request considerable budget increases for *kômei senkyo* (ASSK 1983, p. 503). Between 1960 and 1964, recurrent public expenditures for *senkyo keihatsu* increased from ¥230 million to ¥550 million, well outpacing even the steep growth of the general budget at the time. In addition, local elections were included for the first time in the scope of *senkyo keihatsu* as Prime Minister Ikeda himself announced at the plenary session of the second *shingikai* (ASSK 1983, p. 197). This decision was intended to accelerate the penetration of the *suikyô*, the movement's organisations, at the municipal level. It was preceded by a legal argument about whether local elections were under the purview of the central state, and could be subjected to *senkyo keihatsu* paid for and organised essentially by the central state. The argument was settled with a compromise in which local elections were covered from recurrent allocations, while only national elections could draw on non-recurrent funds. This distinction implied that even if elections were not the responsibility of the central government, political education of the nation was (ASSK 1983, p. 532-3).

In spite of budget increases, problems continued. By the middle of the decade—arrests for election law violations had again increased during the 1963 general elections—the search continued for a way to achieve *kômei senkyo*'s objectives more effectively. The problem of lack of commitment on the part of the election commissions remained.

Tanabe Sadayoshi, one of the most committed directors of the *Renmei* identified three possible reasons. First, in spite of the legal obligation to devote some of their time to *senkyo keihatsu*, the commissions tended to focus on their original business of running elections and many commissioners knew very little about how to conduct *senkyo keihatsu*. Second, the commissions met too rarely. Third, *senkyo keihatsu* activities were carried out by the commission's administrative officials, employees of the municipal government, and not commissioners themselves (Soma 1972, p. 451). Tanabe was of course an interested party but even those without a direct institutional interest in the movement concurred. The same argument was put forcefully by Ichikawa Fusae¹¹⁰ in

¹¹⁰ The famous women's rights advocate was born in 1893, and had been involved in campaigns for the extension of the franchise from her twenties. First, in 1922, with the help of the women's rights group *Shin Fujin Kyôkai*, she effected a revision of the 1887 Peace Preservation Law which prevented women from gathering for political purposes. For the next two decades she became a radical activist for women's

the budget committee of the upper house in 1964; the Minister of Local Autonomy agreed with her:

One of the reasons why the *kōmei senkyo* movement does not produce any good results is the fact that the election commissioners are invariably not suitable people. A number of them, for example, are former candidates who have failed to be elected to political office. [...] Unless either commissioners suitable for *senkyo keihatsu* are added, or the commissions are left in charge of their original responsibilities of running elections and political education and *senkyo keihatsu* is delegated to a different institution, the clean election movement in the present structure will, I am afraid, fail to produce results [...] (Soma 1972, p. 451).

Other problems included a lack of penetration at the local level and a lack of co-ordination between the different agencies involved in *senkyo keihatsu*. The *suikyō* worked reasonably well at the prefectural level; at the municipal level, however, the activists were over-stretched, the regular members uninformed and the relationship with the election commissions unclear. Finally, the co-operation between the three—*Renmei*, election commission and *suikyō*—was not clearly defined. More than working with one another, they existed in parallel to one another. The co-operation that did occur was motivated by convenience more than a differentiation of roles. Sometimes the *Renmei* was called upon just to provide funding, at other times it was very deeply involved in the activities of a *suikyō*. A particular problem for these local organisations arose from the fact that the *Renmei* produced printed material without inviting feedback from those that actually used it (Soma 1972, p. 452-3).

In the view of Tanabe Sadayoshi, the dominance of the Ministry of Local Autonomy created by the increased financial outlays exacerbated the problems. After Maeda Tamon's death in 1962, the *Renmei* had become increasingly dominated by the Ministry of Local Autonomy. When it was founded it had designed its own activities, but little more than thirteen years later, business commissioned by the ministry dominated. Many of its staff were delegated from the ministry and there were only few genuine *Renmei* staff. If anything, this trend continued further. In the 1960s, the ministry began to take

political rights. This led to an interest in a number of election clean-up campaigns. In 1942, she was co-opted as a leader of the Dai Nihon Fujinkai which precipitated her purge by US Occupation forces in 1947. Subsequently, she was many times re-elected to the Diet (Murray 1975, p. 176-180).

greater control of the movement, circumventing the commissions and exerting direct influence on the movement's different organisations.

New organisational structures give the ministry greater influence

The continuation of these problems led to a turning point for *kômei senkyo* in 1965. A number of changes were instituted. Most importantly perhaps, under the new Prime Minister, Satô Eisaku (1964-72), the recurrent national budget outlays began to grow much more slowly, and indeed even began to fall in relative terms. The reluctance to increase the movement's budget was reinforced by a fall in arrests for election law offences during the 1967 elections, the first such fall since 1953. Another change was the adoption of a new name: *akaruku tadashii senkyo undô*.

The new name had become necessary because the old one had been usurped by an entirely unrelated organisation. In 1959, the Sôka Gakkai, a Buddhist "new religion" recruiting its members primarily from socially disenfranchised urban citizens, had for the first time contested elections. It did so under a name—*Kômei Seiji Renmei*—and platform that was surprisingly close to that of the *senkyo keihatsu*, perhaps hoping to ride on the name recognition of *kômei senkyo*. A few electoral successes later, in 1964, the name was changed to *Kômeitô*, usually translated as Clean Government Party. For *kômei senkyo* the similarity in names soon turned into a liability.¹¹¹ The name change was the result of external circumstances but it also reflected the desire to reconsider *senkyo keihatsu's* activities "fundamentally, with a view to carrying them out more coherently, scientifically and effectively" (Soma 1972, p. 448).

A decision was taken to change the institutional structure considerably by establishing the *Akaruku Tadashii Senkyo Suishin Zenkoku Kyôgikai (Zensuikyô)* as the national umbrella organisation for all *suikyô*. It was legally established as a foundation (*zaidan hôjin*) in August 1967 in order to streamline the organisational structure of *senkyo keihatsu* and resolve the problem of the election commissions. It gave the *suikyô* direct

¹¹¹ Not only was the Sôka Gakkai's reputation as a new religion—and indeed as a political party representing the interests of its constituency—questionable, but the *Kômeitô* also became better known than *kômei senkyo*. In response, the Local Autonomy Ministry initiated the search for a new name in the form of a general mail-in contest. Out of 2,258 different suggestions, received from 72,313 contributors all over the country, a panel chose *akaruku tadashii senkyo undô* as the new name ("Topics", *Senkyo*, April 1964, p. 56).

access to a central organisation in Tokyo, circumventing the election commissions, but facilitating their control and guidance from Tokyo (Uehiro 1967, p. 23).

Already in 1961, Tanabe had proposed to the *shingikai* a central institution with full funding from the state which would address the lack of co-ordination between the different institutions involved in *senkyo keihatsu*. The *Renmei*'s financial situation was not sound enough to play this role; it was still relying in part on industry funding (Sakurazawa 1962, p. 90). Five years later, an increasing number of *suikyô* at the local level demanded greater consideration of their particular needs. Until then, the *suikyô* had to relied entirely on the corresponding election commissions for money as well as direction. Kojima Ken, President of Meiji University at the time, and from 1966 the first regular chairman of the *Zensuikyô*,¹¹² remembered:

[...] sometimes, the head of an election commission and the chairman of a *suikyô* would fail to come to a mutual understanding about whether the use of government "commissioned" funds was appropriate, and, depending on the prefecture, in spite of much enthusiasm and labour there would be useless resentment [...] (ASSK 1983, p. 189).

A clearer division of labour between all the organisations involved in *senkyo keihatsu* increased the power of the ministry over a more streamlined and centralised organisational structure at the expense of the politically dominated election commissions.¹¹³ This new structure relieved the election commissions of much of their pivotal role and increased the importance of the Ministry of Local Autonomy's leadership. A newly formed steering committee of representatives from the election

¹¹² Miyazawa Toshiyoshi, Minobe's successor as professor for constitutional law at Tokyo University, had been the founding chairman.

¹¹³ On October 5, 1966, at a meeting between the *Zensuikyô* and related organisations, the following five points were agreed: (1) The ministry took overall responsibility for the planning of activities, and communication between different organisations, as well as providing guidance. It also had responsibility for execution of those activities that applied to the whole of the country, such as TV and radio broadcasts. (2) The election commissions at the prefectural and municipal levels had supervisory responsibility for their region and had to ensure the co-operation from other government offices. (3) The *Renmei*'s functions were reduced to planning functions: conducting research on methods and aims of *senkyo keihatsu*, as well as on views of the election system and its problems. (4) The *Zensuikyô* was given responsibility for the effective and uniform execution of local activities: the co-ordination of the local *suikyô*, the training of their staff and of other activists. (5) The local *suikyô*, finally, were in charge of running the activities on the ground, consisting for the most part of liaising with the supporting social groups in the planning and holding of lectures, conducting *hanashiai* etc..

commissions at the prefectural and municipal levels, the *Renmei* and the *Zensuikyô*, to be convened at regular intervals, was attached to the ministry (Kondô 1972, pp. 11-2).

Financial Relations Reflect Continued Organisational Problems

A somewhat different picture is provided by the funding structure underlying the new organisational structure, for three reasons. First, spending on the movement dropped. Central government money was distributed by the ministry directly to the *Renmei* and the *Zensuikyô*, but the greater part continued to be channelled indirectly through the Central Election Commission, to the prefectural commissions and from there to municipal commissions. The prefectural *suikyô*, which paid a membership fee to the *Zensuikyô* yet also supported the municipal *suikyô*, received their funds from the prefectural election commissions.¹¹⁴ So the Local Autonomy Ministry was unable to overcome the position of the election commissions as gate-keepers.

Second, the Ministry of Finance questioned the legality of financing regional *senkyo keihatsu* from the centre. The prefectural election commissions were institutions set up by the Local Autonomy Law. The Ministry of Finance argued that they could not be commissioned for specific tasks by the central government, while the Ministry of Local Autonomy insisted that *senkyo keihatsu* was a responsibility of the central government. A solution was reached by converting commissioned expenditure (*itakuhi*) into subsidies (*hojokin*).¹¹⁵ From 1965, half of the prefectural commissions' expenses, and from 1966, two-thirds of the municipal commissions' expenses were such subsidies. Expenditures for national elections, and for the national level institutions, the *Renmei* and the *Zensuikyô*, continued as before in the form of commissioned expenditure (ASSK 1983, p. 511). The election-related campaigns (*rinji undô*) continued to be paid for in full by the government (Uehiro 1967, p. 26). The redefinition as a subsidy

¹¹⁴ Thus in the fiscal year 1964, ¥550 million that were spent on *senkyo keihatsu*, were divided into ¥110 million spent by the ministry itself, ¥390 million distributed through the election commissions, and ¥50 million paid to the *Renmei* (Kondô 1972, pp. 11-2). After the restructuring, the government spent ¥500 million in the fiscal year 1967. The ministry spent approximately ¥100 million, the prefectural commissions ¥85 million, the municipal commissions ¥240 million. The two umbrella institutions together were allocated around ¥70 million, ¥40 million for the *Renmei*, and ¥30 million for the *Zensuikyô* (Uemitsu 1967, p. 24-6).

¹¹⁵ The subsidy amount was linked to the amount of money which the prefectures spent on *senkyo keihatsu* from their own resources, i.e. from the tax distribution. A declining part of the activity had continued to be financed from this source (Uemitsu 1967, p. 24).

potentially gave the Ministry of Finance a say in the way the funds were used because subsidies could be audited by public accountants in order to determine whether the expenditures actually conformed to the stated purpose of the subsidy.¹¹⁶

Third, the decrease in the money available meant that resources were stretched thinly in some places. Even where money was available, the *suikyô*, unlike other recipients of subsidies, often did not ask for increases. *Senkyo keihatsu* was difficult, its goals perhaps impossible. There was a lack of enthusiasm for activities dictated by Tokyo, and prefectures and municipalities were reluctant to cover their portion of the expenditures under the subsidisation scheme (Soma 1972, p. 460). In some locations, the scale of a single event was too small. The smallest allocations to single towns had been as low as ¥50,000. Some villages had refused the money, in others the movement existed merely because the money was available (Uehiro 1967, p. 26). In order to make small amounts more effective, the minimum annual expenditure was raised from ¥50,000 to ¥100,000 in 1969 and selected cities were singled out which would henceforth receive greater amounts. This meant, on the other hand, that some villages were excluded from *senkyo keihatsu* activities altogether. The process of concentration on selected areas continued, however, so that in 1980, the minimum amount (of which two-thirds were subsidised) was raised to ¥750,000 (ASSK 1983, p. 537). This response to a strained financial situation was the first instance where *senkyo keihatsu* abandoned its aspirations as a movement of national coverage and seemed to be at least a partial retrenchment.

4.2. Conceived by Elites, Organised by Bureaucrats, Run by the State?

An important aspect of the self-perception of the post-war movement, and of its preferred image presented to outsiders, was the private and non-governmental nature of its activities. This emphasis belied the considerable influence of the Ministry of Local Autonomy but it was not wholly inaccurate. The ministry's bureaucrats found themselves in an ambivalent position. On the one hand, they wished to maintain the

¹¹⁶ There was a case, for example, when *hanashiai* allegedly did not conform to the stated purpose of the subsidy: The criticism was that the sessions were performed by intermediaries. In this case, the intermediaries were the social education staff of the *kôminkan*, one of the *suikyô*'s supporting social groups. Sessions were further criticised for often ignoring the issue of elections, and for being ineffective in spreading the educational message because they were always attended by the same people.

independence of the movement and the local effectiveness that this status ensured. Private organisations should be "the real locomotive for a continuous *senkyo keihatsu*." Rejecting a reorganisation "by official force," Uehiro said he would like to see the movement take a course of "reorganising out of its own strength," (Soma 1972, p. 458). It further meant that the state's involvement in *senkyo keihatsu* would have to remain formally limited to those activities carried out by the ministry itself, such as radio and television broadcasts, and its guidance over the election commissions.

The bureaucrats were well aware that the success of the movement depended on its local organisation and activities. Practical reasons forced the movement to rely on third party initiative, the more so the farther away from the centre. This burden of conducting the activities fell to the local *suikyô*. These had little organisational depth but rather their members were expected to function as multipliers by providing access to the organisations which they represented or over which they had influence.¹¹⁷ The *suikyô* were conceived as distribution centres of expertise on elections and political education but concrete projects were delegated to the organisations of which the *suikyô* members were the leaders.

On the other hand, the bureaucrats worried about the lack of control and effectiveness on a national scale, and ended up making recommendations, improvements, and then implementing them. Many of the municipal *suikyô* were very ineffective in that they organised few events and had poor attendance records. The ministry was presented with the difficult problem of guiding and controlling them, initially through the election commissions. Uehiro Chikatami, one of the section heads in the Election Department of the Ministry of Local Autonomy, made this ambivalence clear, speaking at the *Todôfuken Shitei Toshi keihatsu Jimu Tantôsha Kenkyû Kyôgikai*, in 1968:

[...] that the activities of *senkyo keihatsu* can be effected smoothly, should be the responsibility of the central or local government. [...] Presently the official side is perhaps assisting the private groups in too many cases, but that is a temporary phenomenon in the development of democratic politics.

¹¹⁷ Their members were not average voters, who were to be the beneficiaries of political education, but locally prominent people such as teachers, professors, civil servants, and office-holders of other social organisations such as the Young Men's Associations or the Housewives Associations. Because of their social standing these people could be co-opted most easily into a "good cause" (Soma 1972, p. 344). They were the functional equivalent of the *meibôka* before the war but less likely to be beholden to the political parties.

[...] An organisation nourished only by the authorities is grass without roots. Even though the route may be a long one, we have to embark on it with the increasing strength of private groups. At the moment, however, are the private organisations really doing their part? To be sure there are a number of groups which are fairly pulling the officials along, but especially at the local level, there are many *suikyô* which merely enlist the chiefs of existing social groups perfunctorily (quoted in Soma 1972, p. 458).

In the first half of the 1960s much effort had been spent on energising this local organisational structure of *kômei senkyo*. Financial outlays were increased, prefectures were asked to guide cities and towns more closely, and better co-operation between the regions and Tokyo was repeatedly recommended (ASSK 1983, p. 516-8). In 1966, the Ministry of Local Autonomy issued a plan to strengthen and broaden the *suikyô* structures, part of which was the establishment of the *Zensuikyô*.¹¹⁸ Effectively, the movement received central government leadership and guidance. Such grass-roots initiative as there had been was smothered by the very methods of centralisation and increased efficiency. In the strategy to organise, control and mobilise the nation, not dissimilar to the one employed before the war, lay the rationale for the institutional restructuring of 1965. Yet the attempts to impose greater control only reinforced the top-down character of the movement.

Until his death Maeda had been one of the obstacles to greater bureaucratic control. Maeda had stressed that before the war, the movement was largely run by government authorities. After the war, he recalled, the initiative originated with men without official capacity (Soma 1972, p. 281). Under Maeda, the *Renmei* had continued to guard the movement's independence jealously. This independence also implied organisational decentralisation, because state dependence and centralisation were often seen as two sides of the same coin.¹¹⁹ For all their independence, however, not only had many of the *Renmei*'s directors been influenced by the pre-war movement in which the state's presence was particularly marked, they were also often former servants of the state, as

¹¹⁸ A *suikyô* was to have differentiated membership: there would be supporting (*suishin*) members, co-operative members and members of the society of friends. The *suikyô* would also expand their brief to include not just elections to public office but also other kinds of elections, such as those to agricultural co-operatives, PTAs, town meetings etc. (Soma 1972, p. 455).

¹¹⁹ According to the "basic aims" published in 1956 not even the *Renmei* claimed the position at the centre of the *senkyo keihatsu*, a position that should rather be occupied by the various groups constituting the movement (Soma 1972, p. 332).

Maeda was aware. What the movement was seen to lack was sufficient grass-roots enthusiasm:

The private movements (*minkan undô*) in our country, as can be seen not only in the case of elections but also in other social education movements such as *shinseikatsu undô*, the traffic safety movement, youth corps, etc. extend to a small group of leaders and volunteers but suffer from a low degree of acceptance among the public in general, (Uehiro 1967, p. 23-4).

The particular problem of *senkyo keihatsu* was the paradoxical aim of using a grass-roots initiative in order to achieve an elite objective. Conceiving of voters as uneducated and beholden to traditional attitudes about politics, *senkyo keihatsu* required the people not so much to be active subjects, but to participate in the campaigns, that is as objects of education. Its aim was to achieve the same legitimacy that compulsory education in the schools enjoyed, although political education was of course directed at people of voting age, who had already passed through compulsory education. Its approach took many cues from compulsory education such as universality (*heimenteki*) and uniformity (*kakuichiteki*), yet it relied on quasi-private forms of organisation (Uehiro 1967, p. 23-4).

This paradox was probably the reason for the movement's eventual failure. It was expressed, for example, in the cultural gap between the political reformers and political practitioners. Academics, educated *shingikai* members, and the bureaucrats who were planning *senkyo keihatsu* did not have much regard for politicians who were afraid that they would not stand a chance of election without proven practices such as vote-buying (Soma 1972, pp. 404-5). They were happy to pay lip-service to *senkyo keihatsu* as long as the it posed no effective challenge to their local bases of support and did not alter the structural parameters of the game, such as the role of the election commissions, for example.¹²⁰ In this way, the movement foundered on the immobility of the political system. Certainly Prime Minister Satô, in spite of the Black Mist scandals, never even used the movement as a public relations tool, as his predecessor Ikeda had done. *Senkyo keihatsu* had tried but failed to achieve any meaningful penetration of local society.

¹²⁰ At one point, the bureaucrat Uemitsu had even suggested, without success, to put the political parties in charge of parts of *senkyo keihatsu*: "[...] as the election system's fundamental direction is shifting

Because more effective measures were not possible without legislative backing, the result was both a diminution of the *senkyo keihatsu*'s ambitions and the Ministry of Local Autonomy's gradual retreat from the reform agenda.

4.3. Consolidation & Retrenchment in the 1970s and 1980s

"Rome was not built in a day, and to be sure, *senkyo keihatsu* is still far from reaching its Rome," (Soma 1972, p. 5). By the time Soma Masao, the most extensive chronicler of the movement, wrote this sentence the chances that the movement would reach its goals were receding. Voter awareness of its campaigns and activities was slipping precipitously.¹²¹ The falling value of the movement's budget forced the local organisation to retrench. Much less did the movement have a discernible impact on the election culture. Money politics was as important a part of political life, and of elections in particular, during this time of Tanaka Kakuei's ascendancy as it had always been. The character of elections was changing, but not necessarily improving:

With respect to the public [television] broadcast of politicians' statements, there can be no doubt that the realities of the election clean-up movement have changed. That is not to say that the degree of corruption has lessened. We have not left the bad image behind, only a product of modern civilisation [i.e. the television] has opened a new direction for election campaigns (ASSK 1983, p. 331).

Although the number of arrests for vote buying had dropped considerably by the early 1970s, there was little sense that the movement had fulfilled its purpose.¹²² To the movement's activists, the reduction in vote-buying was merely a surface appearance, and the task of political education remained unfinished:

towards the parties, we should hope for a development of *senkyo keihatsu* by the parties themselves." (Uemitsu 1967, p. 26).

¹²¹ Awareness of the movement fell from 73% in 1962 to 47% in 1972, and over the same period the number of those polled who had participated in an event sponsored by the movement fell even more, from 21% to 3% (Ikeda 1972, p. 16).

¹²² The number of indictments fell more slowly, however, than the number of arrests. During the general election of 1953, 45.8% of arrested people were indicted, but during the 1980 general election, 53.7% of those arrested were indicted. The distribution of those who were arrested/indicted changed as well. In 1953, two-thirds of indictments were of candidates and their campaign workers, only one-third of indictments was against voters. (A breakdown by arrests is not available for this time period.) In 1980, this ratio had all but reversed: A little over two-fifths of the arrests were of candidates and campaign workers, and almost three-fifths were of voters (Akarui Senkyo Suishin Kyôkai, 1983, p. 583).

Force is no longer used openly, the emphasis has changed to the offer of positions or of material benefits, and to feelings of personal obligation (*giri ninjô*); especially the former has become more varied and occurs on a larger scale. We must confront Japanese culture. Even in a society ruled by *giri ninjô*, elections [must] transcend individual feelings (ASSK 1983, pp. 547-8).

By the movement's twentieth anniversary, Kojima Ken, chairman of the *Zensuikyô*, thought the point had been reached at which to "reconsider the whole approach" (in his preface to Soma 1972). The name was changed to *akarui senkyo* in 1974. For the first time *senkyo keihatsu* literature began to acknowledge the existence of parties and their importance in fostering responsible voting behaviour (*Akarui Suishin Kyôka ni Kansuru Yôryô*, in ASSK 1983, p. 606). The reality of the politicians' support groups, the *kôenkai*, was accepted in the research and activities of *senkyo keihatsu*. These changes were marginal, but began to put the approach of the past into question. Increasingly, time and effort were spent less on heavy-handed political education and more on researching voting behaviour and political attitudes. The education agenda reduced its aims, concentrating on trying to decrease voter abstention rates.¹²³ These changes did not so much amount to a new start as to a scaling down of the movement's earlier ambitions. To be sure, *senkyo keihatsu* continued to call perfunctorily for the observance of the existing laws, and to intone the mantra of clean elections, but its stance became much less activist. Eventually its role became so diminished that some of the people involved in its early years in the 1950s were "full of emotion at the recollection," (Kondô 1972, p. 12).

The falling *senkyo keihatsu* budgets squeezed the *Renmei* harder than the other organisations so that from 1972 it began to curtail its activities so heavily that its existence was threatened (Kondô 1972, pp. 11-2). Eventually, in order to reduce costs, the ministry pursued a merger between *Zensuikyô* and *Renmei* in 1975. The two institutions were combined into one, with a simpler name, the *Akarui Senkyo Suishin Kyôkai* which was established on July 1, 1976 (ASSK 1983, p. 351).

¹²³ As if embarrassed by its earlier, more ambitious agenda, there was also a reassessment of the movement's history. Rather than giving Maeda and his *Renmei* the credit for re-starting the movement after the war, Minami Zenshi, a Ministry of Home Affairs bureaucrat, placed the beginning in the efforts of the movement of the *Kempô Fukyûkai* which tried, during the first general and upper house elections after the war, to increase voter participation in the elections (Minami, 1974, p. 8).

At almost the same time, there was an unexpected, but short-lived reversal of fortunes. Embarrassed by the money politics and resignation of Tanaka Kakuei, the LDP needed to fight low public approval ratings in the opinion polls. A large increase in *senkyo keihatsu* funds for fiscal year 1975 was hoped to help the "recovery of people's trust in politics." (ASSK 1983, p. 250-2). This time, however, the mere injection of funds into *senkyo keihatsu* was not sufficient. Miki Takeo became Prime Minister and, among a range of reform efforts about which more will be said in the next chapter, he also gave a moral boost to the clean-up of elections. On December 25, 1974, the Diet passed a resolution in support of an election clean-up with the votes of both the government and opposition parties:

[Recent] elections have moved decidedly against what has been desired by the people. [...] Elections should be the reflection of the people's judgement and should promote healthy and confident competition between policy platforms. [...] Those involved in politics must sincerely discipline themselves and we must support popular campaigns to clean up elections.

The respite did not last. After the second oil-shock, pressures on the general budget hurt *senkyo keihatsu* especially. In February 1979, the policy council of the federation of labour unions (*Seisaku Suishin Rôdô Kumiai Kaigi*) published a list of subsidies and government expenses it considered expendable. It suggested that the subsidies to the election commissions and the commissioned expenditure to the other *senkyo keihatsu* organisations should cease or be lowered substantially (*Asahi Shimbun*, 11/2/79, p. 5). In response, a joint committee of election commissions sent a letter urging the list's authors to reconsider the recommendation: enlightening the voter necessarily required a quiet but constant effort and it should not be abolished merely because the effect was not well understood or could not be ascertained quickly (*Senkyo*, April 1979, p. 23).

However, institutional interests were the safest guarantee that *senkyo keihatsu* would not go under entirely. To the Ministry of Local Autonomy and to local governments, the movement's organisations provided retirement positions. To politicians they provided a cover of money politics reform. So the movement continued, for example with a resolution in advance of the 1980 upper house election:

There has not been a time in our country when the call for the clean-up of elections, for their ethical conduct has been stronger. [...] Of the parties and

candidates we request that they conduct elections within the correct rules, and without using money. To the voters we call out to cast their vote conscientiously, based on the right understanding and not to be swayed by money, gifts, or personal connections (ASSK 1983, p. 431).

On November 19, 1982, the movement celebrated thirty years of post-war institutionalisation in grand fashion, with 700 guests in attendance. They were led by Prime Minister Suzuki, the speakers of both houses of the Diet, and a long list of guests of honour nominated by both the Prime Minister's Office and the Ministry of Local Autonomy (ASSK 1983, p. 447). Public grandstanding, however, did not reflect the real attitudes towards the movement. New budget pressures began to affect *senkyo keihatsu*. Its budget allocations had remained constant in nominal terms for five years until 1980 while the general government budget had been greatly expanding. After 1980, they began to decline even in nominal terms. Between 1980 and 1988, regular expenditures for *senkyo keihatsu* dropped from ¥1,200 million to just under ¥800 million. The extent of decline can be understood more clearly in relative terms: its 1988 portion of the general budget was about one-fifth the size of its 1980 portion of the general budget. The response was to rationalise and concentrate *senkyo keihatsu* activities further by focusing on fewer, larger projects. In effect, this approach eliminated many activities, and further reduced the geographical scope of the *senkyo keihatsu* agenda (ASSK 1983, p. 536).

After the scandals of 1988 and 1989, the amount of money available for *senkyo keihatsu* was again increased. Yet these additional funds were too small to make any genuine difference. They paid for the added publicity that a slew of reform proposals, the reconvened consultative council on the election system, and the implementation of reforms in 1994 and 1995. In contrast to 1975, *senkyo keihatsu* did not even attract the attention of politicians or other political reformers who were looking for ways to address money politics.

5. Conclusions: Failure to Reform Money Politics through Education

The history of election enlightenment (*senkyo keihatsu*) in Japan is at least as long as that of universal suffrage. Many continuities have extended from the movement's beginnings to this day. In particular, there was the continued emphasis on the "public" and on public duty, and the implied rejection of self-interest. The idea of actively

shaping national identity through national progress, encapsulated in a Japanese conception of "modernisation", remained constant even through the defeat of 1945. There was also the continued focus on elections, and an anti-party attitude that was only mitigated when the significance of the movement was waning. Naturally, there were also important discontinuities, for example, after the movement suffered an interruption during the war: criticism of the parties and their partiality was no longer explicit; it made fewer value judgements about desirable political outcomes; the methods employed, such as *hanashiai*, were less authoritarian; the scale of the movement and the amount of government support was much smaller.¹²⁴

More important than the continuities of approach and the discontinuities of implementation was the fact that election enlightenment has been, over time, an important response to money politics. It not only denounced the influence of money in elections, it also tried to make voters immune to it. Although its approach often clashed with the approach of changing the election law, it proved more resilient, surviving, for example, universal suffrage in 1925, the debates on strengthening the restrictions in the election law in a variety of consultative councils in the 1930s, the different systems tried right after the war, the *shingikai* of the 1960s. Instead a paternalistic attitude towards political immaturity of the voters tended to de-emphasise money politics' structural dimension, and emphasise its cultural dimension.

The cultural approach recognised that Japanese political culture was different from Western political culture. It included two, somewhat contradictory, views. The first view, which implied that Japanese politics was less advanced and less modern than, and therefore needed to catch up with, the West, referred primarily to a perceived lack of maturity on the part of the voter. Because democracy in Japan was of recent origin the corresponding social and political values had not taken root. Voters were beholden to remnants of tradition and old cultural values. The ambitious cultural re-programming

¹²⁴ The changes that have taken place over the span of more than sixty years may well be gleaned from the different names that the movement has assumed. The pre-war name, *senkyo shukusei*, indicated an authoritarian character and a position essentially outside of and in opposition to, the Diet. Just after the war, the name changed to *kōmei senkyo*, connoting a much less interventionist approach. The emphasis was on the electors' public duty to vote. The lengthy name adopted in the 1960s, *akaruku tadashii senkyo* was necessitated by competition from the Clean Government Party. Finally in 1974, the name changed to

attempted as a result of this view did not always meet with great success. *Hanashiai* sessions, for example, often did not manage to get participants to talk about political practices they did not consider a problem, or to re-examine the social framework of which they were a part.

The second view, however, contained the hope that Japanese politics would evolve to be different from some Western models where political parties were all powerful. It envisioned a political system that did not entail the representation of partial interests but took a more unitary form. By directing itself to the education of the voters, the movement did not, for a long time, take account of political parties and politicians. This failure was at least in part due to the focus on elections. *Senkyo keihatsu* advocates maintained that elections, as the very basis of the political process, are the starting point from which to reconstruct the political system. This focus at the same time ignored political parties and delegitimated any party political activity outside of the election period. *Senkyo keihatsu's* own educational activities were, however, carried out outside of elections when it expanded them from intermittent campaigns to a permanent movement in 1954.

Senkyo keihatsu's campaign for a modern and efficient political system was thus not just the search for a copy of a Western political system, but the attempt to imbue elections with a Japanese spirit in support of a Japanese version of the state. This view was naturally not necessarily shared by the political parties, but it is clearly expressed in Gotô Shimpei and Tazawa's own positions and the subsequent election purification campaigns. That the post-war movement was re-established after the Peace Treaty in 1952 probably reflects Maeda's and his collaborators' expectation that political education was all the more necessary after the Americans, the main guards of the new political institutions, had left.

As the differences over the desirability to establish a Japanese state in which the political culture was one without partiality and partial interests reflect, election enlightenment was not supported by everyone, and not all the time. There were three groups of protagonists in the history of election enlightenment in Japan: independent

akarui senkyo, indicating the reduced ambitions of the movement, which focused its attention on the understanding and transparency of elections.

activists, political parties and the national bureaucracy. First, both before and after the war, the movement took its initial start through the commitment of independent activists such as Gotô Shimpei, Tazawa and Maeda. Although these men shared biographies that marked them as national civil servants, and although they were clearly both sympathetic to and expecting support from the bureaucracy at the Home Ministry and the Ministry of Local Autonomy, they had their own, independent, agenda. The independent activists envisioned that the election enlightenment movement would ideally be a private initiative, born by an organisation of voters for the benefit of voters. This would have been a more effective way to achieve organisation and mobilisation of society than through formal institutions and legal prescriptions. For this reason, the claim that *senkyo keihatsu* was a popular movement (*minkan undô*) was so important to the movement's ideological justification. However, there just was not sufficient response for a purely voluntary movement, so the government felt it needed to step into the breach.

Second, the national bureaucracy continued to see election enlightenment as an important tool for nation-building and the fostering of a national identity. The national bureaucracy's considerable financial and organisational support in building up the movement was an important element from the beginning. This was especially apparent before the war, when "revisionist bureaucrats" attempted to create a modern but totalitarian state, but some of the reflex to organise the entire electorate survived until after the war. The ministry continued, as it had before the war, to pursue a program of modernisation, working towards mass mobilisation of the Japanese citizenry in support of national goals such as economic growth. As the Ministry of Local Autonomy acquired more responsibility for the movement in the post-war years, but failed to solve the underlying problems, the diminution of the activists' influence effectively contributed to the diminishing belief in the effectiveness of the movement's approach. In addition, its inability to exert fuller control was exemplified by the challenge from the Ministry of Finance over commissioned expenditure.

Third, the political parties naturally had a keen interest in the issue. In the early Showa years, they tried to manipulate the emerging election commissions in their own interest and therefore continued to play along with the election enlightenment commissions. After the war, they were at first indifferent towards the movement but later saw its value as a public relations vehicle when money politics scandals threatened to tarnish their

image and their electoral fortunes. Whenever scandals reduced the trust in the political system, an opportunity presented itself to reassert the importance and purpose of the movement. However, the parties had little interest in allowing any fundamental changes in the political culture and made sure that the movement remained largely ineffective. The ineffectiveness of the movement stemmed primarily from its reliance on the election commissions which were in fact controlled by party politicians. Control over political parties was, of course, the intention when election commissions had been established by the Americans during the Occupation. A clear ideological divide between different parties over the approach to election enlightenment was never apparent, except that an opposition party would always suspect that the movement's activities favoured the governing party, and that the governing party would always be tempted to ensure that they indeed did.

Nakamura Hiroshi, member of a *suikyō* in Shimane Prefecture, has called *senkyo keihatsu* "superficial, hypocritical, small scale and ineffectual" (interview May 3, 1995). The movement was significant as long as independent activists and the state bureaucracy co-operated against the political parties. Before the war, *senkyo keihatsu* activists had been able to ally themselves with reformists such as the "revisionist bureaucrats." After the war, the bureaucracy shed its ambitions to change the political institutions against the interests of the parties, that is against the interests of the conservative ruling party. The shift in alignment may in part have been caused by the failure of the movement to produce a forceful leader after the death of Maeda. The recognition that Japan's economic successes in the 1960s made additional efforts at nation-building superfluous may have added to the decision. The most likely reason for the shift, however, was the realisation that the constitutional constraints put in place during the Occupation made impossible a political agenda that ran counter to the interests of the political parties. The more entrenched the LDP became, the more bureaucrats allied themselves with conservative forces and lost the incentive to intervene against them. The movement's organisational objectives had been cast in structural opposition to the existing political organisations of the political parties so that an accommodation of these automatically resulted in the movement's diminished significance.

Election enlightenment was also not very effective in curbing money politics. By its own assessment, the task of transforming political culture in Japan was too enormous for its limited budget and structures. The movement's preoccupation with internal organisational problems even during the well-funded 1960s suggests that it failed not only to impact on election practices but also to penetrate regional society or to create a volunteer movement of significant proportions. Circumventing the election commissions through a centralised approach would have required a far greater commitment of people, money and resources. However, *senkyo keihatsu* did not yield to a superior organisation—even political parties continued equally unsuccessfully in the acquisition of a mass support base and failed to produce their own political education or socialisation programs—but to the empirical realisation that in the given framework of political decision-making its methods could not effect a re-cultivation through political education. Reforming "structural corruption" went beyond the means of the movement. *Senkyo keihatsu* attempted to foster a new culture of elections through the education of the voters. Yet, the voters had no say in the writing of the Constitution, nor did they share the bureaucracy's aims of nation-building. Both were elite objectives imposed from above. The failure of *senkyo keihatsu* to achieve the lasting success which was promised at the beginning was to a great extent the result of the paradox that a grass-roots initiative would have been necessary in order to achieve an elite objective. *Senkyo keihatsu* had been built on the premise that addressing the political immaturity of the electorate would lead to a clean-up of politics. This premise was proven wrong. The next case study will examine an entirely different approach to curb money politics.

Second Case Study: Political Finance Regulation

1. Establishment of an anti-corruption law

The previous section addressed an indirect political reform effort that was, therefore, not under immediate public scrutiny. Corruption scandals have had an impact on *senkyo keihatsu*, but often only in an indirect way. This section will introduce an institution that was perhaps the most direct answer to money politics: the law regulating political finance. The Political Funds Control Law (*Seiji Shikin Kiseihô* or *kiseihô* for short)¹²⁵ was put on the statute book during the Occupation in 1948, with the purpose of rendering political finance transparent and bringing it in line with democratic principles. It is probably the most important law regulating political behaviour after the election law. It has been discussed and criticised intensely every time a political scandal has highlighted its perceived shortcomings. Consequently, the law has been revised many times, most fundamentally in 1975 and 1994. This section will explore this debate and the light it sheds on money politics. In spite of the differences, the themes already apparent in the history of *senkyo keihatsu* also appear in the history of the *kiseihô*: modernisation and Westernisation, the public or private character of political parties, and the role of the individual voter.

1.1. American influence

The American influence on Japanese politics and on the design of political institutions was considerable when the *kiseihô* was first put on the Japanese statute book. The American occupiers, specifically the Government Section of the General Headquarters of the Allied Occupation Forces (GHQ), also took an interest in political finance

¹²⁵ There are no descriptions of the *kiseihô* in English although the original 1948 law was also published in translation: National Election Administration Commission (ed.), *Law for the Regulation of Political Contribution and Expenditure*, May 1949. The Ministry of Home Affairs has published guides to the *kiseihô* at irregular intervals of which the latest is Suzuki Ryôichi (1995), *Wakariyasui Seiji Shikin Kiseihô*; the most comprehensive history of the law's legislative history was also published by the Ministry in the magazine *Senkyo Jihô* between January 1986 and April 1988 under the title "Seiji Shikin Kiseihô no Enkaku"; the current text of the law with references to the dates of amendments and changes is documented in Jichishô Senkyobu (ed.) (1988), *Shin Kôshoku Senkyohô Kankei Hôreishû*.

legislation.¹²⁶ At first their approach—for which especially Pieter K. Roest, Chief of the Political Affairs Division in GHQ's Government Section and an anthropology PhD by training was responsible—was to pursue a party law that would regulate the standards, finances and internal affairs of parties generally, in order to contain the flood of new political parties. As will be discussed in greater length in the next section, a number of attempts to introduce a party law were made in 1946 and 1947 but they were unsuccessful. Roest was replaced in the spring of 1947 by Carlos P. Marcum who was also eager to establish laws securing the rationalisation of parties and the prevention of corruption in such a way that the coalition parties would not be tempted to settle these issues in an entirely opportunistic fashion. By then, however, the number of parties had already become much smaller and the attention shifted from a containment of the number of parties to their murky political finances which led to the establishment of the *kiseihô*.¹²⁷

The Americans followed a two-pronged strategy in promoting the *kiseihô*. On the one hand, Deputy Chief of Government Section, Colonel Charles L. Kades, encouraged the parties of the Diet to initiate the legislative process (Fukunaga 1994, p. 242). In late December 1947, the Diet committee which had deliberated the party law disbanded but was scheduled to reconvene at the beginning of the coming session in late January 1948 to continue discussions on the issue of a party law, as well as to debate separate anti-corruption legislation. The first substantive move in this direction appears to have been in early January when Dixxon Avery in the Political Affairs Division of GHQ prepared a lengthy brief which summarised US corrupt practices legislation and adapted it to the Japanese case. This brief was also given to the chairman of the Diet committee, the Socialist, Asanuma Inejirô. The Americans reported that Asanuma believed that it was "better procedure to work on corrupt practices legislation first instead of the highly

¹²⁶ "Since I believe that the problem with Japanese politics is its corruption, that is the corruption of the elections, I wish that there would be an anti-corruption law the way there is in some federal states of the US (referring to party legislation)," said Colonel Charles L. Kades (Fukunaga 1994, p. 226). Unless otherwise noted, the following picture of how the new law came about is taken from Occupation records.

¹²⁷ The Shôwa Denkô scandal in the spring of 1948 which ultimately forced the resignation of the Ashida Cabinet, was the most egregious affair among a great number of political finance scandals. The Diet was evidently concerned about the public reaction to political finance, because it convened two special committees, the Committee for the Discovery of Hidden Stockpiles and the Illegal Property Transaction Committee.

controversial political parties' bill and received concurrence of action by Guy Swope [Marcum's successor as Chief of Political Affairs Division] who offered the services of Government Section to the Committee in assisting its work," (JWC, 97-14). A sub-committee dedicated to the drafting of an anti-corruption law and again chaired by Asanuma was established within the "Party Law and Election Law House of Representatives Special Committee" on January 31, 1948, and presented a draft outline two months later. The sub-committee decided that a negatively phrased name, such as anti-corruption law, should be avoided and that the name *Seiji Shikin Kiseihô* would better describe the aim of the law.¹²⁸

At the same time, the Americans continued to work through Japanese administrative channels. Originally, GHQ had exercised its influence on the legislative process in Japan through the still extant Home Ministry (*Naimushô*) which had also shown some initiative of its own in trying to establish rules regarding the finances of political parties. When the *Naimushô* was abolished in December 1947, its successor organisation, the National Election Management Commission, encouraged by GHQ, began to work towards the establishment of an anti-corruption law (*fuhai bôshi hô*). The Secretariat of the National Election Commission had been working "feverishly" (Matsuura & Ôtake 1983, p. 13) on the anti-corruption issue and prepared an outline called "The Essentials of the Corrupt Practices Bill" on February 9, 1948. Its chief, Kôri Yûichi, was eager to please the officials at GHQ. He let them know that this draft was prepared with the understanding of the Diet committee and that Asanuma had made Avery's brief available to the Secretariat. He continued that Asanuma was eager to get the issue rolling quickly when the Diet convened, but that the Election Commission would seek GHQ approval before the final draft (JWC, 97-24).

GHQ instructed the Diet drafting committee and National Election Commission to coordinate their efforts. During April, a joint conference between the two worked out a

¹²⁸ The Chinese characters used to write "kisei" are more euphemistic than the English translation "control" indicates. Unlike the characters usually employed which imply a "system of regulation," these mean "regulation and rectification." Other points of contention during the discussion were: whether labour unions and agricultural associations should also be required to file financial reports, whether the election activity of third parties should be recorded, whether contributions to candidates standing for election should, in principle, be allowed, and how long before standing for election should financial reports be required from candidates etc. (Yamamoto 1975, p. 18).

compromise proposal that combined "the strong points of both" which was presented on April 26 (Nii 1978, p. 240). After GHQ had made minor revisions, Asanuma, as committee chair, submitted the bill to the Diet as a members' bill sponsored by all parties except the Communists, and explained why the choice of the new name was more appropriate and in line with the bill's content. It passed the lower house on April 30 but was amended in a committee of the upper house.¹²⁹ The amended law passed the upper house in June. The lower house, however, rejected the amendments and passed the original version with a two thirds majority of its members two weeks later (Yokomichi 1988, p. 20).

That the law was passed, was not only due to the encouragement from the Americans. Politicians were as ambivalent about this law as they had previously been about the party law. Considerable pressure from the press was necessary to force them into action. When the Diet reconvened in January and the plan to debate anti-corruption measures was leaked, the press began to exert pressure, calling for corruption reform in order to "enhance Japan's political level," which was of a "low standard" (*Asahi Shimbun* January 28, 1948). The issue was linked directly to Japan's recent experience of militarism and defeat:

In Japan, [...] two major opposing parties dominated politics before. However, these parties were later controlled by Fascists. Among many causes [of militarism] therefore, the fundamental one was the corruption of parties. In other words, this corruption served to offer militarists and bureaucrats a good pretext for eliminating party politics, (ibid.).

On April 4, the *Asahi Shimbun* urged speeding up proceedings on the anti-corruption law: In the past, despite whether government was dominated by the parties or by the bureaucracy, the money of the *zaibatsu* and the landlords had greatly influenced politics. Now political funding was entirely in the dark, it continued. No changing of the electoral system would change the flow of money unless an anti-corruption law cut

¹²⁹ The amendments made some sense. They avoided the definition of a political party in exclusive terms, and merely defined political associations "as political parties and other organisations..."; the interpretation of these terms was left to the National Election Commission; financial assets were to be included in the reports, but reported only twice annually (Yamamoto 1975, p. 19). The amendments also proposed changing the name yet again to Political Funds Control and Publication Law (*Seiji Shikin Kisei Kôkai Hô*).

secret funding (*yami shikin*) at root-level. In the US and Great Britain, laws regulating political finance and preventing corrupt practices had attempted and succeeded in bringing about a reduction of the amounts of money involved in politics as well as an increased reliance on mass contributions to politics. The *Asahi* editorialist hoped that in Japan, too, party-internal democracy as well as a greater mass orientation of party finances could be ascertained. Editorials in other newspapers held similar views:

Indeed, the bill hits the weakness of the political parties and of the election system squarely, for the great cause of corruption in politics in this country comes from doubtful sources of campaign funds and the fact that elections cost too much money. If these evils can be corrected by the bill which obligates political parties and candidates to present reports to the authorities concerned, politics will become clean and political black-market transactions will be eliminated. In order to get the expected results from the bill, however, all the politicians and the people must observe the regulations of the bill and unite their efforts for this purpose. If there are many unreported contributions or unaccounted expenditures, the bill will lose its effect (*Tokyo Shimbun* February 6, 1948).

The *kiseihô* came into effect on July 29 of the same year. It did three things. First, it defined political parties: all political associations whose *main* purpose was the pursuit or endorsement of political policies or the support or opposition of political candidates. This definition was not very specific, applying to thousands of organisations, but the Diet had opposed any attempt to introduce a limitation on the number of political parties. All political associations, whether parties or not, had to register. Second, a designated accountant had to submit financial reports three times a year (at the end of April, August and December) of all income and expenditure, irrespective of whether it related to election campaign spending. If a political contribution exceeded a certain threshold¹³⁰, the contributor's name and address had to be submitted. Depending on the geographical scope of the political association, the reports would have to be submitted to the local, prefectural or national election commission which would publish them and make them available for public inspection for a period of two years. Third, companies or organisations which had profit-seeking commercial dealings with the government or public corporations were prevented from making election campaign contributions, although they were free to make non-election contributions (Yokomichi 1988, p. 20-21).

The philosophy behind these regulations can be summarised as the creation of transparency in political finance. The so-called “three-step regime” (*san-ten-setto*) consisted of (1) placing almost no restrictions on political finance, (2) requiring complete transparency of income and expenditure and (3) leaving sanction to the electors. On this last point, the law's Article 2 read: "It is recognised that political funds are contributions from the people who desire the sound development of a democratic government." The law "left the judgement to the people" on whether the political funds it publicised were legitimate. Parties and politicians would be free, with few exceptions, to seek contributions and spend political money as long as sufficient transparency allowed the voters to pass their judgement at election time. The law thus favoured an indirect regulatory approach of transparency over an approach of restricting political contributions directly. It did not impose quantitative limits on political finance so as "not to obstruct the people's voluntary intention." The assumption was that it was "the political association's and candidate's responsibility not to invite the suspicion/distrust of the people," as well as in their best interests (all quotations from the text of the law).

This philosophy, and the responsibility it placed on the voters' judgement on the one hand and on political parties on the other, was quite different from the approach that Japanese election law employed.¹³¹ The election law placed the responsibility of political regulation on active intervention by the bureaucracy. Because it failed to recognise that political groups and parties engaged in year-round activity, it was limited to the campaign period, technically defined to extend over the weeks directly preceding an election. Hence, in spite of the Americans' official policy of non-intervention in political legislation, there can be no doubt that GHQ's handwriting was on the *kiseihô*. The very first brief prepared by Dixxon Avery included most of the wording that was eventually used in the *kiseihô*. Its guiding principle, i.e. opening all financial contributions and expenses to public scrutiny, originated in the California and Nevada Corrupt Practices Acts. In addition, Avery had used the Federal Corrupt Practices Act of

¹³⁰ If the contributor was a political party or association, the threshold was ¥1000, otherwise the threshold was ¥500.

¹³¹ Even in the *kiseihô* there were continuities with the pre-war attitude towards political parties. Its preamble, for example, spoke of "open and clean" political activity, where "clean" was once defined as that political activity not for private benefit but to serve the public interest (Kôri 1948, p. 12-15).

1925 and the Hatch Political Activities Act of 1940 as reference materials.¹³² Without the Americans it is unlikely that the “three-step regime” would have been adopted. Equally, the press played a decisive role in bringing about the new law. The national bureaucracy could no longer hope to impose a law of this nature against the wishes of the Diet, and yet attaining Diet approval required the significant pressure applied by the press.

1.2. Why the *kiseihô* lacked effectiveness

The legislators in 1948 had thought the “three-step regime” would force politicians to exercise self-control but it failed to do so.¹³³ A journalist considered politicians' self-discipline and the sanctioning of politicians by politically astute voters to be impossible in the Japanese political system where politicians were not so much representatives of the voters as they were election entrepreneurs:

[...] stressing self-consciousness vis-à-vis political corruption was something unthinkable to the Japanese who could only conceive of symptomatic remedies. This approach [i.e. the “three-step regime”] could not work effectively with the Japanese who were insensitive to the kind of unlawfulness that stemmed from the collusive structural consciousness of blood and neighbourhood ties (Fujita 1980, p. 5).

Thus, the *kiseihô* functioned ineffectively. Its rules did not capture the reality of political practice. Nobody believed the reports filed under its rules to be accurate or meaningful (Yoshimura 1963, p. 30). The vast majority of political contributions were recorded below the threshold at which the donor's details needed to be published. In addition, contributors were not named when their contributions could be declared as

¹³² In a subsequent publication, the National Election Commission even managed to trace the law's lineage beyond the 1925 Act to a New York State Law of 1890. This had been informed by the English Corrupt and Illegal Practices Act of 1883 which in turn had its precedents in 1696 English legislation (Kôri 1948, p. 2-6).

¹³³ The approach had not worked even during the Occupation. Reporting requirements not dissimilar to those in the *kiseihô* had been included in the first post-war election law. A comprehensive report of party finances submitted in October 1946 by Harry E. Wildes of the Political Affairs Division of Government Section was peppered with expressions such as: "It is evident both that the Home Office has not insisted upon inclusion of full details, and that little check is given to the contents of the reports," "A wide discrepancy between the sums received and those disbursed by all major political parties," "Probability of deliberate evasion of election law requirements," "Strong likelihood that the reports are untruthful," "Failure of party headquarters, prefectural branch offices and individual candidates either to include all contributions of ¥1000, as required by law, or to disclose all such payments." (JWC, 41-15).

membership dues. Expenditures were disguised by euphemistic descriptions, final recipients of expenditures were left unknown, and the reports that were made did not follow any set pattern, thus rendering them incomparable. The *kiseihô* acquired the nickname "sieve law" for its many loopholes. Intermediate organisations such as the *Keizai Saiken Kondankai* ("Economic Reconstruction Council") or the *Kokumin Kyôkai* ("Citizens Association"), established in 1956 and 1961 respectively, to funnel contributions from business organisations like Keidanren to the LDP further obfuscated the actual origin of political contributions (Fujita 1980, pp. 6-7).

The law also failed in its secondary purpose of defining political associations in order to make them financially transparent. Politicians' *kôenkai* often called themselves "cultural organisations", rather than political associations, to escape the need to register and publicise their finances under the provisions of the *kiseihô*. A myriad of "social clubs", "economic study groups", "social research societies", and "information gathering societies" served only one purpose: collecting and funnelling political contributions (Huffman 1974, p. 512). According to one estimate, only 40% to 50% of the actual political associations were registered (Fujita 1980, pp. 6-7). There was equal confusion about what constituted a political party. The *kiseihô*'s definition was so loose that in 1960 about 3500 associations could claim to be political parties because their primary activity was the proposition, support or opposition of political candidates or political policies. Of these, only five parties were represented in the Diet.

Besides the difficulty of dealing with the *kôenkai* and with political parties, the *kiseihô* was more or less ignored by the party factions. While they did publish records, these did not cover the actual extent of factions' involvement in the collection and distribution of political contributions. The money that the faction supplied to the candidate remained unrecorded. Most observers agreed that a faction's *raison d'être* was not ideological but primarily the funnelling of political funds, and that this money had to be repaid in favours (see, for example, the Diet member, Ichikawa Fusae, in a round-table discussion on election corruption in 1964, in Soma 1972, p. 406). Yet individual candidates' expenditures—even to the extent that they were reported—were far higher than the amounts that parties and factions officially reported to have given them. Such discrepancies suggested significant intransparencies. Reported contributions to the

factions were said to cover only between one-third and one-fifth of actual income (Shirakawa 1966, p. 49).

A further example of the *kiseihô* being at odds with actual practice was reportedly given by Prime Minister Yoshida at the time of the Shipbuilding Scandal in 1954: "The well-intentioned, friendliest contributors will give gladly but, because they do not wish to self-advertise, will naturally say that they do not like to have their name put about," (Ukai 1954, p. 8). In the logic of the *kiseihô*, the political actors were to be subjected to public scrutiny, rather than the contributors. The making of contributions was not restricted and publicising them was not legally incumbent upon the contributors, over whom the law had no leverage. What Yoshida pointed out was that the law would have exerted, if applied correctly, social sanction not on the politicians, who perhaps had little reputation to lose, but on the corporate citizens who were the LDP's primary sources of political funds. However, the freedom to make political contributions was considered to be a fundamental right. There was a strong sense that the Western approach did not fit.

Fundamentally, political activity should be free and should be carried out actively, but if spuriously repressed it will on the contrary give rise to many problems. Does a law, the effectiveness of which depends on the self-regulation of political parties and the good sense of the voters, fit the political culture of our country? (*Kiseihô* Enkaku 5, p. 3-4).

1.3. The shipbuilding scandal

Not surprisingly then, the law did not have the effect of eliminating money politics scandals. The Shipbuilding Scandal had its origin in a political contribution made by the *Hozen Keizaikai* in 1951. At the time, the incident was overshadowed by the tumultuous events of 1952 when the Occupation ended, the Peace Treaty was concluded, and purged politicians were rehabilitated (Yamamoto 1975, p. 20). Eventually the incident resurfaced in 1954 and over 100 politicians were investigated, resulting in the conviction of a number of them. The prosecutor in charge was the highly respected "investigation demon" Kawai Shintarô. His intention was to indict two prominent members of the ruling conservatives, Satô Eisaku and Ikeda Hayato, both of whom later became Prime Ministers, on charges of bribery. He hoped to prove that political contributions from certain shipping companies had been made in connection with a

request for a revision of the Shipbuilding Interest Supplement Law which favoured the shipping companies' allied shipbuilders. Satô, secretary-general of the Liberal Party at the time, did not deny receiving the money. He insisted, however, that it had not been for his personal benefit but had been a political contribution to his party which had failed to be recorded correctly. When Kawai nevertheless moved to arrest Satô, party and cabinet members exerted pressure on Justice Minister Inukai Takeru, son of the pre-war Prime Minister, to use his supervisory power over the Prosecutor-General to protect Satô. Inukai succumbed and ordered a deferral of the investigation of Satô—marking the first and only time that the Justice Minister has used his formal powers to interfere in an investigation—followed by his own resignation. The deferral meant that Satô, who was his party's designated accountant as defined in the *kiseihô*, was indicted for violation of the *kiseihô* after the Diet session. In the end, however, he was not convicted due to the general amnesty declared when Japan joined the United Nations in December 1956 (Herzog 1993, p. 154).¹³⁴

The political response was to seek a reform of, among other laws, the *kiseihô*.¹³⁵ The Socialists in the Diet, both the left wing and the right wing, introduced a bill which would have amended the *kiseihô* to exclude all recipients of government subsidies or other forms of government support from making political contributions. At the time, so many companies were dependent on government support of one sort or another that this would have excluded almost all companies. The governing Liberal Party dismissed the proposal as self-serving, because it would benefit parties who relied not on business but on labour unions for financial support. The proposal was never put to a vote, but was left to expire by the end of the Diet session (Sakuramoto 1986, p. 5). The Liberal Party used the opportunity to call for the banning of labour union contributions but suggested the issue would better be discussed in the context of a party law. Similarly, another of the conservative parties, the *Kaishintô*, actually tabled a party law not unlike the one

¹³⁴ No other Diet member until the conviction of "Don" Kanemaru Shin in 1992 has stood trial on charges of violation of the *kiseihô*, although prefectural and local assemblymen have been charged and convicted.

¹³⁵ The establishment of the Public Office Election Law (*kôshoku senkyo hō*), the amalgamation of the election laws that existed separately for the different kinds of elections, in April 1950, for example, moved the regulation of campaign related income and expenditure reporting from the *kiseihô* to the Election Law. The absorption of the National Election Commission into the newly established Local Autonomy Agency (later Ministry of Home Affairs, or *Jichishō*) in July 1952, also moved the responsibility of the custody and publication of reports under the *kiseihô* to that Agency.

under discussion before the establishment of the *kiseihô* but the proposal was flatly dismissed by the Socialists. The *Kaishintô* succeeded, however, in bringing together government and opposition parties in June of 1954 to pledge co-operation on a reform package of the "three laws for self-discipline" (*jishuku sampô*), i.e. the Election Law, the *kiseihô* and the Diet Law. The Diet began debate on all three laws in the twentieth session, but the end of the Yoshida Cabinet, and Hatoyama's weakness in his role as caretaker until the election, cut discussion short. Only the Election Law was revised with the introduction of some tougher election finance regulation, but the *kiseihô* remained as it was (Yamamoto 1975, p. 21). Already we can see that the legal framework of regulating political finance was fraught with extraordinary difficulties and complicated by tactical manoeuvres of the political parties.

All this led to a fundamental reassessment of the philosophy of the *kiseihô*. A critic wondered whether "the Anglo-Saxon approach of leaving the judgement to the people meshed with the political culture of our country? Shouldn't the law impose direct restrictions?" (Hirose 1967, p. 65). And indeed, the lack of effectiveness of the indirect regulatory approach led to renewed consideration of a direct approach of restrictions on contributions. The driving force behind these attempts were the consultative councils on the election system (*senkyo seido shingikai*) where reformers selected by the Local Autonomy Ministry advised on all aspects of the election system, on political finance and related topics. After the approach chosen by the Americans had failed, the search continued for a more effective way of controlling political finance. For the next decade, the Japanese bureaucrats took control of the issue. But the most difficult obstacle was not finding a more suitable "Japanese approach", but overcoming the resistance of political practitioners who had adapted their practices to the system to the extent where substantial reform threatened their very existence as Diet members.

2. Bureaucrat-led reform

2.1. The first shingikai, 1961

As discussed in the previous chapter, a growing distrust towards both elections and politics became apparent from around 1960. There appeared to be broad public support for political reform. To the extent that the solutions were of a legislative sort,

bureaucrats held themselves responsible to initiate the reform process. They expected resistance, however, from Diet members as these politicians' electoral successes had been premised on the current political system. "The problem with political reform is not its substance but its realisation," wrote the head of the election division in the Local Autonomy Ministry, Matsumura Kiyoyuki. The *shingikai* were part of a strategy of encouraging politicians to endorse reform themselves. The *shingikai* had been preceded by a series of "investigative councils" on the election system (*senkyo seido chōsakai*) but these investigative councils had been set up by administrative fiat. As a consequence, legislators paid little attention to them. By establishing the *shingikai* through law rather than administrative fiat, the bureaucrats hoped to change this. The ostensible purpose of this law was to set the agenda of investigation (*shimon*) but its real purpose was to make it difficult for politicians to dismiss the *shingikai*'s report.¹³⁶ In the end, reforms against politicians' own interests proved elusive and after a decade of repeated, unsuccessful *shingikai*, the bureaucratic zeal for reform was spent. The reasons why reform was impossible to realise are well documented in the debates of the various *shingikai*; they suggest that the whole idea of expecting legal changes subsequently to change political behaviour was flawed.

The *shingikai*, however, were successful in setting the substance of the reform agenda for much of the thirty years that were to follow. The first *shingikai* was reported to Prime Minister Ikeda in late December of 1961. In a broad sweep, it recommended open and clean elections as the "necessary condition for the healthy development of democratic politics," as well as a fundamental re-consideration of the electoral system, the party system and a reform of the *kiseihō* (Matsumura 1962a, p. 46-47). Where the *kiseihō* was concerned, its recommendation was a radical departure from the philosophy that had guided the law until then and an acknowledgement that the "three-step regime" had failed: all political contributions from companies, unions and other corporations were to be made illegal and only contributions from private individuals would be

¹³⁶ Bureaucrats had also considered—through this law—requiring legislators to establish legislation based on the report, but they were held back by constitutional concerns about giving an unelected body what would have amounted to legislative powers (Matsumura 1962b, p. 35-38).

allowed.¹³⁷ However, this was a long-range proposal: as long as individual contributions remained minuscule, a total ban would paralyse politics and would not be instituted immediately.¹³⁸ How did the *shingikai* arrive at this new approach and did it consider that this proposal had a good chance to be realised?

Two camps: idealists and radicals

Before publishing its report, the *shingikai* had deliberated for close to half a year; it was divided into different committees. The second committee, chaired by the lawyer Ôtake Takeshichirô, centred its discussion on political finance and the *kiseihô*.¹³⁹ The Ministry of Home Affairs bureaucrat Nakamura Keiichi opened the committee's seventh session on November 1, 1961, by posing three questions. First, should contributors from certain companies, i.e. from those which had special relations with the government or local authorities, be prohibited? This question arose from the proposal the Socialists had made seven years earlier at the time of the Shipbuilding Scandal. Next, should the restriction also extend to contributions from labour unions? This suggestion had been put forward by the LDP. And finally, should there be a ban on all corporate contributions, from companies as well as unions, so that politics would be exclusively

¹³⁷ Although politics financed entirely from voter contributions may have been an ideal even in 1948, the American-inspired law had placed no restrictions on the size or source of political finance. Indeed, corporate contributions had been allowed not inadvertently, but explicitly, when in 1948 Diet debate centred on just this issue (Kanemaru 1948, p. 4). The National Election Commission was also aware of company contributions: "That the control of political finance is not only necessary in the case of parties and other political associations, but is also necessary with regard to so-called political contributions from individuals, banks and companies has become popular common sense," (Kanemaru 1948, p. iii).

¹³⁸ For the interim, the *shingikai*'s report recommended that a provision in the *kiseihô*, which prohibited political contributions from those companies or organisations who had profit-seeking commercial dealings with the government or public corporations, or who received subsidies, investment or other financial support from the government, but which at the time only applied to contributions during the official election period, should be extended to contributions at all times. The report attempted to make the *kiseihô* more effective in other ways. Receipts would have to accompany spending reports. Contributions from *kôenkai* to individual politicians would be prohibited, although *kôenkai* contributions to the politician's party would be allowed, and *kôenkai* would not be allowed to cover expenses for entertaining voters, e.g. on field trips and travels.

¹³⁹ The eight other commissioners were: Kojima Ken, Tagami Jôji, Yoshimura Tadashi, Satô Fujisa, Shimada Takeo, Tsuchiya Shôzô, Hasebe Tadasu, and Matsumura Shinichirô. Sometimes *shingikai* chairman Nomura Hideo attended. In addition, there were four secretarial staff (*kanji*) seconded from the MHA as well as two supernumerary commissioners (*tokubetsu iin*), Hori Masao from the Socialist Party, and Suzuki Zenkô from the LDP. Their inclusion was intended to make sure that the debate did not stray too far from conditions on the ground and to ease passage of subsequent bills in the Diet (Matsumura 1962b, p. 39). Because Suzuki failed to attend the meetings, he was replaced by Tanba Kyoshirô at the committee's ninth meeting.

financed by individual donations and membership fees? This idea had most recently been suggested by a business think-tank, the *Keizai Dôyûkai's Saiken Kyôgikai* (see Oguri, Maehara 1992, p. 55).¹⁴⁰ All the important ideas were on the table and initially among the members present, the answer to all three questions seemed to be yes. All participants subscribed to the goal of individually-financed politics, however agreeing that there was a wide gap between ideal and reality.

Yet, when Chairman Ôtake prepared a draft proposal which incorporated all three ideas a week later, opinions began to divide. There was disagreement about whether a proposal for legislation should merely state the goal to be obtained eventually or whether it should aim to seek real, immediately achievable results. Ôtake had proposed that the ban on corporate contributions should not be effective immediately but after a transition period of five years. The former Prosecutor-General Satô Fujisa disagreed with this approach fundamentally. Rather than construct visions, the *shingikai's* responsibility was to concentrate on what could be done immediately, especially before the upper house election the following year, Satô said. A total ban should be as extensive as possible so that unions and companies would not be tempted to form political associations to get around the law. All this would require better and more efficient policing to tackle non-compliance with the *kiseihô* aggressively and not just petty violations of the election law. Although Satô's somewhat authoritarian belief in the possibilities of stronger enforcement was not shared by the other members, some of them agreed with his stance on timing. *Shingikai* chairman Nomura Hideo did not wish for the *shingikai* to engage in idealist posturing. Rules should not be proposed which it feared were unenforceable. Funding by individuals should be dropped from the proposal altogether if it was not realistic. The realists' position was to ban corporate contributions immediately or not at all.

The supporters of Ôtake's draft outnumbered those who rejected it. Ôtake himself defended it as "an important principle of the way things should be," and as an ideal that should be widely publicised (p. 224). His compromise of delaying the introduction of the total ban by three to five years had been motivated by his scepticism that a total ban

¹⁴⁰ The subsequent analysis of the *shingikai* debates is based on the verbatim records. Page numbers refer to these records as published by the Ministry of Home Affairs.

could be introduced successfully at short notice. Tsuchiya, a former Diet Library special researcher supported Ôtake, cited the difficulties of other countries in securing fair political finance and agreed that moving closer to the ideal would indeed be a success for the *shingikai*. To go all the way would clearly be impossible, so any pragmatic result would necessarily appear unfinished. The Socialist Diet member, Hori Masao, similarly weighed in on this side. Any proposal would experience sufficient changes during the legislative process in the Diet, so that the *shingikai* should not hesitate to describe things the way they should be. If this meant that what was "impossible was nevertheless right, we should support the right things. I would like the *shingikai* to think how what is impossible at the moment can be changed in the future," (p. 333). Hori emphasised the need to establish that money in politics was evil, and politics funded by individuals was ideal, even if the realisation would require further discussion. At this point, the "idealist reformers" appeared to be winning over a more realist approach.

No radical reform against the LDP

For the moment, however, the members of the *shingikai* felt they could not take a decision on Ôtake's proposal without a hearing from a representative from the LDP. Until now, the LDP's supernumerary *shingikai* member, Suzuki Zenkô, had failed to attend the committee's meeting. When the LDP Diet member Tanba Takashirô—in Suzuki's place—appeared at the tenth meeting, he subscribed, perhaps against expectations, to the ideal of politics funded by individuals wholeheartedly: "[...] in the future, it should be natural that individuals contribute according to their own free thoughts, and turn towards making political contributions. I believe that this is how it should be and I agree with including it in your proposal," (p. 299). Yet, soon it became apparent that Tanba was hardly interested in achieving this ideal any time soon. He tried to commit the members to investigate further the practices of political funding. When Hori called this course of action an attempt to legitimise the status quo, Tanba became more explicit:

You have made an ideal proposal. But in the Diet, the government is in most trouble when it comes to [bills] that cannot be done because they are a problem of life and death for the LDP [Diet members]. Well, practically speaking, we should consider political finance in connection with a party law at the earliest opportunity (p. 304).

This was a clear message to the other members that the LDP would not pass a law that prescribed a total ban. What had looked like idealism earlier was now the only realistic option for the *shingikai*. Thus Kojima Ken, a professor at Meiji University, thought—in a change of mind since the previous session—that there was no need for a *shingikai* if all that would result was the publication of idealist proposals. The point of the *shingikai* was to present a solution that could actually be realised.¹⁴¹ To him, Ôtake's proposal of the restriction of certain companies from making contributions and postponing the other decisions, including the question of a party law, was an acceptable compromise. He got other members, such as Tagami, Tsuchiya and Hori, to agree that even a compromise proposal was sufficiently important and advised against more radical reforms that would be discarded immediately by the Diet. Only Hasebe, who had at one time been the president of the Asahi Shimbun and was now the newspaper's advisor, as the voice for radical reform, and Satô, as the proponent of an authoritarian solution, continued to stand by the total ban. They thought that the whole point was to force reforms of the political system. If the *shingikai* did not propose such reforms, they would have not met with the people's expectations. Hasebe argued:

In my opinion, the so-called parliamentary democracy of Japan is in quite a dangerous state. If you ask where the danger comes from, it comes from the corruption of elections. [...] In order to set this corruption of elections right, it is necessary to change the law, as we are doing here, but at the most basic, it is necessary to cut off the source of the corrupting money. Companies and corporations are the source from which the large amounts of political funds flow, the hundreds of millions, the billions of Yen, which we have no choice but to cut off (p. 327).

Hasebe wanted a firm commitment about when the total ban would be achieved; his own preference was immediately. Anything else would give the Diet the opportunity to postpone it indefinitely. He did not succeed. At the last meeting that took place before the chairman's report to the general *shingikai* meeting was due, Hasebe remained the only defender of an immediate total ban because Satô failed to attend this meeting. When Professors Tagami and Yoshimura additionally raised concerns about a total ban from a constitutional perspective, Hasebe could not even obtain a commitment from his

¹⁴¹ One could just have an academic or a bureaucrat formulate such an ideal, Kojima thought. The irony of this statement—what was a *shingikai* but a group of bureaucrats and academics?—was apparently lost

fellow members to a firm three year horizon for the introduction of a ban. All Ôtake conceded was to mention Hasebe's as a dissenting opinion in his chairman's report which would otherwise recommend the immediate institution of a partial ban on certain companies. It would state the agreement on the principle of a total ban but would not recommend a date for introduction. Such a date was to be discussed in a subsequent *shingikai* after January 1962. The committee had run out of time. By the time the *shingikai* had compiled the different committee reports, no time frame for the realisation of the total ban was agreed upon and none appeared in the *shingikai*'s report. Changing the political finance regime through legislative reform proved more difficult than anticipated.

Radical reformers had expected real changes from legal reforms while idealist reformers had thought that setting the goal was most important. In light of Tanba's comments, which were bolstered by the authority of election campaign experience, the idealist view held that money politics was difficult if not impossible to correct through legal reform. The implication was that change would have to be slow, requiring a change in political culture. Hasebe, too, realised that legal reform could not be achieved immediately. Even Tanba had suggested that new rules would change age-old habits only with difficulty. "Naturally, we must continue towards the goal of educating [*naosu*] people who think [about politics in traditional ways]. If you think of this reality, you realise that it is not possible to suddenly and quickly change things to what they should be," (p. 340). He had questioned how radical reforms could be realised in a political environment where the majority of funds came from organisations and not individuals. Change was only possible if the Japanese had enough money to make individual contributions—the LDP's income-doubling policy would take care of that—and if their attitude towards politics was sufficiently mature. Maturity of political attitude could be achieved through educational enlightenment (*keimo senden*), he thought, thereby employing similar thinking to the political education movement of *keihatsu undô*. All the members of the first *shingikai*, including the supernumerary members—who were, however, more amenable to reform than many of their colleagues in the Diet—subscribed to the goal of individually funded politics. They divided, however, over the role that legal reform

on him.

would play in the achievement of this goal. The assertion of the goal presented a departure from the American-inspired “three-step regime”. Yet, the “Japanese” approach—more direct regulation and more authoritarian enforcement—appeared to hold little promise of realisation.

The role of collective organisations (labour unions and companies)

Although the ban on corporate contributions looked like an idea that would never be realised, it became the centre of the debate on the reform of the political finance regime. Together with the *shingikai*'s discussion of political parties, the ban motivated most of the subsequent reformers. What arguments were used to support such a ban on corporate contributions during this first *shingikai*? At one point, Ôtake had attempted to structure the debate by identifying three problems, each one a possible argument for restricting corporate contributions. He thought the first problem was the inordinate amount of money involved in elections, the second problem was the subsequent influence financial contributors gained over the policy process, and the third problem was that labour unions or companies would violate the political freedoms of their members or shareholders. As Hasebe's quote above indicates, the first problem was a great concern to the *shingikai* members who thought that the electoral process was corrupted when voters were influenced through vote buying and other money-induced means. The two politicians, Hori and Tanba, made clear that they, too, deplored the high cost of elections.

Ôtake's second problem, corporate influence on policy making, was ignored almost entirely. This somewhat surprising lack of concern about what could have been the central issue of political corruption followed a certain logic. Hasebe thought that the high cost of elections was the cause for the continuous increases in contributions, not vice versa. The volume of political funding was driven by demand, not supply. The ever increasing amounts of money required by politicians for their election campaigns were demanded from reluctant businesses that did not necessarily follow an agenda of their own. This explains why the ban on corporate contributions was originally proposed by a business think-tank. One of the arguments for a ban was that companies' greater financial resources gave them an unfair advantage over individual voters—but there was little suggestion that this led to a corruption of the policy process in specific cases.

Ôtake's third problem, however, was discussed most extensively, and dominated over his other two aspects. The original drafters of the *kiseihô* had assumed that contributions could be made freely to and by "political associations." Did this include companies and labour unions? This discussion set the context in which the *kiseihô* was to be debated for many years afterwards: as a problem of the political rights of collective organisations versus the rights of individual voters and contributors. In one view, both unions and companies, as incorporated entities, acted on behalf of individuals. A union acted on behalf of its members, while a company acted on behalf of its shareholders. However, in either case it was nearly impossible that managers would act according to the wishes of all members or shareholders. In another view, both companies and unions were entities with political rights of their own. However, this view was present only latently at this *shingikai*. Here, the majority of members held the view that contributions should be restricted to individuals and that any aggregation of money for political purposes, even by individual contributors, should be prevented.

This part of the debate was naturally dominated by partisan interests. Most members realised that the Socialist Party was financed primarily from union contributions while the LDP relied on contributions from companies. Hori's aim was to convince the other members of the differences between labour unions and companies. While in principle only individuals should contribute, in practice, collections of individuals should also be allowed. Individuals join a union to advance their interests, including their political interests, he said, so that political contributions from unions were really contributions from individuals. Tsuchiya suggested that unions should be allowed to channel money, as long as they did not use general membership dues but only individual donations earmarked for the specific purpose of political contribution. In an attempt at even-handedness, he also proposed a similar mediating role for business organisations, and in particular, for the *Kokumin Kyôkai*, the LDP's recently established fund-raising organisation. Hori pointed out that the *Kokumin Kyôkai* was not funded by individuals but by businesses. Tanba, in turn, attacked the Socialist position: the unions operated a "check off" system, more or less forcing union members to make a contribution, he said. The unions' control over their membership contradicted the idea of a voluntary

contribution.¹⁴² In the end, neither Ôtake's report as chairman, nor the *shingikai* report made any reference to mediated financial contributions given that reaching a consensus over the many questions proved impossible.

Are parties in the public interest?

The *shingikai*'s discussion of the role of political parties in political finance was similarly heterogeneous. Generally the members were suspicious of the role of political parties for three reasons: that they distracted attention from the real problems, that individual candidates' funding should be independent of parties, and that there were questions about their legal status. On the first point, Ôtake's draft had proposed limits on contributions to parties in the hope that this would reduce the influence of money in elections. But Horii and Tsuchiya wondered whether a reduction of money in elections would not, on the contrary, require a greater role for political parties and their policy platforms during elections and in turn, increase the financial needs of political parties. They pointed out the inconsistency of limiting contributions and at the same time trying to ensure sufficient legitimate party funds. Hasebe and Satô—again advocating a more radical course—did not accept the argument that there could be no election campaigns if funds were restricted. The very point of political reforms was to change the character of elections. The funding of political parties should not be used as an excuse for failing to rid elections of money politics; the two problems should be tackled sequentially, so that party funding would be addressed when corruption was eradicated, they thought.

The second reason was given by Satô who thought that political funding was the responsibility of the individual candidate, not the political party. Candidates should rely on their own money and that of their supporters. One way, for example, to encourage greater individual donations was to restrict the amount of money a candidate could receive from his party, which in practice Satô estimated—based on examples of election law violations—to be around ¥500,000 to ¥1 million per election. He suggested a ceiling of perhaps ¥100,000. Tanba pointed out that the money received by candidates from the party was much less than Satô thought and that this money was least likely to be spent on illegal activities such as vote buying. Tanba believed that relying on

¹⁴² Tanba gave this example: the LDP would never have been able to afford to bus people into Tokyo the

businesses for political contributions allowed a candidate to maintain political independence. Greater financial restrictions could lead politicians who had no connections to business and no significant money of their own to become entirely dependent on the party and working for the party "from morning until night" (p. 305-306). Essentially, Tanba agreed with Satô that candidates' financial dependence on a party was better avoided. The essentially candidate-centred nature of the election system led to a suspicion of political parties.

The third reason came from Professor Tagami, of Hitotsubashi University, who cautioned that restricting party income could infringe upon the constitutionally guaranteed freedom of association. Public entities could be restricted, but not private ones. Although he thought that parties served the "public interest", the legal framework treated them as private entities, especially the *kiseihô*. Unless a party law—which was not part of the brief of this *shingikai*—would establish public status legally, restrictions on party income would be difficult. Ôtake felt that the public character of parties was already self-evident, in spite of the legal framework, as was the harmful impact of political finance, and so constitutional questions should not arise. Hasebe also wondered about the validity of Tagami's argument: if it were true, limits on contributions to individual politicians would violate their individual political freedoms, and no political finance regulation would be possible. Only Tsuchiya agreed that the sooner the parties acquired public status the better. Linking the reforms to the introduction of a party law would have slowed them down considerably; as they were all aware, party law proposals in the past had been vehemently opposed in the Diet.

2.2. The continuation of reform

The second shingikai

In terms of providing a blueprint for legislative reform of the *kiseihô*, the *shingikai*'s recommendations had little impact on the Diet.¹⁴³ The reluctance of the LDP to pursue legislative reforms on the basis of the first *shingikai*'s report was more than a delaying

way the Socialists relied on the unions to do at the time of the Security Treaty demonstrations.

¹⁴³ The only change to the *kiseihô*, for example, was passed in May: the new requirement to attach receipts or other documents of proof to the financial reports which would have to be kept for three years rather than two (Yokomichi 1988, pp. 21-22).

tactic. As Tanba had pointed out, radical political finance reform was a matter of "life and death" to the conservative politicians because they saw it as a severe threat to their electoral chances. Electoral system reform, especially the introduction of single member constituencies, would have provided compensating relief. This logic soon led to the LDP's advocacy of political reform as a package of finance and electoral reform. Prime Minister Ikeda opted to convene another, second *shingikai* only six months later to consider the electoral system, the imbalance between constituencies and, once again, political finance (Nakamura 1964, p. 22). Yet like the first, it failed to lead to significant changes in the *kiseihô*. Prime Minister Ikeda dismissed the idea that a ban on corporate contributions should be introduced: "Since at the present moment in our country, limiting contributions to individuals is problematic we would like to give the matter good thought (*yoku kentô shitai*)," (Kiseihô Enkaku 4, p. 11).

The second *shingikai*'s report was published in October 1963. In one significant way it departed from the discussions of its predecessor. It recognised that the activities of political parties and election campaigns cost money and that fair and open party activities and election campaigns should be promoted. Ministry of Home Affairs *Senkyo Kachô* Nakamura Keiichi, who had served as a secretary to both the first and the second *shingikai*, commented that the *shingikai* stood on the principle of making elections freer rather than restricting them. This was achieved by basing them on parties and policies as well as on candidates. The second *shingikai* was also more explicit in allowing organisations, such as unions and companies, to channel contributions on behalf of individuals, as long as appropriate measures were in place to limit contributions to those from individuals, and to prevent the coercion of contributions. Nakamura summarised the findings of the second *shingikai*:

Issues such as the problem of political finance regulation, whether to recognise the role of parties, and how to appraise the role of political parties, of other *seiji dantai*, and of individual politicians' *kôenkai*, are of a kind that cannot be considered exhaustively. So although the *shingikai* could have further considered many issues from a fundamental point of view, it recommended that for the time being, urgent measures should be put in place to cut off the political finance relationships with companies and unions, (Nakamura 1964, p. 34).

This sounded promising, but like the first one, this second *shingikai* had not been able to determine a path from the present to the future (Kiseihô Enkaku 5, p. 3). In terms of

reforms of political finance legislation, however, it did little more than confirm the findings of the first. The second *shingikai* expressed the principle of "limiting political finance to individuals" but still there were no concrete proposals for legislative measures because of the simple realisation that "politics cost money," more money than individuals were willing to give. With regard to the date of the introduction of a ban on corporate contributions, the second *shingikai* was more explicit: the new rules would be put into effect one year after the passage of legislation. These two first *shingikai* essentially established all the themes that would appear repeatedly on subsequent occasions.

LDP pursues party modernisation

During the 1960s, further political scandal and the continuation of the political reform agenda of the *shingikai* eventually led some voices within the LDP to call for reforms. Ikeda had been able to stall on political reform. When the Black Mist, a series of money politics scandals, forced the dissolution of the Diet in 1966, his successor, Satô, felt compelled to concede the following to the Diet Budget Committee on October 20, 1966:

It is sincerely regrettable that lately there have been events in parts of political life that go against the ethics of a political party and have invited the public's distrust. I apologise to the people, feeling a responsibility as a political figure. [...] Because there has been an increase in political distrust among the people, I believe it is my duty to the people and to the state to take positive and concrete measures to cut off the evils of last year (Hirose 1967, p. 64).

Public pronouncements such as these primarily had publicity value. However, at the same time the idea of modernising party structures and finances—the goal of emulating the British party model was often cited—was beginning to gain currency, even within the LDP. According to Professor Yoshimura Tadashi, who had been a member of the first *shingikai*, a modern party's financial basis was individual contributions and the LDP's reliance on a small number of corporate contributions was incompatible with its populist party appeal (Yoshimura 1963, p. 31-32). Openly, the LDP never challenged the principle that politics ought to be financed by individuals; on the contrary, at least on the surface, it endorsed it. In 1955, the so-called Economic Reconstruction Group had been established to provide financial support from business and industry to the newly formed LDP. Four years later, a corresponding fund-raising organisation for

individual contributions was established but it failed to collect significant amounts of money. As a result, the two organisations were merged in 1961, into what was to be the LDP's primary fund-raising body, the *Kokumin Kyôkai* ("National Association" or "People's Association"). As the name indicated, it was meant to solicit membership dues and contributions primarily from individuals. By 1966, the *Kokumin Kyôkai*'s 60,000 individual members and 5,000 corporate members covered about half the LDP's income, but not surprisingly, business contributions dominated (Shirakawa 1966, p. 48).

For a variety of reasons, however, party modernisation was necessary beyond the area of political finance. This view was expressed, for example, by Professor Suzuki Takeo of Tokyo University: "Instead of curbing the expenditure of money, I think the problem is that we must fix the posture of political parties directly," (*Jurisuto* 1966, p. 41). This call for party modernisation was also based on an abhorrence of factions and the "harsh criticism of their evil influence." If parties and their structures could be modernised there would be less need for money politics. Thus the logic of party modernisation demanded the introduction of greater democratic structures into the party itself.

Establish party democracy, and you will get rid of the factions that have recently been criticised so much, Yoshimura contended (Yoshimura 1963, p. 31-32). The LDP's response to the virulent criticism of the power wielded by the factions within the party was to form a Party Organisation Research Committee (*Tô Soshiki Chôsakai*) under the leadership of Miki Takeo—who would later figure prominently during the 1975 reforms of the *kiseihô*—to study ways to achieve party modernisation. Conclusions were reported to the LDP party president on October 17, 1963. A little over two years later, the Black Mist scandals were accompanied by calls within the LDP for the older generation to move aside. Mid-ranking Diet members, like Nakasone Yasuhiro, Akagi Munenori and Ôhira Masayoshi were pushed into positions of power, while young Diet members called for a clean-up of the party. After the Black Mist, the LDP convened another committee in October 1966, the "Clean-up" Research Committee under Kiyose Ichirô's chairmanship.

Both committees also supported the demands for reforms of the political finances of the party. If the LDP wanted to overcome the contradiction between corporate contributions and populist appeal and continue to cover the large election costs, it would have to enlarge its organisational base—into election districts and work places, for example—as

well as increase the number of its individual members and begin charging them membership fees. Miki's report suggested that the party would have to evolve into a mass-based and policy-centred party by discarding the "evils" which blocked modernisation. It proposed a modernisation programme with regard to political morals, policy, organisation and management, and it further demanded the dissolution of party factions (Kiseihô Enkaku 4, p. 11).¹⁴⁴ Concerning political finance, Miki's report recommended the centralisation of finances in the party and the introduction of quantitative limits on contributions to individual candidates and factions. In principle, the party should be financed from membership dues but until this could be realised, party funds should be increased through the *Kokumin Kyôkai* (ibid.). Among eight items in Kiyose's report, two pertained to political finance and repeated Miki's findings: First, in order to concentrate finance in the party, limits should be imposed on individuals and factions, and second, party members were asked to exercise greater self-discipline.¹⁴⁵ These proposals did not lead to concrete measures but, nevertheless, the consideration of the role of political parties in the reform process began to increase substantially.

The fifth shingikai proposes quantitative limits

After the third and fourth *shingikai* had not taken up the issue of political finance, increasing public concern over political corruption made the Prime Minister change at short notice the agenda for the recently appointed fifth *senkyo seido shingikai*. Convened on November 1, 1966, it was asked to concentrate exclusively on political finance reform. Satô optimistically opened the first plenary session of the fifth *shingikai* on November 17, 1966, with these words: "When we receive the *shingikai* report, dawn will break and we will value its suggestions and strive towards their realisation with courage," (ibid.). However, the opposition parties always suspected the *shingikai* of being part of an LDP tactic to deflect attention from real political reform. Democratic Socialist Party President, Yamashita Eiji, for example, pointed out that the LDP would hardly need the *shingikai* if it were serious about reform (Gendai Seiji Mondai 1973, p.

¹⁴⁴ The factions duly complied, one by one, and dissolved themselves only to re-emerge when Ikeda's re-election as party president had been brokered.

¹⁴⁵ Similarly impressed by the Black Mist, the Socialist Party's Central Executive Committee issued a declaration that it would not "accept a single contribution from business or monopoly capital, and that election funds would only be raised from individual and labour unions," (Kiseihô Enkaku 5, p. 2).

259). Indeed, although the LDP sustained losses in the election of January 1967, Satô had been able to form another cabinet by the time he received the *shingikai*'s report on April 10, 1967. The report's emphasis on political parties—reflected in its first four paragraphs—threatened to go unheeded:

Political parties are the basis of parliamentary democracy. The activities of parties have to be open, fair, honest and untainted. In addition, elections in a democratic state must, of course, be carried out openly and fairly. Therefore, it is no longer possible to tolerate not putting an end to the illegal practices of vote buying and voter entertainment during general elections, or to tolerate practices which have invited the people's distrust of political finance. [...]

In order to achieve the openness of the parties' political activities and secure the fairness of elections, it is necessary, as one aspect of considering the election system as a whole, to establish party-based elections and to improve the regulation of political finance. However, in consideration of recent problems surrounding political funding, of the condition of elections and of the state of political affairs, we cannot consent to leaving things alone until an improvement of the election system as a whole can be realised. [...]

The proper form of party finances would be that they are provided by the donations and dues of individuals, yet in the present situation they depend mainly on funds from companies, unions and other corporations. Because there are fears that an immediate limitation of political contributions to individuals would invite confusion, we consider the realisation to be difficult.

Proposing to effect the modernisation and deeper organisation of political parties as speedily as possible, and to run their operations on individual contributions within at most five years, this *shingikai* thinks that the following measures should be adopted for the moment.

The measures and recommendations were then described in detail. However, these initial paragraphs already illustrate how the debate was beginning to take a new direction. Sentences such as "Political parties are the basis of parliamentary democracy. The activities of parties have to be open, fair, honest and untainted," "to establish party-based elections", and "to effect the modernisation and deeper organisation of political parties as speedily as possible" elaborate the theme of the second *shingikai* considerably and give the impression that the LDP had made an internal push for party modernisation. The role of political parties was becoming the central issue of political finance reform. Importantly, the introductory paragraphs also show that this *shingikai* was no longer interested merely in the establishment of ideals and principles but in real reform. It was realistic in the sense that it took into account the likely reaction of the government party. On the one hand, it did not accept the LDP argument that only a change in the electoral system would allow a change in the political finance regime. On

the other hand, it did accept the LDP's argument that a total ban would "invite confusion". Apparently, the *shingikai* members were not as enthusiastic about the sudden change in the agenda. Political finance had been already dealt with exhaustively by the other *shingikai*. Given that nothing had been achieved by these previous recommendations, the challenge was to devise reforms which were not so idealistic as to defy realisation. Chairman Takahashi had been motivated to produce a report as soon as possible so that the public pressure from the Black Mist could still be used to overcome resistance in the Diet (Hirose 1967, p. 64-5). He, nevertheless, encountered many problems on the way, and again subsequently.

From the very beginning, the debate in the *shingikai* was framed by two proposals from two ex-bureaucrats, Kashiwamura Nobuo and Kobayashi Yosoji.¹⁴⁶ Both were former bureaucrats, the one from the Police Agency, the other from the Ministry of Home Affairs, the renamed Local Autonomy Ministry—both institutions were successor agencies to the pre-war *Naimushô*. Kashiwamura's proposal, banning corporate contributions, and instead proposing individual contributions, was very close to the previous *shingikai* reports. Company or labour union contributions would be banned, starting three months after legislation had been passed where individual candidates and organisations were the recipients, and starting five years in the case of political parties. Kashiwamura felt that the mood after the Black Mist was a once-only chance to establish the ideal (*tatema*) of individually-sponsored politics. Kobayashi's proposal took the new approach of allowing contributions but limiting the amount that could be contributed. There were to be two tiers of limits: one to restrict the amount that any one contributor could make in total, and the other to restrict the amount that contributors could make to any one recipient. Importantly, political parties were excepted from this

¹⁴⁶ The debate relevant to political finance took place in the *shingikai* committee that dealt with those "measures [that were] to be taken up immediately". This committee was composed of many of the same members who had sat on the second committee of the first *shingikai*: chairing, for example, was the journalist Shimada Takeo, and participants included, Ôtake Takeshichirô, Tagami Jôji, Yoshimura Tadashi, Tsuchiya Shôzô, and Matsumura Shinichirô. The more extreme opinions at the time had come from Hasebe and Satô. Neither was re-appointed to this committee. Other members were Kashiwamura Nobuo, former Police Agency Director General, Kobayashi Yosoji, recently retired vice-minister of the MHA, Miyazawa Toshiyoshi, former law professor at Tokyo University, Chiba Naoji, former NHK executive, Kondô Misao, a free-lance journalist, Miyajima Kôtarô, president of the association of local election commissions, Kudô Shôjirô, President of the bank *Tomin Ginkô*, Takada Motosaburô, an NHK executive, and Mitarai Tatsuo, another journalist (*Kiseihô* Enkaku 5, p. 8).

second restriction. Kobayashi stressed the positive role of parties by differentiating them from other political associations.¹⁴⁷ In light of the general thrust of devising realistic reforms, the reaction of the supernumerary members from the Diet was especially important: The response from the LDP member Akazawa was predictably critical of Kashiwamura's but slightly more amenable to Kobayashi's proposal. The reaction from the SPJ member, Hori, and the MSP member, Moji, were less critical of Kashiwamura's but also more inclined towards Kobayashi's proposal.

Kashiwamura, Kobayashi, and committee chairman Shimada met in the Local Autonomy Ministry in Kasumigaseki and drafted a compromise proposal which came much closer to Kobayashi's than to Kashiwamura's proposal, including concrete Yen amounts for the quantitative limits. After further debate and some changes by the committee, this proposal was adopted. It introduced two kinds of quantitative limits on contributions, one on the overall amount from any one contributor and one on the amount any one recipient could receive from the same contributor. As in Kobayashi's proposal, political parties were favoured.¹⁴⁸ This proposal was presented to the plenary session of the fifth *shingikai* and eventually formed part of its final report (Hirose 1967, p. 66). At the final session on April 7, many members felt that the report was a

¹⁴⁷ In addition, Kobayashi proposed that parties should be subsidised from government funds. This issue will be the subject of the next section.

¹⁴⁸ A given contributor would be limited to an annual maximum in political contributions (general frame). A further limit (specific frame) regulated the contribution possible to any one political association or politician. Thus, individuals would be able to make a maximum of ¥10 million in political contributions annually, corporations such as companies and unions were subject to a maximum amount equivalent to 0.25% of their paid-in capital, although no more than ¥20 million, and no less than ¥500,000. If the company was a government contractor or in receipt of loans from governmental finance institutions, the annual allowance would be reduced by half. Within the general frame, no more than ¥500,000 could be contributed to any one political association or individual candidate, although the specific frame would not apply to political parties (or their appointed fund-raising organisations, *shikin shūshū dantai*). Prohibited from making any contributions would be corporations who had recorded losses in their most recent financial reporting period as well as those who received government subsidies or subsidised loans, or who were fully or partly-owned by the government or by other public entities. Further proposals dealt not with quantitative limits but with some of the issues that had been raised in connection with the *kiseihō*: No contributions would be allowed under false names, by foreigners or foreign corporations. Reporting of income other than political contributions, such as membership fees would also be required. The threshold for reporting expenditures and contributions would be set at ¥10,000, and all expenditures and contributions would need to be itemised. It further proposed to refine the definition of political associations—other than political parties—as organisations who spend more than a third of their expenditures on political contributions, or whose main purpose was political, political research, or the promotion of political candidates, or whose founding members were mainly Diet members. Parties, as well as other political associations, would have to submit their bylaws, regulations or similar documents (Yokomichi 1988, pp. 22-23).

substantial retreat from the principles established in the first and second *shingikai*. An Asahi editorial described it as the "[...] difficult product of acrimonious debate that continued for four hours. 'A lukewarm proposal' said some of the non-politician members while the LDP members, on the other hand, called it 'Too severe!' and the majority of members in between tried to pass some kind of compromise proposal," (April 8, 1967). In the plenary session, LDP representative Matsuno Raizô invoked the freedom of the contributor:

Although I can see many very advanced points in this report, I do think that punishing well-intentioned contributors with severity is not at all easy to accept, either in principle or in practice. There is the problem of corporations and individuals, but either way, this report has taken its good intentions too far. I would like to request that the issue of totally squeezing out the well-intentioned contributor be reconsidered (Gendai Seiji Mondai 1973, p. 271).

Opinion outside the *shingikai* was also divided. LDP Diet members, in general, were not enthusiastic. "If a bill along the lines of the report were to pass, the LDP would be destroyed," said Arita Kiichi, the party's chief accounting officer (Hirose 1967 p. 68). Although younger LDP members were comparatively more reformist, the majority of the party was extremely hostile to the proposals; many of them were rather more so than the supernumerary *shingikai* members who showed some concern for public opinion. The strong resistance was probably an indication that the *shingikai* had been successful in drafting a proposal that was sufficiently realistic to be perceived as a real threat. It did not introduce a ban on corporate contributions but quantitative limits that could—eventually—lead to such a ban, if the limits were successively reduced. More importantly, the quantitative limits allowed differentiation between political parties and other recipients of political contributions and treated parties preferentially in recognition of their potential function in helping to bring about a political culture that was less dependent on money politics.

Reform fails in the Diet

The report of the fifth *shingikai* of 1967 suggested a comprehensive program of reform for the *kiseihô*. Even by 1975, it was only partially realised. Between 1967 and 1975, three bills based on the *shingikai* reports were prepared by the Ministry of Home Affairs bureaucrats under Satô Cabinets in each of the years 1967, 1968, and 1969. All three

were unsuccessful. The local elections at the end of April 1967, were not as disastrous as the LDP had expected. In the absence of looming elections, the mood in the party became even less reformist: "Why should we strangle ourselves with our own hands?" (LDP member quoted in Hirose 1967, p. 68). Already the first of the three bills, facing a hostile governing party membership in the Diet and opposition parties eager to present their own reforms, met with considerable resistance. There were only a few months left in the Diet session, but the parties engaged in intense jockeying for tactical advantage. At first, the LDP's internal committee on the election system (*senkyo seido chōsakai*) made further "adjustments" to the Ministry's draft.¹⁴⁹ Its chairman was the same Matsuno Raizō who had attacked the *shingikai* report in the final plenary session (Gendai Seiji Mondai 1973, p. 271). After three *shingikai* reports, and considerable tinkering with the bill, reforms had been watered down considerably. It soon became apparent that the LDP Diet members were less than enthusiastic and that their leadership would have difficulty enforcing discipline on them. Secretary-general Fukuda, however, felt that there was no more time to adjust the bill further and hoped to amend it, if necessary, in committee (Kiseihō Enkaku 7, p. 9-10). The bill was approved by the cabinet on June 13 and was presented to the Diet on June 16. It was taken to task by all the parties, including the opposition as well as the government. The Ministry bureaucrats were interrogated in seven sessions of Diet committees. The main concerns on the LDP side were, first, that a fundamental re-appraisal of the electoral system including the introduction of single member districts should precede any fixing of the political finance regulations; second, that quantitative limits would run counter to the more democratic approach of transparency; third, that quantitative limits infringed upon the contributors' constitutional right to hold property; and fourth, that stronger regulations would invite a police state (Yamamoto 1975, p. 30). Proposals for amendments included a variety of exceptions and exemptions.¹⁵⁰ These concerns were as

¹⁴⁹ The changes included assessing the sliding scale for corporations by capital as well as by profits, easing the restrictions on government contractors and debtors of government finance institutions, and prohibiting the "check-off" system which would have allowed a loophole for labour unions.

¹⁵⁰ For example, a special frame during election time was proposed and certain costs, such as those for a political academy should be financed separately. There should be relief for past debt service and tax breaks applicable not just for individuals but also for corporations (Kiseihō Enkaku 7, p. 9-10).

wide-ranging as they were lacking in conceptual coherence. However, they made amply clear that opposition among the LDP rank-and-file was widespread.

The opposition parties were not in favour of the bill quite apart from the fact that they were unlikely, in any case, to support a government bill.¹⁵¹ Given that the government bill did not even have the support of the governing party, the opposition did not have to be so vociferous in opposing it. With dissension openly visible, they were largely content to let the LDP members do the work for them, while they endorsed the *shingikai* report. The Democratic Socialist Party, in response to popular demand for a political clean-up, was ready to co-operate with the socialists on a counter-proposal. The Kômeitô was initially less willing to condemn the proposal but then joined the other two opposition parties to criticise, in particular, the fact that the 5 year limit on corporate contributions had not been adopted (Kiseihô Enkaku 7, p. 9-10). The three opposition parties, with the exception of the Communists, published a "Confirmation of the Principles of Political Finance" which reiterated the principle that the funding of all parties, political associations and individual politicians ought to come only from individual contributions and membership fees. They included their own bill which resembled the *shingikai* report closely. Parties and *seiji dantai* were to be regulated separately. They also promised additional legislation after five years restricting all political funding to individuals (Kiseihô Enkaku 7, p. 19).

The bill was eventually left to expire at the end of the Diet session. Possibly the best opportunity to date for the institution of reforms had passed by unused. The following year, the Ministry of Home Affairs prepared a second bill which incorporated some of the above criticisms and which was more in line with the practices of political funding at the time: specifically, it took account of the fact that the *shingikai*'s goals were yet far from being realised, that political parties were less pivotal in the world of political finance than were individual candidates, and it acknowledged the existence of factions.¹⁵² The bill was presented to the Diet on May 10, 1968, but expired before it

¹⁵¹ Predictably, the Socialists especially disliked Matsuno's anti-union feature. Their other criticisms concerned the absence of an effective date and the treatment of government contractors.

¹⁵² Further amendments included the classification of corporations; allowing contributions greater than ¥20 million; introducing an additional general frame for individual politicians and non-party political

even reached the committee stage amidst media criticism of its weakness. The media complained that not only was the backbone missing, the bill had no bones at all. Another year later, on June 26, 1969, this bill was presented again to the 61st Diet. The opposition parties each had an alternative bill but all of them expired without further discussion (Yokomichi 1988, p. 23). In spite of almost ten years of devising and advocating reform in the *shingikai* and then submitting it to the Diet, the bureaucratic effort to introduce more effective political finance regulation in place of the “three-step regime” had proven futile. Subsequently, the national bureaucracy ceased to take an activist stance in the reform process of the *kiseihô*.

3. Supreme Court: Aritake Benzaburô vs. Yawata Steel

While the debate in the *shingikai*, and in consequence also the legislative debate, increasingly focused on the role of political parties, the other important strand of the debate, corporate contributions, became prominent in a different arena. Even here, however, political parties were central to the arguments. The debate in both the first and the second *shingikai* coincided with a challenge, in the courts, to the legality of corporate contributions. On April 15, 1961, a shareholder of Yawata Steel, predecessor to today's New Japan Steel, took two of the company's managing directors to court over a political contribution of ¥3.5 million they had made to the LDP on behalf of the company in March 1960. He argued that the managers had neglected their professional responsibilities and sued for compensation equivalent to the reduction in profits caused by the political contribution. The shareholder was the lawyer Aritake Benzaburô. His motivation was, of course, political. In selecting one particular item of the ¥129 million of political contributions that the Yawata Steel company had made in the year 1960, Aritake's intention was, apparently, to provoke a general discussion on the problem of corporate contributions (*Yomiuri Shimbun* April 17, 1961). His interest was in the principle of corporate contributions, rather than this specific case: Aritake did not attempt to portray the contribution as a bribe nor did he choose a contribution to a political association or an individual politician, but one to a political party. Had he focused attention on a particular politician or association, he might well have won his

associations, i.e. party factions and *kôenkai*, separate from and half the size of that for parties; reporting

argument that this was an inappropriate recipient. The case went from the District Court to the Tokyo High Court, and finally nine years later to the Supreme Court, because both sides appealed decisions when they went against them.

In the first decision in May 1963, the Tokyo District Court accepted the plaintiff's reasoning on the grounds that political contributions were not part of a company's original trading purpose, and unless they were made with the consent of all shareholders, they constituted an action outside the bounds of the directors' responsibilities (Jurisuto 1963, p. 16). This decision sent a shock wave through the political community—even the Socialist Party was said to acknowledge that corporate political contributions had become "social practice" (Shirakawa 1966, p. 46). If corporate contributions to political parties were illegal, contributions to factions and individual candidates would be all the more so (Yoshimura 1963, p. 30). The 1963 decision was said to have had the perverse impact of making politicians even more reluctant to publish corporate contributions openly, in the reports filed to meet the requirements of the *kiseihô*. One observer attributed the rise of the "Black Mist" to this decrease in transparency (Jurisuto 1970c, p. 32). The steel company appealed the decision, defending its practice of political contributions: "Political contributions have been common practice for many years, and the very existence of the *kiseihô* confirms the legality of corporate contributions," (quoted in Shirakawa 1966, p. 47).

On January 13, 1966, the Tokyo High Court overturned the District Court's decision. After the High Court's reversal, there was noticeable relief in political circles although the court's ruling left considerable room for further argument, by suggesting that restrictions on political finance could legitimately be imposed through legislation. This time the plaintiff appealed. The Supreme Court upheld the Tokyo High Court decision on June 24, 1970. The majority opinion—two dissenting opinions differed only marginally—argued in even broader terms that a company, as a constituent member of society, had to respond to the expectations and demands of the society, and that this social role could not be defined only in the narrowest terms. Because political parties were an indispensable part of parliamentary democracy and their financial needs were a legitimate social demand, political contributions to them were within the boundaries of

requirements on membership dues would be delayed for three years (Fujita 1980, p. 9).

the legitimate social role of a company. The Court even went as far to argue that some of the constitutionally guaranteed rights of natural persons also applied to legal persons. Therefore, as a result of a company director's duty to the shareholders not being *a priori* higher than his responsibilities in a larger social context, political contributions were within the management's purview. Two aspects of the decision are especially important: first, the Court argued for the legitimacy of the political rights of associations, and second, it affirmed that political parties were fundamentally representative of the public interest. Both of these warrant a closer look.

3.1. Do organisations have political rights?

The Supreme Court's support of corporations' right to make political contributions went to the heart of the arguments for politics to be funded by individuals. The Tokyo District Court had argued that each individual had the right to choose a party to support but this right could not be exercised on the individual's behalf by the company's directors. Company decisions were, by nature, equivalent to majoritarian decisions by the shareholders, which—unless unanimous—could conflict with the minority shareholders' individual political freedoms (Jurisuto 1963, p. 17). The District Court particularly differentiated between political contributions and other "appropriate" contributions which a company's management could "rationally" expect not to be contentious, such as to disaster relief, or contributions to education and research. Regarding contributions to a certain political party, however, shareholders, as much as society in general, were likely to divide. Only contributions to consensual causes were therefore considered legitimate (Saigusa 1991, p. 22). The High Court's reversal argued that a company was a constituent element of society independent from its shareholders, and that while some corporate contributions to politics harmed the public interest, they could not, generally, be said to do so. In the subsequent discussions, the position that large companies had a duty to make contributions was even put forward.¹⁵³

¹⁵³ In a discussion of the case among Tokyo University law professors organised by the law journal *Jurisuto*, Ishii Teruhisa suggested that if a company was in a position to make contributions, and if society had largely accepted that politics needed considerable funding, did this not suggest that political donations, too, could be "appropriate" contributions? He met opposition from those who did not consider corporate contributions defensible (Jurisuto 1963, p. 17-18).

The Supreme Court went even further. It argued that some political rights guaranteed by the constitution to the individual could also be applied to corporations. It elevated political contributions to the level of a constitutional right for corporations—however, not an unconditional one, as we shall see. Companies had the "freedom of political action supporting, promoting, or opposing specific government or party policies," (Jurisuto 1970b, p. 109). The plaintiff had grounded his appeal in the argument that company contributions presented a violation of the public order because they subverted the individual's right to vote. By supporting specific parties and policies, contributions functioned basically on a par with the voting mechanism. A company's participation in the political process threatened the principle of the equality of the vote. "Under modern democracy, private citizens' participation in the formation of the state's political will means that each individual makes choices based on the individual's political beliefs," the plaintiff stated (in Saigusa 1991, p. 48). The Supreme Court, however, rejected the equivalence of contributions and voting. While there was a correlation between electoral success and political spending, the electoral process was influenced by any number of other factors. At any rate, the role of money was unlikely to be reduced easily. Companies could be expected to shoulder part of the burden, and should enjoy the freedom of making contributions like other members of society (Jurisuto 1970b, p. 109).

This question dug deep into the heart of the issue of political rights. Did they reside exclusively in the right to vote, and were thus only available to individuals? This had been the substance of the arguments favouring individually funded parties and politics. Or were there political rights which organisations, such as companies and labour unions, could also claim? According to one argument, political views only took shape in the institutional contexts of organisations such as companies and unions (Shirakawa 1966, p. 47). Did this not undermine and distort individuals' rights, others argued, especially since Japanese organisations tended to have identities beyond merely aggregating their members? A distinction could be made between companies and unions in that companies were aggregations of individuals' wealth while unions were aggregations of individuals. The original purpose of unions was political in nature, intending not only to raise the members' economic but also their political standing within society. A company's *raison d'être* was solely profits. However, in both cases, the more important concern remained whether unions or companies violated the political rights of their

members by making political contributions, "collectively" as it were. Would union leaders impose their own political preferences on an unwilling membership? Even if the decision was made by a membership vote, or if a separate fund for voluntary contributions was set up, there was the suspicion that, in Japan perhaps more than elsewhere, the group pressures within the union would force reluctant members into compliance (see Jurisuto 1963, p. 22). In the case of a company, directors could override shareholders' preferences, the District Court had argued. In these discussions of the court decisions, the same arguments that had already been made in the first *shingikai* reappeared, indicating the importance that was attached to them.

The Supreme Court ruling hobbled the reformists' drive by supplying some ammunition in defence of the *status quo* but it failed to silence the radical reformers who wished to ban corporate contributions altogether.¹⁵⁴ Five years later, for example, Professor Kobayashi Naoki criticised the Supreme Court's decision in the *Asahi Jânaru* (March 21, 1975). He claimed that the Court's decision could only have been made with an insufficient understanding of the realities of Japanese elections. According to Kobayashi, the influence of money, far from being a minor distortion of the voting process, was the deciding factor in elections. Not only was money decisive, it was also distortionary because the vast majority of business contributions went to the LDP, depriving the opposition parties of a fair shot. The LDP's policy making was, in turn, skewed away from the public interest towards special interests (see Baldwin 1975, p. 77).

3.2. Parties are in the public interest

These criticisms reflect the realisation that political parties are by nature partisan. The Supreme Court's argument, however, was based on a conception of political party that served the public interest. As the practice of financing political parties exclusively through their membership was insufficiently established in Japan, it argued, parties

¹⁵⁴ "The Supreme Court went much too far," claimed Suzuki Takeo who was a member of a similar *zadankai* with four other Tokyo University professors, Ishii Teruhisa, Yazawa Atsushi, Kubota Kinuko, and Hoshino Eiichi. They exemplified the continued division of opinion, at least among academics. On the issue of a company's rights and functions, some supported companies' unconditional freedom to make contributions, some accepted their freedom within limits of appropriateness, and others continued to think that political contributions were entirely beyond the scope of companies (Saigusa 1991, p. 25, 33).

were, in fact, sustained by contributions from other sources. Since such contributions supported the positive development of the parties, they were in the public interest.¹⁵⁵

The Constitution contains no regulation on political parties, and accords no special status to them, but because one cannot expect the smooth operation of parliamentary democracy laid down in the Constitution and deny the existence of parties at the same time, we must surmise that the Constitution implies the natural existence of parties, and that parties are indispensable in sustaining parliamentary democracy. At the same time, parties are the most influential medium in the formation of the people's political will, and the character of the parties is an important concern of the people (Supreme Court majority opinion, as printed in *Jurisuto* 1970a, p. 114).

The court's interpretations were criticised from a number of angles. Since the governing party and the opposition parties could not all be pursuing the public interest at any one time, a number of academics argued that parties did not in principle represent the public interest. Others accepted the condition that political finance should benefit the public interest and therefore held that corporate contributions to parties were not legitimate as long as there was not a perfect social consensus on corporate contributions to politics, in general. Yet others took the Court's emphasis on a company's political rights seriously and concluded that the ideological differences between parties allowed companies to choose the party most likely to promote a business-friendly political system. As long as this choice was made in order to protect the capitalist environment which the companies required to flourish—generally supported by the conservative parties—contributions were a legitimate political participation by companies (Saigusa 1991, p. 33-8).

3.3. Effects of the Yawata case

While the LDP was satisfied that the uncertainty about the legality of corporate contributions had been lifted, the opponents of such contributions feared, however, that companies might feel compelled to comply with requests for money because the Court had ruled political funding legitimate (*Jurisuto* 1970c, p. 34). However, the Supreme Court accepted that contributions could be detrimental to the public interest in specific cases, recognising the possibility of undue influence of contributions on certain political decisions, while holding that such influence could emanate not only from corporations'

¹⁵⁵ The Court did not hesitate to condemn contributions made for the personal interests of individual stockholders or for the commercial interests of the company.

but also from individuals' contributions. Companies' freedoms could be restricted when their exercise conflicted with public welfare or with the nature of the company. These issues however, the Court suggested, would have to be addressed through legislation not judicial action (Jurisuto 1970c, p. 17). By doing so, the Court appeared to have "shunned its judicial responsibility" (Sumino 1991, p. 56) by calling on the legislature to specifically regulate political finance. Exactly what the judges had in mind with this suggestion was not clear. The *kiseihô* clearly did not address these issues. Yet, even in the absence of further legislation, the decision was not a blank cheque for corporate political contributions. Managers were alerted to the fact that contributions made for their personal benefit, or against the company's best interest, could well be judged to be neglectful of their duties. A contribution would also have to be appropriate in relation to the size, performance and nature of the company (Jurisuto 1970, p. 108). If companies were to abide by the conditions suggested by the Court and refuse dubious requests to be on the safe side, there would be no need for further legislation.

In political terms, the Supreme Court had favoured the *status quo*, but had given ammunition to both advocates and opponents of banning corporate contributions.¹⁵⁶ The LDP used the opportunity to step up a publicity campaign against the repeated attempts to introduce legislation restricting all political funding to individuals. "The Supreme Court handed down a decision and the LDP used it like a shield in arguing that companies, too, have the freedom of political activity. Against this monolithic emphasis, the call for individual contributions was all but powerless," (Fujita 1980, p. 11-13). Yet even within the LDP, there remained advocates of a total ban on corporate contributions, as the initiative of Prime Minister Miki Takeo illustrated in December 1974. First, however, Tanaka Kakuei helped to galvanise public opinion to the point where the LDP was left with no choice but to seek a reform of the *kiseihô*.

¹⁵⁶ Peter Herzog, a western academic, comments: "Among the politically motivated decisions, one of the most fateful has been the ruling justifying political donations by business corporations," and thought that it "has been largely responsible for the rise of 'money politics' and the corruption of politicians," (Herzog 1993, p. 41).

4. The era of public pressure led-reforms

4.1. Tanaka Kakuei's money politics: catalyst for reforms

Public opposition and the effects on Keidanren

In 1972, Tanaka Kakuei succeeded Satô as Prime Minister. He was keen on political finance reform—and in retrospect, ironically so. Soon after his inauguration he was asked by the cabinet *kisha club*¹⁵⁷ about the issue of political finance. Tanaka replied that he intended to make sure that all political income and expenditure would be exposed to the nation's view. However, he continued, amending the law would have to take into account the opposition views as well, so the process should not be rushed (Yamamoto 1975, p. 33).¹⁵⁸ Nevertheless, the two focal points of the debate up to this point, the total ban on corporate contributions advocated by the *shingikai*, and the decisions resulting from the Yawata case had remained somewhat arcane, never managing to arouse public interest for very long. This changed in 1974 when the LDP, alerted by many years of continued erosion of its electoral support, poured unprecedented amounts of money into the July election of the upper house. Consequently, this election came to be known as the "money politics election" (*kinken senkyo*).¹⁵⁹ Money politics received markedly increased public attention, caused a considerable sense of crisis in the LDP, and occasioned a variety of reform initiatives.

In May [1973], Professor Miyakawa Yoshi of Dokkyô University started a protest against the Tokyo Electric Power Company's political contributions. Arguing that this was forcing consumers to donate funds indirectly to the political party approved by the management, the professor asked to see Tokyo Electric's records of political contributions. When the company refused, many consumers stopped having their bills paid automatically through their bank accounts. They began deducting ¥1 from their bills, a symbolic approximation of their share of the utility's political donation, and insisted on paying through company collectors who came to their doors. This tactic wreaked havoc on the company's accounting procedures and added considerable inconvenience and cost (Baldwin 1975, p. 73).

¹⁵⁷ This was a group of journalists who specialised in the affairs of the cabinet.

¹⁵⁸ The three opposition parties had presented counter-proposals of their own to the Diet a number of times in the period between the fifth *shingikai* report and the beginning of the Miki Cabinet in December 1974: two joint opposition bills in 1967, and separate bills in each of the Diet sessions between 1969 and 1972. The Kômeitô also submitted two bills in 1974. None of them were debated (Matsuura & Ôtake 1983, p. 20).

¹⁵⁹ Nevertheless, the LDP lost the majority in the upper house of the Diet.

Prof. Miyakawa's protest reached national proportions when Ichikawa Fusae took up his cause. After losing her upper house seat in 1971, Ichikawa was returned to office in 1974 with the second highest number of votes in the national constituency. She had famously campaigned under the banner of clean elections and had made a point of staying within the spending limit stipulated by the election law, which most politicians honoured in the breach more than in the observance. While critics have argued that this feat was only possible as a result of the organisational support she was able to solicit from a variety of institutions, her image as an election reformer was undisputed. Her election platform advocated a number of political reforms, and among them, the restriction to private, individual contributions. She was involved in a number of schemes to raise public awareness of political funding issues. The Ichikawa Fusae Political Funds Investigation Bureau, for example, published figures showing how the private railways' contribution to the LDP coincided with their requests to the government to raise fares. Contributions from the electricity and gas utilities as well as the banking industry were terminated when she filed a suit against the Tokyo Electric Power Company. Her lobbying had forced the company to announce that it would end political contributions. In the wake of this development, eight other electric utilities, as well as Tokyo Gas and other gas utilities, also stopped their contributions (See Murray 1975, p. 172-183).

Business circles had become concerned about the negative publicity of money politics. The Modernisation Association (*Kindaika Kyôkai*) led by industrialist Gôshi Kôhei in February 1973, published a catalogue of proposals to reform political finance: for a transition period of five years, political funds should be provided in three equal parts by individual contributions, corporate contributions and soon-to-be introduced public support; after five years equal halves should come from individual contributions and public support (Kiseihô Enkaku 10, p. 14). In a far less ambitious proposal, a party-internal committee (*senkyo chôsakai*) of the LDP published a “basic statement” in May 1973: transparency would be increased generally and there would be quantitative limits on all contributions except on those to political parties. By proposing limits that were far less stringent than those previously suggested, the *chôsakai* hoped to pre-empt the

introduction of more stringent limits. This proposal never reached the legislative stage because of opposition from the other parties in the Diet.¹⁶⁰

Before long, public attention became focused on the role of the Federation of Economic Organisations (Keidanren), the most influential of the four industry peak associations, and on the LDP's fundraising organisation, the *Kokumin Kyôkai*. The *Kokumin Kyôkai* had been founded fourteen years previously in an attempt to "democratise" LDP funding. In reality, only a small part of the *Kokumin Kyôkai*'s funds came from individuals, the vast majority coming from companies. Yet, the source of most donations remained opaque as the membership fees and contributions were just small enough not to require itemised publication under rules of the *kiseihô*. While the organisation's mediating role between the LDP and businesses obscured the origin of the contributions, its defenders claimed that it also eliminated the influence of special interests. Much of the money contributed to the *Kokumin Kyôkai* was first collected by Keidanren. Keidanren's membership consisted of about 900 blue-chip companies. Its involvement in policy lobbying rarely concerned policies that benefited specific companies or industries (Ibayashi 1989, p. 48-49). Keidanren, however, did not handle any money directly. It operated a system of top-down assessments (*kenkin wariate*). First each industry would be assigned its share. The relevant industry association would then decide an appropriate contribution for individual companies and finally make the contribution directly to the *Kokumin Kyôkai*. Assessments would be made according to size and profitability, and hence direct competitors were often being assigned identical amounts (see Baldwin 1975, p. 68). The allocation scheme was relatively effective in preventing individual firms seeking special benefits for themselves.

¹⁶⁰ According to these plans, contributions would be limited to ¥500,000 from any one contributor in the case of individual candidates, and to ¥1 million in the case of political associations other than parties. The *chôsakai*'s proposals were part of a package of reforms not just of the *kiseihô* but also of the Election Law after the seventh *shingikai* report had suggested fundamental changes to the electoral system in December 1972. This report did not endorse any one system, but listed six possible alternatives from a perfect first-past-the-post to a perfect proportional representation mechanism. A plurality of *shingikai* members were in favour of a 'parallel' combination of single member constituencies and proportional representation, similar to the system adopted in 1994. Opposition parties were distrustful of any changes to the electoral system proposed by the LDP. Hence, the *kiseihô* reforms foundered because the opposition parties had stopped the entire reform debate in protest of a possible change of the electoral system (Yamamoto 1975, p. 34-35).

In January 1971 and March 1973, this system came under attack from the *Sangyô Mondai Kenkyûkai*, a think-tank associated with one of Keidanren's rivals, the *Keizai Dôyûkai*, which believed a reconsideration of the links between the LDP and business, and a restructuring of the *Kokumin Kyôkai* was necessary (*Asahi Shimbun* August 13, 1974). Although "many businessmen feared that [the suspension of the allocation scheme] would diminish Keidanren's usefulness by severing its connections with the political world" (Hanamura 1994, p. 85), when Dokô Toshio became the new Keidanren Chairman on April 24, 1974 he appeared willing to rethink the organisation's relationship with the LDP. Asked by a Danish correspondent at the Foreign Correspondents' Club on June 13, 1974, about the "hot-line" between Keidanren and the ruling party, he responded that he was more in favour of a "warm" line (*Asahi Shimbun* June 14, 1974). Under the allocation scheme, Keidanren had channelled ¥10 billion into the LDP campaign chest for the upper house election. When Tanaka asked for another ¥20 billion to ward off the progressive parties' threat, Keidanren came to the rescue with a still hefty ¥16 billion. In the outrage that followed the election, Dokô refused responsibility. He claimed that the assessment scheme had not been official Keidanren business but had been the work of "individuals" within the organisation.¹⁶¹ He also expressed his personal belief that politics should be funded by individuals. The Keidanren boss did not want to be associated with the public relations fall-out resulting from money politics scandals and consequently, the organisation suspended its allocation scheme.

The introduction of quantitative limits

The debate on money politics came to a climax on October 22, 1974, in the monthly magazine *Bungei Shunjû*. In it, Tachibana Takashi published a devastating account of how Prime Minister Tanaka Kakuei had used his political positions to amass a large fortune in his home prefecture of Niigata. The article showed how "Tanaka had become the embodiment of money politics." The *Bungei Shunjû* revelations dominated the press

¹⁶¹ He was referring to Hanamura Nihachirô, who for many years had been the man in charge of running the allocation scheme and who had been with the organisation from its start in 1946. He was managing director (*jimukyokuchô*) when the organisation first began supporting the LDP. He moved through the ranks to serve as the head of Keidanren's permanent staff from 1976 until 1983 and continues today as an advisor to the organisation (Hanamura 1994, p. 85).

and public debate in the following weeks, and after only five weeks forced the Prime Minister's resignation on November 26, 1974. The LDP's hopes of riding out the discontent over the "money politics elections" of the previous summer were dashed. Rather, the party felt compelled to establish a "Council of Fundamental Problems Pertaining to LDP Management" under party elder Shiina Etsusaburô. Shiina was also instrumental in selecting Tanaka's successor. He bypassed the usual election method, characterised by extensive horse-trading of both cash and positions among the factions, and chose a man with an extremely clean reputation and a reform agenda of his own: Miki Takeo. "Clean" Miki had distanced himself from the way in which the summer's election campaign had been managed by resigning from his position as deputy Prime Minister in protest (Hrebenar 1976, p. 342). Another key position was filled with another reform enthusiast. In January 1975, the reputable former chairman of NHK, Maeda Yoshinori, accepted the presidency of the *Kokumin Kyôkai* on the condition that his reform ideas would be accepted. He planned, uncontroversially, to encourage greater individual membership and, quite controversially, to make contributions not only to the LDP but to opposition parties as well, as long as they supported the democratic political system.

As it turned out, both Miki and Maeda failed to realise their plans. After the Tanaka scandal had lost its position as top of the public agenda to more mundane worries about inflation, recession and other economic issues in the early months of 1975, the *Kokumin Kyôkai's* director's first priority was not reform but repaying the LDP's election debts from the previous year. Maeda resigned on July 2, 1975, having achieved little but the renaming of the organisation to *Kokumin Seiji Kyôkai*. The *Mainichi* commented on Maeda's resignation: "Maeda's ideals had been mercilessly crushed by the hard realities of politics," (Hrebenar 1976, p. 345). In 1977, an additional organisation, the *Jiyû Kokumin Kyôkai*, was set up to cater for individual membership, asking for a fee of ¥10,000 *per annum*. Yet, its efforts did not meet with lasting success.

Miki Takeo's plan was similarly foiled. He had been a long-time advocate of political ethics from both within and outside of the party. When he became Prime Minister on December 9, 1974, he vowed to carry out fundamental reform of political finance. Only two days before this date, he had published his own reform plan, the so-called "Miki proposal". Among other reforms, it envisaged the abolition of all corporate

contributions within three years, and a thorough improvement of transparency in the interim. But Miki, as leader of the smallest of the LDP factions, did not have the power to push through his reforms against the will of the party's majority. Less than a year later, Miki reluctantly supported his party in its successful lobbying for a resumption of corporate contributions. On November 3, 1975, a number of large corporations agreed to continue an allocated contribution scheme like the one the Keidanren had stopped the previous year. Eventually, the Keidanren scheme was resumed retroactively from October 1974 (Hrebenar 1976, p. 345).

Nevertheless, some reforms were realised. After Tanaka's money politics scandal, public pressure had become increasingly effective in forcing reluctant Diet members from the LDP to embrace political reforms. Although often attributed to Miki, the first substantial reform of the *kiseihô* since its conception in 1948, was only indirectly based on the initiative of the Prime Minister. The role of the Ministry of Home Affairs was also, at best, ancillary. It was, rather, the result of LDP initiative. In February 1975, citing the Supreme Court's decision on Aritake vs. Yawata, an internal LDP committee, the *senkyo seido chôsakai*, announced that the Miki proposal was probably unconstitutional. However, having just elected a party president and Prime Minister precisely because he had promised reform, the party could not afford to renege on reform entirely. Formed in January to prepare the outline of a reform bill, the *chôsakai* recommended a system of quantitative restrictions on political contributions based on the recommendations of the fifth *shingikai*, but considerably more lenient, and the various bills that had been drafted since then. They were applicable in two tiers: a general frame limited contributions to annual maxima, while a specific frame limited the amount that a contributor could contribute to any one recipient.¹⁶² The quantitative

¹⁶² Since the *shingikai* recommendations were over nine years old, the absolute numbers were quite different: individuals could give up to ¥20 million, whereas corporations could give between ¥7.5 million and ¥100 million depending on their size and on their paid-in capital. The specific frame was set at ¥1.5 million. The opposition had maintained that political contributions to any one recipient should be limited to amounts equivalent to what individuals could contribute as "pocket money." ¥1.5 million appeared to be a compromise in the end (Hirose 1991, p. 13). Already in 1968 and in 1969, as well as this time, the LDP had introduced an important innovation from the fifth *shingikai*'s recommendation in order to obtain the support of the factions within the LDP: the limit under the general frame applied only to contributions made to political parties and their fund-raising organisations (*seiji shikin dantai*). Contributions to other political associations—specifically to the factions and personal fund-raising organisations—did not count towards this limit. Rather, a separate limit was created at half the size of the first: ¥10 million for

limits had originally been designed as a first step towards a total ban on corporate contributions. The idea had been that the limits would be progressively lowered until the total amount of political funding reached zero. In fact, this meant that the proposal did not prohibit corporate contributions.¹⁶³

Later in the same month the *chōsakai* produced two outlines: one for the *kiseihō*, the other for the Election Law. The Ministry of Home Affairs drafted two bills based on these outlines, which were approved by the cabinet in early April. The Election Law bill passed both houses with the support of the LDP and most opposition parties. The more controversial *kiseihō* bill failed to gain the support of the opposition parties, as the new law was generally more geared towards the interests of the LDP.¹⁶⁴ This alone would have been sufficient to ensure that the opposition parties voted against the government bill, and indeed, all four opposition parties each presented their own bills. Each reflected the particular funding practices of the respective party but their differences meant that there was no unified opposition bill. The opposition parties might have been able to rally around a bill that reflected the original *shingikai* ideas more faithfully than the LDP's proposal. The small DSP was closest to espousing such a proposal. The Socialists, Communists and the Kōmeitō stuck to a total ban on corporate contributions but the Socialists planned to exempt parties, political associations and labour unions. The opposition's failure to agree on a common proposal allowed the LDP to dictate the terms of the reform. To be sure, even within the LDP, there was Miki's more radical minority position. Yet, with the majority's arguments bolstered by the final Yawata ruling, the new law managed to avoid a ban on corporate contributions.

The bill passed the lower house on June 4, but after four hours of acrimonious debate on the last day of the Diet session, July 4, resulted in a hung vote in the upper house

individuals and between ¥3.75 million and ¥50 million for corporations. In effect, this innovation increased the general frame by 50%.

¹⁶³ The eighth clause of the law stated that the law would be reviewed after five years with the objective of making political finance rely exclusively on individuals. In spite of the five year re-consideration clause, however, no such re-consideration took place until another *shingikai* was convened thirteen years later (Yokomichi 1988, pp. 24-25).

¹⁶⁴ The new law included a provision against the mediation of contributions from individuals who were employed or otherwise part of the mediating organisation and against coercing contributions from potential donors in any way. This was the same provision which Matsuno Raizō had placed in the 1967 bill, and which was directed against the unions' and other mass organisations' "check-off" system of *contributions* from their membership.

(Matsuura & Ôtake 1983, p. 21). The final decision lay, for the first time in the history of the post-war constitution, with the speaker of the upper house, Kôno Kenzô,¹⁶⁵ who gave the approval to the new law (Yokomichi 1988, pp. 23-24). The new *kiseihô* came into force on January 1, 1976.¹⁶⁶

Lockheed: regulating individual politicians

Just after the revisions of 1975, the Lockheed scandal began to unravel. Lockheed had been selling aircraft in Japan. Tanaka Kakuei was said to have personally accepted money from the US aircraft maker—while still Prime Minister—for making the sales possible, albeit indirectly. "Clean" Miki was ready to let the Lockheed investigations run their course but the LDP leadership preferred to see Tanaka protected. Before long, Miki was felled by a "Down with Miki!" (*Miki oroshi*) campaign in the LDP in the autumn of 1976, but not before he was able to hear the report from a cabinet level conference he had called on how to avoid a repeat of the Lockheed Scandal (*Rokkiido Mondai Kakuryô Kyôgikai*). The conference suggested some measures for immediate adoption, such as changes to the bribery law, and some other measures to be considered in greater detail. Among the latter was the disclosure of individual politicians' income and expenditures through the *kiseihô* (Matsuura & Ôtake 1983, p. 24). Until that time, the law had explicitly dealt only with the finances of political associations, but Tanaka's dealings had exposed this omission in the law. After the December lower house election—in which the LDP came dangerously close to losing its majority, in part due to the defection by Kôno Yôhei who started a rival conservative party, the New Liberal Club, in protest of the LDP's money politics—Miki was replaced with Fukuda. Fukuda

¹⁶⁵ Kôno was a brother of the famous faction leader, Ichirô, and uncle to the later Prime Minister, Yohei.

¹⁶⁶ Besides the introduction of quantitative limits, transparency was increased, at least nominally, by the publication of addresses and other details of contributors being required for contributions over ¥10,000. However, this threshold applied only in the case of parties, and turned out to be a gaping loophole because in the case of other political associations the threshold was a staggering ¥1 million. Companies which received subsidies or capital from the government or from local authorities, companies which had had more than three consecutive years of losses, as well as foreign companies, were prohibited from making any political contributions. Reporting was streamlined to increase transparency: special reports during election time were abolished. In addition, the definition of political associations was clarified, by widening it and at the same time bringing the definition of political party in line with the Election Law, i.e. by basing it on the presence of at least five members in the Diet. Finally, the details required in the financial reports to the ministry were increased, reporting periods were lengthened to a year, and made to coincide with the calendar year, and a preferential tax treatment for individual contributors was introduced (Matsuura & Ôtake 1983, p. 22).

saw no need to press implementation of the conference recommendation. Then the McDonnell Douglas/Grumman affair—which, broached in the US, unbelievably resembled the Lockheed affair—again focused attention on money politics. Ôhira, who replaced Fukuda in December of 1978, convened his own conference in May 1979, in a bid to gain more time.¹⁶⁷

The *Asahi Shimbun* editorialised on May 23, 1979, that the necessary conclusions had already been reached by Miki's conference, and implored especially those conference members who were not in the cabinet to see that action be taken quickly (Matsuura & Ôtake 1983, p. 25). Independently, the parties in the Diet began working out proposals of their own, calling in particular for the publication of individual politicians' assets. Ôhira was forced to pledge to follow up with concrete measures as soon as the Ôhira conference had reported. Its report, delivered in September 1979, called for a variety of measures, among them, the clean-up of politics ("*seiji no jôka*").¹⁶⁸ As a result, the *kiseihô* was amended to subject the political finances of individual politicians to the law, requiring them to publicise their personal income and expenditures.¹⁶⁹ Until this time, the *kiseihô* had been concerned only with political parties and other political associations. The inclusion of individual candidates and the scrutiny of their political

¹⁶⁷ The considerable instability of the LDP top leadership during this decade was caused at least in part by recurring scandals, but it also made the implementation of effective reform difficult (see Curtis 1988).

¹⁶⁸ This was to be achieved, first, by cleaning up elections, i.e. creating an election system based on parties not candidates; second, by separating the political and personal financial affairs of individual politicians and making the latter more transparent; third, by establishing an Ethics Committee in the Diet which would request and publish reports on the assets of individual politicians, taking an example from a number of foreign countries; fourth, by raising the level of public awareness through supporting political ethics campaigns organised in the private sector. The first and fourth recommendations were not followed up on, while the third was incorporated into a revision of the Diet law. Details for the second were worked out by a new LDP committee. The bill was prepared by the Ministry of Home Affairs and presented to the Diet on April 30, 1980. When a no-confidence motion forced Ôhira to resign on May 16, the bill was abandoned. After the result of the "double election", the newly inaugurated Prime Minister, Suzuki Zenkô, had to pledge even more strongly than his predecessor to introduce a bill in the coming Diet session. A new bill, of unchanged content, was soon passed by both houses and came into effect on January 4, 1981 (Matsuura & Ôtake 1983, p. 26-29).

¹⁶⁹ It required each politician to identify one or more organisations as his personal fund-raising organisations (*shitei dantai*). Such a link between a politician and the groups supporting him meant that he would no longer be able to benefit from political funds collected on his behalf which were reported without any reference to his name. All funds that were spent on political activity not declared by the designated organisations became the responsibility of the politician for immediate reporting in his personal accounts. The new law also raised the reporting threshold from ¥10,000 to ¥50,000 (Yokomichi 1988, p. 25, Matsuura & Ôtake, p. 30).

finances were meant to serve as a disincentive to the funding of individual candidates and encourage the funding of political parties.

Reform of the *kiseihô*, however, remained on the agenda not only because the fundamental issue of corporate contributions had been left unresolved but also because the ingenuity of practitioners had again left the *kiseihô* lagging behind reality. The ambivalence of the first *shingikai*—whether to use the *kiseihô* to describe an ideal situation or whether to find practical solutions—was reflected in the new law. Quantitative limits had not actually replaced the American-inspired “three-step regime”, as the law's largely unchanged preamble clearly showed. Yet by mixing the two approaches of leaving political finance unrestricted whilst making it transparent on the one hand and of introducing quantitative limits on the other hand, the effectiveness of the law appeared to be reduced, not raised. In spite of the reforms of 1975 and 1980, the *kiseihô* failed to achieve two principal objectives: transparency and the limitation of political funds. The degree of transparency remained low and the amount of reported finance grew.¹⁷⁰ In addition, new forms of fund-raising were devised to exploit the law's remaining loopholes. One such innovation, increasingly practised in the 1980s, was that contributors would buy tickets, sometimes in bulk, to a fund-raising event, often without any intention of attending. Another was the explosion in the number of political associations. A politician would simply increase the number of fund-raising organisations collecting money for him so that each one could remain within the prescribed limit.

¹⁷⁰ Of the contributions to political associations, for example, only 42% of individual donors and 4% of corporate donors were named (Miki 1992, p. 49). The official reports under the *kiseihô* had 536 pages making meaningful inspection or analysis impossible (Hirose 1991, p. 10). Despite quantitative limits, reported finance grew from ¥110 billion in 1976 total to ¥310 billion in 1986 (Iwai 1989, p. 65). However, this does not mean that the reforms had no impact on funding practices. On the one hand, quantitative limits did succeed in making the average donation smaller—although this often meant a shift to contributions from smaller corporates rather than individuals. As Japan Chamber of Commerce and Industry President, Nagano Shigeo, had remarked about the new law: “This means that the LDP will have to collect relatively small amounts from a larger number of companies,” (Hrebenar 1976, p. 344).

4.2. Recruit: reforms without the LDP in power

LDP in the driver seat: old responses

As scandal and public criticism had abated during the prime ministership of Yasuhiro Nakasone, the LDP was tempted to roll back some of the law's more uncomfortable restrictions. In the summer of 1987, the Nishioka Proposal¹⁷¹ controversially included the doubling of the quantitative limits, ostensibly to accommodate higher prices. The draft was widely criticised in the media and did not advance to the legislative stage. However, the same sub-committee, under a new chairmanship, produced a report a year later in March 1988, which again suggested raising the annual limits as well as introducing reporting requirements on fund-raising parties.¹⁷² Simultaneously, a meeting between the cabinet, the four top LDP officers, and the party's faction heads resulted in an agreement to exercise self-restraint in the conduct of fund-raising events in the future. Yet, before the LDP could effect any legislation, it was overtaken by the Recruit Scandal and all attempts to soften the *kiseihô* had to be abandoned (Yokomichi 1988, p. 26).

In June 1988, a minor case of money politics, involving political contributions in Yokohama, developed into the largest scandal Japan had ever seen—and returned the focus of the debate to the issue of corporate contributions. The young self-made billionaire Ezoë Hiromasa, chairman of the fast-growing publisher of employment magazines, Recruit, had been providing political funds to dozens of government, as well as opposition, Diet members. Rather than to make cash contributions, however, he had sold pre-flotation shares in one of his companies and bought them back after their price had risen dramatically—and predictably—through flotation on the stock exchange.

¹⁷¹ It was named the after the LDP sub-committee chairman who had rejoined the LDP with the other members of the reform-minded New Liberal Club only the previous year.

¹⁷² Limits for individual donors were to rise by 100% to ¥40 million and for corporations by an average of 45% (maximally ¥200 million for parties and individual politicians, and ¥100 million for other associations, such as factions). In addition, the contribution limit to any one such association or individual politician would be doubled to ¥3 million. The reporting threshold for income and expenditure items would be raised from ¥10,000 to ¥500,000 (in the case of parties and associations such as the *Seiji Kokumin Kyôkai*). Income from fund-raising events would be included in the reports, provided that their purpose was to raise political funds, that one ticket cost more than ¥20,000, that the participants numbered more than 1,000, and large scale buyers of tickets (totalling more than ¥1 million) were to be reported with name and address.

Politicians could claim, technically correctly, that they had not violated the *kiseihô* even though these profits were neither reported, nor counted against the quantitative limits (Hirose 1991, p. 13). The revelations of the Recruit scandal unravelled for more than a year and led to the resignation of Prime Minister Takeshita Noboru. They also led to a new set of reform proposals, that once again focused on the broader issue of corporate contributions, and not merely on the specific loopholes that had been exposed by the Recruit affair. The opposition parties argued that corporate contributions should be banned after three years. The LDP's reform position was outlined in its 1989 "Political Reform Principles". With respect to corporate contributions, the LDP emphasised that the making of political contributions was an important political freedom, and then borrowed the logic of the 1970 Yawata Supreme Court decision to argue that this freedom was also applicable to corporations (Sumino 1991, p. 53).¹⁷³ Bolstered essentially by the arguments of the Supreme Court, the LDP was no longer willing to accept the banning of corporate contributions, a concession that, at least in principle, it had made during and after the *shingikai* of the 1960s and even in the amendments of 1975.

In response to the ongoing public debate on money politics, the eighth *senkyo seido shingikai* was convened in June 1990, 18 years after its predecessor had delivered its report—which had seemingly exhausted the issues. This time, however, there were no supernumerary politician members and the transcripts of the deliberations were not made public. The eighth *shingikai* reported in April and June 1991 and recommended that political finance should not be used for stock market transactions, in order to prevent a recurrence of the Recruit affair. Political finance should be centred on parties,

¹⁷³ Specifically, on May 19, 1989, the LDP proposed to lower the publication threshold for contributions to political associations from ¥1 million to ¥600,000. On June 17, the four opposition parties—with the exception of the Communists who favoured banning both company and union contributions (see Kanemitsu 1990, p. 123)—produced a joint reform proposal for the *kiseihô* which called for the abolition of corporate contributions after three years when they would be replaced by both individual and public funds. This proposal had been preceded by the JSP suggesting, that "in the future", corporate contributions should be disallowed, but for the meantime, the general frame for companies should be lowered to ¥20 million, and unions would not be restricted. The Minshatô had proposed to allow corporate contributions, but only until a party law made the introduction of public funds possible. The limit of the specific frame in this joint proposal was set at ¥600,000 for parties, and ¥500,000 for individuals (Yoshida 1990, p. 30-34).

be transparent, and the existing restrictions should be made more effective.¹⁷⁴ Most importantly, the eighth *shingikai* recommended a mixed electoral system, the so-called *heiritsu* system, combining elements of a first-past-the-post model and of proportional representation. The LDP had always sought to link political finance reform with electoral reform. Prime Minister Takeshita asked the eighth *shingikai* to detail "concrete policies for reform of both the electoral system as well as the political finance system," i.e. to design a package of reform. What had possibly been a self-interested tactical play by the LDP until now, was raised to a point of principle by the *shingikai*. The people had come to distrust politics and demanded political reforms because of money politics, the *shingikai* argued. Yet, the problem was not just in the political finance legislation. That these demands had not been satisfied was an indication, the *shingikai* implied, that the existing electoral system did not provide the opportunity to voice these demands; both because of the persistent imbalance between electoral districts and because of the personalised election campaigns that favoured money politics. Politicians and political parties should wage election campaigns on the basis of policy platforms. The *heiritsu* system was eventually adopted in 1994.

Hosokawa coalition brings reform

At first, the *shingikai* recommendations fared no better in the Diet than their predecessors had in the 1960s. The LDP was determined to retain control over the reform process. According to a communist commentator, the LDP's "Political Reform Principles" of 1989, influenced subsequent reforms more than the eighth *shingikai* report (Kanemitsu 1990, p. 115). Following the resignation of Takeshita Noboru, forced by the Recruit scandal, the Home Ministry under the new Prime Minister Kaifu Toshiki, prepared three political reform laws which were submitted to the Diet in August 1991. In line with the eighth *shingikai* report, the *kiseihô* reforms contained in Kaifu's triple reform bill aimed for the legitimisation of corporate contributions, not their elimination,

¹⁷⁴ To this effect, the publication of large scale ticket buyers would subject fund-raising events to the reporting requirements of the *kiseihô*. All political associations would be required to name the politician they support. Those associations supporting the same politician should file consolidated accounts with a publication threshold of ¥10,000. At most, two fund-raising organisations for each politician would be exempted, to which the old threshold of ¥1 million would apply. Illegal contributions would be confiscated. And the penalties prescribed by the *kiseihô* should be extended to include the suspension of

by allowing them only if they were to be made to political parties. However, Kaifu had been elected Prime Minister much in the same way that Miki had been put in the top position fifteen years earlier to shore up the party's flagging support. Like Miki, Kaifu lacked a real power base in the LDP and so his bills did not have the support of a majority in the ruling party. His position was too weak to impose his ideas upon unwilling back benchers. After this bill had failed, a cross-party committee on political reform was convened in 1992, but in the words of party leader Kajiyama Seiroku, the LDP had "no intention at all to change our stance" concerning corporate contributions (Oguri, Maehara 1992, p. 57). When Kaifu's bills had expired at the end of the session, they cost him the prime ministership which had been premised on the public promise of political reform. The revelation of an almost uninterrupted string of further corruption scandals after Recruit, however, also forced Kaifu's successor, Miyazawa Kiichi, to promise the realisation of reforms.¹⁷⁵

Contrary to his promise, Miyazawa could not deliver fundamental reforms within the time he had set himself.¹⁷⁶ As a result, Hata Tsutomu and Ozawa Ichirô, left the LDP with a major part of the Takeshita faction and helped to form the first non-LDP government in 38 years by joining a seven-party coalition under Hosokawa Morihiro. The coalition spent a number of months convincing the opposition LDP to agree to comprehensive reforms of the electoral system, public financing of parties, and changes to the *kiseihô*. Although the proposals were largely similar to those made by the Kaifu Cabinet, the LDP refused to co-operate. The coalition passed the reform package in the lower house on November 18, 1993, without the votes of the opposition LDP. In the upper house, however, with only a few days left in the Diet session, one of the coalition

the right to stand for election. The report also recommended instituting of the public funding of political parties.

¹⁷⁵ One of these, the so-called Sagawa Kyûbin affair, involved the first ever conviction of a Diet member on *kiseihô* charges. The power-broker of the Takeshita faction, Kanemaru Shin, was careless enough to reveal that he had personally received a ¥500 million political contribution from Sagawa Kyûbin, a trucking company. He was sentenced, but the summary proceedings resulted in only a light fine. Public outrage at the light fine prompted the public prosecutors to indict Kanemaru also on charges of tax evasion.

¹⁷⁶ Miyazawa did manage some, largely superficial, reforms in December 1992: those contributions discovered to violate the *kiseihô* were to be confiscated; fund-raising events were to be treated like political associations, and hence, required to report their income, while ticket buyers were limited to spending ¥1.5 million on any one party. Nevertheless, as these changes fell significantly short of the eighth *shingikai* report, they failed to appease public demand for reform (Suzuki 1995, pp. 29, 30).

partners, the Socialist Party, forced amendments to the bills which essentially jeopardised the entire reform package because there was no time left in the Diet session to re-start proceedings in the lower house. In a last minute rescue agreement between Prime Minister Hosokawa and LDP President Kôno Yôhei, some concessions convinced the LDP to back the original reform package in an unusual joint session of both houses on January 29, 1994 (Suzuki 1995, p. 28)

The changes to the *kiseihô* that were agreed between Kôno and Hosokawa came into force at the beginning of 1995.¹⁷⁷ Political parties as recipients and individuals as contributors, were given preferential status. However, corporate contributions—and contributions to individual candidates—were not abolished so that the changes to the political funding regime would be gradual rather than abrupt. At the same time, public subsidies to political parties were set up.¹⁷⁸ The changes were not without critics. Specifically, although they prohibited corporate contributions to individual politicians, they still failed to ban them as a matter of principle, opening up the possibility of making contributions to a political party, earmarked however, for redistribution to a specific politician in the party (*Tokyo Shimbun*, adapted in *Japan Views Quarterly*, Autumn, 1993, p. 18). Similarly, although contributions to a politician's *kôenkai* were prohibited, contributions to local party branches could easily take their place, especially

¹⁷⁷ There were five areas of significant change. First, the general frame continued to give individual contributors preference over corporate contributors (companies, labour unions, etc.) but limited both groups to annual maximums—differentiated by category of recipient. Second, under the specific frame, contributions to individual politicians were no longer possible, with some important exceptions: contributions from political parties, contributions in kind, or contributions during election campaigns (and therefore subject to the limitations of the Election Law). The quantitative limit on contributions to political parties was abolished. Only individual contributors were allowed to contribute to political associations other than parties, and only up to an annual limit of ¥1.5 million to any one association. However, for a transitional period of five years, the individual politician could appoint one "political management organisation" (under the old law, he was able to appoint any number of "designated organisations") to which corporations could make a small (less than ¥500,000 per annum) contribution. Third, the publication threshold for contributions became a uniform ¥50,000 (previously being ¥10,000 for parties, and ¥1 million for other associations). Fourth, the publication threshold for large scale buyers of tickets to fund-raising events was lowered from ¥100,000 to ¥20,000. Fifth, sanctions were strengthened and included the suspension of active and passive voting rights for a minimum of five years. Fines would be levied at two and a half times the amount of the illegal contribution (Kokusei Jôhō Sentaa 1994, pp. 98, 99).

¹⁷⁸ Whether intentional or not, they were set up in such a way as to encourage greater transparency of political funds. To prevent public subsidies from becoming the only, or even dominant, source of political funding, a rule was established that public subsidies could be no higher than two-thirds of the contributions collected by that party in the previous year. This rule would, therefore, encourage parties to

as there were no longer multiple candidates from the same party in the same election district. Further, no quantitative limits for fundraising events were introduced. Despite the above criticisms, these reforms represented the most ambitious attempt thus far to bring the *kiseihô* in line with actual fund-raising practices and to close the law's loopholes.

4.3. The context of the Hosokawa reforms

The eighth shingikai focuses on political parties

The Hosokawa reforms were clearly focused on emphasising the role of political parties. This was not only a reflection of the LDP's strong influence on the reform package but also of the thinking of the eighth *shingikai*, which had unequivocally focused on the role of political parties. The 1975 reforms had not succeeded in elevating the role of political parties as envisaged by the fifth *shingikai*, or as suggested by the Supreme Court's endorsement of political parties in the 1970 Yawata Steel case. Possibly, they even helped to accentuate the secondary role that parties were playing in political finance. They did little to shed light on the multitude of contributions to individuals, factions and *kôenkai*, the areas where the *kiseihô* reports were particularly lacking in transparency.¹⁷⁹ In practice, by lowering the reporting threshold for contributions, it caused a proliferation of smaller contributions that were increasingly made to individual politicians and their *kôenkai* (Curtis 1988, p. 187).¹⁸⁰ The new law placed political parties at a disadvantage vis-à-vis other political associations. This was especially unfortunate because political reformers saw the existence of political associations (*seiji dantai*)—such as the factions in the Diet, the *kôenkai* of individual politicians and their fund-raising organisations—as the sign of a backward political system in the context of political development.

provide information—in greater detail than under the *kiseihô*—on a considerable portion of their contributions.

¹⁷⁹ On the contrary, the more generous publication threshold for political associations other than political parties was likely to decrease transparency, and clearly disadvantage political parties. There was also the additional limit for political associations under the general frame.

¹⁸⁰ At the beginning of 1975, there were about 25,000 registered political associations (*seiji dantai*) in Japan and thousands of them were claiming to be political parties. This was the "evil consequence" of an election system that was based on individual candidates and did not recognise political parties (Yamamoto 1975, p. 6).

The modernisation and organisational depth of political parties must progress. An electoral system based on political parties must be realised and party activity designed to collect political opinion through a system, with the political parties at the centre, must become continuous and vigorous. And we must ascertain a system, where at election time, electioneering is centred around political parties. For individual *kôenkai* and similar political associations to lose their reason for existence a number of conditions must be met: (Yamamoto 1975, p. 68).

To the author of this text, Yamamoto Takeshi, a Ministry of Home Affairs bureaucrat, the rise—and fall—of democracy seemed intimately tied to the fortune of political parties. In stating such, he cited examples of democracies older than Japan, such as Great Britain, but also noted Japan's own history as further evidence. The eighth *shingikai* argued in the same vein. Unlike quantitative limits or outright banning, the report's main thrust was aimed only indirectly at reforming and reducing money politics. Basing elections on policies and parties would obviate the need for extensive political finance. An electoral system which relied less on the campaign activities of the individual politician should require less money, hence reducing the need for money to be raised by individual politicians. In the future, parties would be modernised, the people's political consciousness would be raised, and their political participation would be channelled through political parties. Therefore, the eighth *shingikai* felt, corporate contributions could "not be seen in isolation". Describing political finance as a "means of political participation", the "voluntary and autonomous character" of which should be respected, did not preclude corporate contributions. They were appropriate if limited to political parties. During a transition period, corporate contributions even to individual politicians would be permitted.

Keidanren stops contributions for a second time

Although the *shingikai* had thus deflected attention away from the issue of corporate contributions, this issue remained central to the debate. Many voices continued to call for a total ban on corporate contributions, such as the December 1992 headline in the magazine *Economisuto*: "Ban political contributions from business completely!" (December 8, 1992). At an academic conference on political finance organised by the *Nihon Zaiseihô Gakkai*, the Japanese association of public finance scholars, in March 1990, Prof. Saigusa Kazuo of Meiji University, tackled the view that was implied in the

shingikai's reasoning—that a ban on corporate contributions would wreak havoc with parties' finances—head-on:

There is no easy compromise between the reality of political funds and the ideal described in the law. Even temporary social upheaval brought about by a denial of political funds is, in the long view, desirable precisely because it may return legal order [...] we should not be concerned with political matters of the moment, such as the question of whether the parties might be in trouble if the courts passed a certain judgement, but we should hope to make the principle of the law even clearer, (Nihon Zaiseihô Gakkai 1991, p. 49).

The principle of the law to which Saigusa referred was a ban on corporate contributions. At the same venue, constitutional law specialist Sumino Takanori, of Senshû University, reiterated the need for a ban on corporate contributions: neither companies nor unions should make political contributions (*ibid.*, p. 120). A labour law professor, Sakamoto Shigeo, of Shizuoka University, explained why labour union contributions differed little from company contributions. Employees, or union members, who supported, or campaigned for, a party other than the one supported by their company or union, ran the risk of being ostracised (*murahachibu*) (*ibid.*, p. 102-103). Saigusa concluded that "the final decision depends on the degree of each person's political and public consciousness. In general, the political consciousness of the Japanese is still considered to be very low, but at least one must admit that they do not think that corporate contributions are a good thing," (*ibid.*, p. 50). And indeed, the eighth *shingikai* saw the voters' political maturity as the key to any political reform.

Even the *shingikai* recommended, in a change from previous policy, that sanctions on *kiseihô* violations should be extended to the companies and corporations making the contributions. As long as the Cold War presented a realistic alternative to a free market system—an alternative which was advocated by the opposition in the bifurcated party system of 1955—the business community had an interest in keeping the market-oriented conservative party in power. Hanamura has used the term "insurance premium" to describe the role of Keidanren-mediated contributions in the maintenance of a free market system (Hanamura 1994, p. 85). However, this argument did not legitimate corporate contributions universally. The opposition parties were likely to ask why the side with more money should have more say in the political competition between economic systems. "Politics is bought with clean money, too, it is all the more bought

when it is with clean money," (Saigusa 1991, p. 39). The following statement by two Japanese legal scholars, for example, denied that corporations had the right to take sides:

Corporate contributions [...] support one particular party among the various parties which each mediate between the political rights of individuals and the exercise of public power. They can only be thought of as violating a right which belongs to the people individually, the right to exercise public power. (Oguri, Maehara 1992, p. 58).

The free market argument began to lose weight with the demise of the 1955 system in 1993. Companies were more willing to question the reasons for spending large amounts of money on politics. Earlier on June 19, 1989, the four economic peak organisations, impressed by the fall-out from the Recruit scandal, issued a joint declaration recommending the complete publication of all political finance as well as permitting corporate contributions only to political parties, and advocating the introduction of public funds (Keidanren 1989, p. 5). In September 1993, the Keidanren chairman, and his council of vice-chairmen, announced the termination of the allocation scheme starting from 1994, stating that public funds and individual donations were the most desirable forms of political finance. In addition, Keidanren welcomed public demands that politics should not depend on corporate contributions and argued that they should be abolished within a certain time frame (Keidanren 1994, p. 13). Keidanren was acting largely in accord with the wishes of its constituents. 47% of respondents to an *Asahi* poll of fifty-three blue-chip companies and trade associations, favoured the termination of Keidanren's allocation scheme and 43% thought political finance should ideally be paid for by individuals and the government (*Asahi Shimbun* December 29, 1994).

The debate on corporate contributions took an important turn, when in the 1990s the conception of money politics began to shift: greater emphasis was placed on how money politics corrupted the policy process. In August 1993, a headline of the magazine *Nikkei Business* entitled "Fear of increasing 'tit-for-tat'" indicated that political finance was seen to be increasingly tied to concrete exchanges of favours (August 30). Scandals like Recruit, Sagawa Kyûbin, *zenekon* and others, had changed the picture so that the

discourse refocused on what companies were getting in return.¹⁸¹ In 1994, Keidanren published a list of reasons for abolishing corporate contributions: (1) expectation of favours in return from politics, (2) violation of individuals' political participation rights through money-driven elections, and (3) violation of the company's shareholders' political rights (Keidanren 1994, p. 10). These were well known arguments. First on the list, however, was the one that had so far received the least attention.

The *Asahi* poll also showed that only 2% were in favour of abolishing corporate contributions immediately, 27% wanted some "guideline" from Keidanren, and a total of 41% thought that the ideal regime would also include corporate contributions (ibid.). In addition, there was a concern over the small size of the newly available public funds. Hanamura's reaction was: "Really, I think it would have been better to retain the clean donations from Keidanren." (Hanamura 1994, p. 89). Before long, Keidanren began to change its mind, returning to old ways. In late 1994, the finance and automobile industries announced that they would resume donations without Keidanren, and in November 1995, Keidanren agreed to settle a ¥10 billion LDP campaign debt from 1993, which had not yet been repaid. Two months later, the organisation entered into official policy talks with the LDP, "in an attempt to restore the influence [...]" (*Financial Times* January 31, 1996). Once again, the culture of money politics had proved quite resilient.

5. Conclusions and interpretations

5.1. Money politics as a problem of political culture

Perhaps the most notable aspect about the *kiseihô* is its singular ineffectiveness in achieving what it set out to do: make the flows of political finance more transparent. Political practitioners were extremely adept at discovering and manipulating the law's loopholes so that the reports were often more obscuring than they were revealing. Academics, journalists, bureaucrats, law enforcement officers, and even politicians did not find the *kiseihô* to be an effective piece of legislation. One of the reasons that the

¹⁸¹ To some extent, the rationale had already begun to shift in 1975. Quantitative limits had been not just a stage on the road to a total ban on corporate contributions—as the fifth *shingikai* had intended—but a

law did not deliver transparency was the fact that there was little demand for transparency. The law operated on the premise that transparency would allow public opinion to exert pressure on politicians to self-regulate. This idea was encapsulated in the “three-step regime” of unrestricted political finance, full transparency and sanctions through the electoral polls. Yet, public opinion was not sufficiently concerned to use the information provided by the *kiseihô* to sanction politicians. The amnesty for Satô and his rehabilitation into mainstream politics, as well as the number of other prominent politicians who escaped convictions for violations of the *kiseihô*, showed that a violation of this law did not count as a serious crime. The only way to raise the concern of the voters was through political education. Another solution to the ineffectiveness of the *kiseihô* lay in changing the law.

In spite of the many attempts, reform of the *kiseihô* was rarely successful and when it was, it was piecemeal. This was because legislators in the Diet were not the principal proponents of reform: understandably in the case of the government party, but, more surprisingly, this was also true of opposition parties. This was best illustrated when the Socialists almost derailed the reform process in January of 1994. Only when a combination of political scandal, deteriorating public trust and the threat of electoral punishment, created sufficient pressure to force the Diet politicians to take the initiative, did reforms become possible. After the "dirty elections" in 1960 and 1974 when the LDP felt under threat, it responded by initiating reforms of the *kiseihô*. Even so, revisions of the *kiseihô* have often only just squeezed through: In 1948, the upper house was overruled by the lower house; in 1975, the speaker of the upper house cast the deciding vote; and in 1994, a questionable joint session of both houses railroaded the bill through. In spite of these changes, the fundamental questions remained about how the law could be changed. Should the *kiseihô* serve as a beacon, setting the goal by describing the ideal state of political finance? Or should it take account of the way in which political finance was in fact raised and attempt to change these practices incrementally? The fact that a large gap persisted between the formal rules (*tatemaie*) of the law, and the actual political practices (*honne*), suggested that money politics was not

way to address specific cases of influence peddling. Quantitative limits on contributions would avoid the disproportionate political influence of larger contributors (Yamamoto 1975, pp. 69-70).

a matter of legislation but of political culture. Political reform would not be successful as radical, rules-induced, change, but as slow, education-induced, cultural change.¹⁸²

On the political reform discourse outside the Diet, the law's ineffectiveness had a widening effect. Here, the debate focused on large issues of principle. Throughout the debate, two such issues stand out in particular: one is the question of corporate contributions from companies and unions, and the other concerns the role of parties in political finance. On the one hand, these two issues can be seen as entirely separate strands of the debate on political finance regulation, with different participants, different arguments and different goals. On the other hand, a number of similarities and, indeed, overlaps are apparent.

5.2. The first strand of the debate: corporate contributions

Initially, the modernisers' response was to replace the "three-step regime" with direct restrictions, by placing a ban on corporate contributions and instead requiring all political finance to be based on individual contributions. However, this radical reform proposal of introducing individually financed politics through the *kiseihô* ran into opposition from the LDP which relied primarily on corporate contributions to finance their election campaigns. The Socialists were also reluctant. They were not dependent on business as was the LDP, but their reliance on labour union support made them almost as vulnerable to radical reform. Their ambition was limited to ensuring that contributions from the labour unions' large memberships would be possible even when company contributions were not. When the Supreme Court had ruled in favour of corporate contributions, the idea did not go away, however, but was sustained by public opinion, and aided by academics and journalists. On two occasions, Keidanren used public pressure to justify its withdrawal from political finance.

Political modernisation was seen to require giving preference for individual over collective political rights. The District Court, for example, confirmed that corporate contributions, by representing collective political action, violated individual political rights. This view entailed the vision of a society that was composed of the individuals

¹⁸² Even a fierce critic of money politics was sceptical of the possibilities of using the *kiseihô* to change the way politics was done in Japan: "You will kill the cow if you try to adjust its horns" (Hirose 1991, p.

who cast their votes and made political contributions out of their own free choice, without the interference of social, contextual constraints. It opposed a political culture where institutions, such as companies and unions—organisations with a collective identity of their own—influenced their members political decision-making. Some questions, however, remained: Should either companies or labour unions be able to perform an intermediate function of collecting contributions from individuals and then passing these on as a political contribution? Was it significant whether corporations aggregated contributions for the convenience of their shareholders, or on behalf of a specific ideology? It is probably fair to say that among reformers, there existed general uneasiness about the role of collective organisations, even of political parties, in political finance.

The ban on corporate contributions was primarily conceived to eliminate large amounts of money from elections. The effect of money politics on the policy process was secondary. Yoshida's comment, in 1954, that contributors were not interested in publicity, not only showed that the *kiseihô* failed to provide transparency, it further indicated that regulating the contributors was not the intention of the law. The regulation of contributors has been constrained by the understanding that contributions are constitutionally protected by the freedom of political activity. Similarly, in focusing on political parties and equating their fund-raising activities with "social demands", such as disaster relief, the Supreme Court accepted the logic that the driving force behind political finance was demand, not supply. Companies made contributions reluctantly, and only because they were "demanded" of them. The motivation for the continuation of the Keidanren allocation scheme similarly lodged not with the Keidanren but with political recipients of the contributions. Keidanren was mostly interested in a business-friendly regime, rather than direct influence on specific policy issues. The danger of political scandals was detrimental to the objective of keeping the market-oriented conservative party in power.¹⁸³ Not until the end of the Cold War were the corporations' motivations for making contributions questioned more thoroughly. The advocates of this strain of debate on the *kiseihô* were predominantly independent

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¹⁸³ The allocation scheme was, in fact, designed with the purpose of separating specific contributions from specific policy preferences. "Money is money, and policy is policy," (Hanamura 1988, p. 27).

reformers, such as journalists or academics. Bureaucratic reformers preferred the second strain.

5.3. The second strand of the debate: political parties

From the very beginning, the *kiseihô* had been about more than the regulation of political finance: it had also been an attempt to define political parties. Parties were seen as essential to control the financial flows of money politics. The central focus of the eighth *shingikai*'s package of electoral reform and political finance reform was to enhance the role of political parties. Earlier, in 1972, the seventh *shingikai* report had reaffirmed the need to make elections revolve primarily around political parties and less around individual candidates, encouraged by the Supreme Court decision which had pointed out the public role of political parties. Even the LDP committee at that time spoke of "recognising the status of parties", "the public benefit of political parties", and "a party-based electoral system". Yet, it was the fifth *shingikai* in 1966, which made the first proposal on how to reach that goal by instituting quantitative limits which were designed to favour parties over other political associations and individual candidates. This compromise of the more radical position, a half-way house on the way to individual contributions, was designed to wean parties off corporate contributors. When reform-minded bureaucrats had realised that the LDP would continue to resist a ban on corporate contributions, they shifted their attention from a direct approach of regulation to an indirect one, and supported a party-centred political system. Yet, even the efforts of these pragmatic reformers were frustrated. Ten years of debating and introducing reforms in the 1960s, especially through the *shingikai*, had come to nothing. Reforms could not be effected, no matter how well supported by expert opinion, unless the Diet members themselves acted.

The emphasis on the positive role of political parties presented a reversal of earlier policies. As the political education movement of *keihatsu undô* in the previous section showed, political parties were, at first, seen as part of the problem by bureaucratic reformers. Both before and after the war, reformers had been critical of what they saw as the essentially private character of the political parties. The Supreme Court, however, arrived at the opposite conclusion by claiming that parties, because of their function within the constitutional framework, were, in fact, serving the public good. By that time,

bureaucratic conception of political parties had become similar: Democratic government could not operate without political parties. Political parties were not explicitly mentioned in the constitution, but they were understood implicitly to belong to the political institutions described in the constitution, such as elections, parliament and the legislative process. "Order and organisation" were necessary for the Diet to function and for a cabinet responsible to parliament to be formed. Without parties, cabinet would not have a stable majority to rely on and would run the risk of being pushed from power at any moment. This reform approach focused on a concept of political party, whose existence was essentially limited to parliament and which had a "public", or government agency, character. It failed to consider that parties could be out of power, and therefore failed to take account of the exclusive, one-sided and partial nature of political parties. In this, there was still resemblance of the earlier anti-party attitudes: only "public" parties could be legitimate.

There were rival views, that were rather more inspired by Western models. First, the District Court in its ruling on the Yawata case implied that political parties were essentially private entities. Corporate contributions to political parties could not be consensual because parties did not serve the common good. Parties pursued policies that did not necessarily benefit everyone, and not everyone could be expected to support the same party. Second, radical reformers envisaged a mass-based party that existed also outside of parliament and which did not limit popular political participation to electoral participation. The attempts within the LDP to embark on a course of the modernisation of party structures—as Miki had done in the 1960s—took this direction. Even among bureaucrats, the rather conservative view of the role of parties as "public" parliamentary parties continued to evolve.¹⁸⁴

Although the ban on corporate contributions was modelled on US legislation, it presented a clear departure from the "three-step regime" established by the Americans

¹⁸⁴ In 1988, a publication about the *kiseihô* from the Ministry of Home Affairs, provided a different nuance in the assessment of the "indispensable existence" of political parties. In order to realise their policies, candidates have to seek alliances "inside and outside of the parliament" from which political parties and other associations develop. Garnering popular support for these policies not only necessitates their publication but also the "organisation of men with the same opinions and principles" and electoral success. This explains why political parties and other associations in a parliamentary democracy have a role as equally important as candidates for public office (Jichishô Senkyobu 1988, p. 1).

during the Occupation, and stood for a debate that took few outside cues. As with the idea that political finance could be disciplined through public opinion, the idea that political finance should be dominated by political parties was made with references to the examples of Great Britain and other European democracies. Party modernisation was modelled on the type of party thought to be prevalent in Britain, where parties had developed organisational structures, outside of parliament, in each of the country's voting districts. Germany, too, was raised as an example which had even elevated parties to a place in its constitution. More generally, the focus on political parties was seen as part of a modernisation process that was modelled on Western examples. It required a change of the political culture in Japan, in which *kôenkai*, factions and other groups were still dominant. The fact that so many of these existed was seen as the sign of a backward political system. Political modernisation was at first equated with the development of voters' political consciousness but then came to mean modernisation of political parties and their structures. The next section will explore the position that political parties occupied in the reform debate from a different angle.

Third Case Study: Party Law

1. Introduction: party subsidy requires a party law

What has been thought of as the last trump to eliminate the abuses of political money in the future, is a subsidy to political parties (Yamaguchi 1993, p. 182).

In 1995, for the first time, a subsidy from the general budget of about ¥ 31 billion was paid to political parties in Japan. This disbursement was based on one of four political reform laws, the Party Subsidy Law (*seitô josei hô*), but it received only scant attention in the political reform debate which by then had already lasted more than five years since the beginning of the Recruit affair. The newspaper headlines were dominated not by political finance but by political realignment. The reform process had already resulted in a reshuffling of political leadership and ideologies, and political parties appeared to be changing in structure, as the new electoral system promised to do away with intra-party factions. In this context, the introduction of the subsidy drew relatively little attention. The lack of attention was undeserved. Against the background of a political culture that had long disregarded political parties, this element of the reform agenda is crucial to any understanding of the role and structure of political parties in Japan and the way that the perception of both has changed over time. And, as the quote above and the general remarks in the introduction illustrate, party subsidies were one of the reforms directed against money politics.

Historically, the party subsidy has been discussed as an aspect of a party law. The creation of a party law has therefore been an often recurring theme in the debate about political reforms. Until the introduction of public subsidies, political parties had no legal status and were defined only ambiguously in political regulations. Moreover, in the election law, political party activity and campaign activity have been defined separately. At one time, the election law even forbade political party involvement in election campaigns, putting them on par with other "third parties", i.e. outside of the primary relationship between the voter and the candidate (Curtis 1988, p. 165). Year-round activity, which is more typical of institutional organisation like political parties, is not addressed in the election law. This has left party activity unregulated in many respects.

Even after the 1994 reforms, the election law still focuses on the candidate more than on the party, and implicitly continues to assume that only election campaign activity is legitimate political activity and candidates continue to receive greater attention than parties in the election law. The lack of legal reference to political parties had a parallel in the comparatively confined role that political parties played in political practice.

The often fleeting existence of political parties, ready to break apart and merge at short notice and their vaguely defined policy platforms have made them difficult vehicles for political identification. Today they seem to face even more problems than in recent years as opinion polls consistently show that more than half of the respondents have said they do not support any of the existing parties (Jiji Tsûshinsha & Chûô Chôsasha, 1994). Politicians have relied on close personal ties to a political base either in the constituency or in the form of an organisational support structure—such as a union or religious organisation—and have put the emphasis on personalised election campaigns. Indeed, candidates have sometimes hidden their party affiliation (*seitô kakushi*) or to run as independents and join a party only after the election, normally as a result of being refused party endorsement. The vast majority of political finance, especially if the estimates of under-reported political finance is taken into account, has been channelled through individual politicians. Indeed, the intense competition for political money means that politicians' status is measured by their ability to raise money. "A politician who isn't able to collect money probably has little ability," (Masuzoe 1994, p. 153).

Different historical party law proposals had wider purposes than the introduction of a public subsidy. Watanabe Osamu lists three: 1) the selective restriction of political parties which are in opposition, 2) the prevention of scandals and corruption through the regulation of political parties, and 3) the regulation of political parties as entities for election under electoral systems using proportional representation (see Watanabe 1988, p. 216). These three purposes have not been considered of equal importance throughout the debate on such a law. Rather, the attention paid to each one has varied with the circumstances. More importantly, none of these previous party law proposals—there were concrete drafts in 1947, 1954 and 1984—were made into law. So why was similar legislation, containing some but not all aspects of previous party law proposals, successful in 1994? Perhaps the reason why legislators would vote for a law that gives their party considerable and unrestricted—in terms of uses—financial resources does

not need much explanation, but this chapter will look at the evolution of the discussion of the party law and at who, at different times, thought to benefit from it. In the process, it hopes to shed some light on the question which has turned to be central to both of the above case studies: what was thought to be a legitimate role for political parties.

2. Pre-War and Occupation

2.1. Pre-war History

The first origins of party regulation can be found in the Meiji period in the form of the Law of Assembly. During the Popular Rights campaigns of the last century and the formation of political association and parties, this law required all political assemblies to be registered and approved by a police department. If the police came to the conclusion that the assembly was in violation of the public peace, it could prohibit such an assembly. The provisions of this law were subsumed under the Peace Police Law in 1900. Watanabe Osamu believes that the purpose of this law was rather obviously the suppression of regime-critical political groups through the police which was centrally organised under the Naimushô. In particular, Socialists, labour unions etc. found that they were prevented from forming legal political associations (ibid., p. 220).

This law proved to be insufficient—as a law regulating political parties—in two ways. First, it drove underground those political parties it should have regulated. The punishment of secret political associations was too light to be of any effect. This fault was remedied by the Peace Preservation Act of 1925, which was aimed explicitly at "revolutionary" parties. Membership in such a party alone would result in prison terms of up to 10 years, and after an amendment in 1928, the party leadership even faced a potential death penalty. More or less as a result, the Communist Party was effectively disbanded in 1935. This law was later also used against other potentially subversive groups. Second, the Peace Police Law did not have any influence over the parties that did not fall under its prohibition.

In the 1920s, especially after the enlargement of the franchise in 1925, the political parties had risen in political importance—and so had money in politics. The handling of public contracts, the raising of political funds and the buying of votes all gave rise to growing distrust of political parties and to the suspicion of their corruption by business

interests. Thus the 1925 Election Law Amendment also included the first restrictions on election campaigning. One of these restrictions, the prohibition of house-to-house canvassing for campaign purposes, remains intact to this day. The post-war communist party has repeatedly accused the LDP of using this restriction to combat the communists' superiority in mass-electioneering. In 1925, however, these restrictions were not so much directed at preventing the "wrong" parties from achieving electoral success as they were aimed of increasing the legitimacy of the existing parties by freeing them from the suspicion of vote buying and corruption (ibid., p. 225).

Generally, the point of the new election law was to stabilise the existing order of political parties, for example by limiting the number of new entrants. As we have seen in the description of the pre-war *keihatsu undô*, the election law was ultimately not successful in stabilising the political party landscape. As criticism and distrust of the parties increased, even liberal men like Minobe called for greater regulation of political parties. Political parties were eventually disbanded and replaced by the *taisei yokusankai*, and during the war all political activity was absorbed into the bureaucratic state.

After the war, the Peace Police Law and the Peace Preservation Act were repealed. Political parties were not mentioned in the new constitution but freedom of association was incorporated into the constitution as a basic right. When the political thrust of the Occupation turned from the goal of dismantling the Imperial state to the goal of containing the threat of communism, the GHQ's attitude towards political liberties also changed, in some sense overriding the constitution. An ordinance (*dantai nado kisei rei*) which had originally been intended against militarist groups was now also applied to "anti-democratic" and anti-establishment groups and parties. When the Occupation ended, this ordinance was replaced with the less effective "destructive activity prevention law" (*hakai katsudô bôshi hô*) (ibid., p. 230). From this time on, the restriction and regulation of political parties was sought through other means and the efforts to introduce a party law in 1947 may be seen as an attempt to rein in the new freedoms gained by the abolition of Peace Preservation Law and Peace Police Law (see Yokomichi 1988, p. 18). By the same token, the pre-war experience of severe restriction of the right of association continued to influence the discourse on political parties for much of the post-war period.

2.2. Party Proliferation after the War

The party law bill initiated by GHQ in 1946 was an attempt to limit the number and influence the character of political parties.¹⁸⁵ The April 1946 general election had been contested by a total of 268 political parties. Elected were representatives from 30 parties. Both the GHQ and the Naimushô were of the opinion that this number was too large to allow the meaningful development of democratic structures and that it was a sign of a political system lagging behind modern structures. Thirty years later, an Ministry of Home Affairs bureaucrat wrote about the Occupation that the large number of parties directly after the war was not the reflection of the "necessary ideological differentiation" of modern political parties but the result merely of emotional and personal differences (Nii 1977, p. 234). Soma Masao, too, has called the parties of the immediate post-war "not yet mature," (Soma 1986, p. 231). At the time, there was also criticism of the internal structures of political parties were also thought by some to be less than ideal. An interior ministry bureaucrat argued that the country "can't have parties under the control of strong-men, bosses or individual relations," (Kanemaru 1948, p. 2). A Professor Fujisawa, for example, reported: "The politicians who were fain to accuse and denounce the cliques among bureaucrats have built up as they grew older, perhaps without knowing it, some cliques and formal rules within political parties, such as careers, the number of times a member has been elected, etc. and this tends doubtless to suppress the rise of new men," (quoted in Kiyose 1946, p. 8). Implicit in these judgements was an idea of what constituted a modern political party: ideology, a coherent set of policies, and democratic internal structures that were also based on policy rather than personality.

Thus the elimination of political corruption in this context did not focus on money politics but on the elimination of a type of political party that did not conform to the perceived norm of a modern party. The desire to reduce the number of political parties was shared generally by the larger parties in the Diet for the obvious tactical reasons,

¹⁸⁵ According to Occupation records: "This act [...] tends, in time, to lessen the number of political parties and independent candidates running for public office, due primarily to the mechanics of required maintaining and filing of reports." (Occupation records in the Diet, and 97-13, see also JWC, 42-01). While this quote actually refers to the *kiseihô*, the motivation for the party law initiative had been the same in this respect.

though this did not necessarily mean they favoured the approach of using a party law to this end. Two different strategies evolved, showing once again how an approach that favoured changes in the electoral system competed with one that addressed political behaviour more directly. The first approach, reflecting the preferences of the ruling conservative politicians, concentrated on re-establishing medium-sized election districts which made electoral success difficult for smaller parties at the same time as it favoured the conservative Liberal and Progressive (later Democratic) Parties. The other, supported by the GHQ and the Naimushô, set out to draft a law regulating political parties in the hope of setting the qualifying criteria at a level that was attainable to but a small number of the existing political parties.

2.3. Bureaucrat-led initiative

Pieter Roest, Chief of the Political Affairs Division in GHQ's Government Section, drew up the first draft of a party law in late November of 1946, relying in part on California State Law as an example (Fukunaga 1994, p. 208).¹⁸⁶ In a memorandum to the Chief of Government Section General Whitney, he explained what he hoped the law would do. First, it should eliminate small parties so that a party system could be established with a "rational" number of parties. He thought that there were no more than six distinguishable political philosophies represented by existing parties. Second, the internal structures of political parties should be made more democratic and transparent. "Bosses" who headed small groups of loyal politicians dominated the parties. Primary elections to select party officials or candidates would be impossible because "The low level of political intelligence of the Japanese electorate invites corruption [...]." Finally, parties should bear political responsibility in accordance with the competitive set-up of parliamentary democracy (JWC, 94-02). Roest's memorandum was approved by Whitney two weeks later.

Only two days after the date of the memorandum, the Naimushô came out with its own outline of a party law (*seitô hôan yôkô*) whose similarity with Roest's ideas suggests that the two had co-operated. It set a quantitative criterion for the definition of a

¹⁸⁶ While there is not a federal law in the United States defining or regulating political parties, many states do have such legislation. Nevada State Law also played a part.

political party.¹⁸⁷ The outline also envisaged democratic and centralised internal party structures, as it required all candidates and party officials to be decided by election. Candidates were to be elected locally and then approved by the central party headquarters (Nii 1977, p. 235). As subsequent discussions made clear, the intention of GHQ was not to prevent any political group not able to meet the above hurdles from associating or even from contesting elections. Registered parties would merely have the advantage of having their names pre-printed on the election ballot. However, because this was to be achieved not in the party law but by a simultaneous change in the election law—where until now all candidates had to be written in by hand—there was considerable confusion about the purpose of the party law (JWC 91-23).

Whereas the GHQ was mostly interested in "fostering democracy", the Naimushô was also after clamping down on corruption. Money had been of some influence in the 1946 election. In the post-war situation in Japan, scarcity of supplies had made rationing necessary. This environment of black-marketeering and official control of supplies provided fertile ground for corruption, and many politicians seem to have taken part in the dealings. A party law would have provided the legal framework in which the regulation of financial income and expenditure would have been a logical next step. Roest had suggested that the decision whether the reporting of financial income and expenditure of political parties would be made mandatory should be left up to the Japanese government. Another GHQ official, Frank Hayes, had suggested that not only should there be reporting but there should be maximum limits on donations (JWC 95-05). When, prior to writing the draft, Roest had consulted with Naimushô Section Chief Suzuki Shunichi over the issue, Suzuki had returned with his minister's, Ômura Seiichi's, comment: "I approve wholeheartedly, and like the criminal procedure against corruption, subsumed under the article on campaign restrictions, I support the candidate's financial reports on campaign activity," (Fukunaga 1994, p. 207). Indeed the Naimushô draft was more explicit. Its version of the bill required that the parties, as well as their regional branches, would have to publish all income and expenditure where

¹⁸⁷ It defined a political party as a grouping that fulfilled at least one of three requirements: (1) 25 of its members were also members of the Diet, (2) its members had captured at least a combined 3% of the popular vote in the most recent general election, (3) a petition signed by 1% of all voters was delivered to the authorities.

Roest's version merely required that they report to party members. Further there was to be a limit on the maximum size of political contributions as well as appropriate sanction on the violation of these prescriptions (Yokomichi 1988, p. 19). Not surprisingly, the Naimushô draft also gave the ministry complete jurisdiction in this area (Fukunaga 1994, p. 213).

The Naimushô proposal was then debated at some length in Government Section. On a number of contentious points, including definition of a party, minimum requirements of a party or the suitability of the parties then represented in the Diet, the Americans did not agree with the Naimushô. They also criticised the ministry's powerful position and wanted the ceiling on political contributions to be lowered and thought the catalogue of sanctions to be too light. General Whitney stopped the discussions short and decided to let the Naimushô go ahead with only two minor amendments, one of them being the reduction of the maximum allowed contribution to ¥ 100,000, as time was pressing (JWC 94-06).

Although in his November 1946 memorandum, Roest had claimed that he had interviewed political leaders and found them to be in favour of a political party law, their support was not forthcoming. Japanese conservative politicians were generally suspicious of the American occupation forces.¹⁸⁸ The party law proposal differed from their preferred strategy for eliminating smaller parties, as the objections of two cabinet members illustrated when the Naimushô tabled the proposal at a cabinet meeting in the middle of January 1947. The ministers of state (*kokumu daijin*) Saitô Takeo, also honorary president of the Democrats, and Uehara Etsujirô of the Liberals, both "party men", stressed that the law would be a restriction of basic political freedoms, that it invited control from government bureaucrats and would close the path to democracy. Uehara is reported to have called it "a worst [sic] piece of legislation, running directly counter to freedom of association under the constitution" (quoted in JWC 91-23). Saitô

¹⁸⁸ "Rumours quickly spread that a number of crypto-Communists and extreme leftists were active in Headquarters and were being protected by the section chiefs, who were all military officers. One particularly persistent story was that the Japanese complained about an alleged notorious leftist in the GS, which directed such activities as the political purges and the formulation of a new constitution. The protest was met, so the story went, by Brigadier General Courtney A. Whitney, saying that anyone who was good enough to wear a uniform in defense of the US was good enough to be in his section," (Sebald 1965, p. 49).

later was quoted to have said that a law which proposed to restrict the activities of political parties "artificially" would not only "weaken the power of political parties but constitute a violation of the constitution," (JWC 95-10-1). The opposition side was also critical. The Socialist Diet member Nakamura Takaichi, though sympathetic to the idea of a such a law in principle, thought that it should be the product of the parties' own efforts rather than a governmental or Occupation initiative (*Asahi Shimbun* 21.12.46).

As difficulties were mounting, the draft bill was shelved, for reasons, however, that had little to do with these criticisms. At just about this time, General MacArthur himself began to push for general elections in order to give the new constitution the stamp of popular approval. This prospect forced the pace of political legislation and gave a crucial advantage to the conservatives' strategy of changing the electoral system. 1947 had started inauspiciously for Prime Minister Yoshida when the general strike on February 1 was declared illegal. Unable to organise a coalition government, Yoshida was forced to reshuffle his cabinet. The same Uehara Etsujirô who had already shown his dislike for the party law, took Ômura's place as the Naimushô minister and soon proved to be less willing to cooperate with the Americans. To Uehara this way to reduce the number of political parties was preferable. Roest reported Uehara's attitude: "The Political Parties Bill was dropped completely with a frank statement that its measures bringing major political parties under public surveillance were 'fascistic'," (JWC 94-10). The conservative politicians' view was well expressed in a *Kyoto Shimbun* editorial half a year later:

It is generally supposed that a revision of the Election Law will follow upon enactment of the Political Party Law. This is like putting the cart before the horse. The Election Law should be revised before the enactment of the Political Party Law. If we attempt to revise the Election Law after the enactment of the Political Party Law, we will be unable to determine how to make the revision, and, consequently, the election system will be twisted about by the self-centred viewpoint of every political party (summarised in JWC 94-33).

The conservative tactic was also successful because MacArthur and Whitney continued their policy line of non-intervention in the electoral system and gave the Diet free rein. Though the Americans had been opposed to the write-in balloting system on the grounds that it favoured machine politics, and had been in favour of using the party law for the purpose of eliminating small parties, they were not willing to intervene.

Additionally, GHQ was not committed to the large districts used in the previous general election, though for the Americans changes to the election law were part and parcel of the initiative for a party law. Yet, as Uehara's reaction shows, the conservative parties were not interested in a party law which would possibly have enhanced the power of the bureaucracy vis-à-vis all parties. Already at this stage, the forces in the Diet were able to control the process of introducing a party law. Without the firm support of the Americans, the Naimushô was not strong enough to push through such a measure.¹⁸⁹

2.4. Party-led initiative

The general election was held in April 1947, under the traditional medium-sized districts. It brought to power the only cabinet under a Socialist Prime Minister before 1994, with Katayama Tetsu as Prime Minister. The number of parties contesting this election had gone down considerably but there were still 121 parties contesting, and a total of 36 parties elected to the Diet. By this time GHQ decided to go to the Diet directly to re-launch the issue of a political party law, hoping to settle difficulties at an early stage, rather than rely on the intermediation of the bureaucrats as before. In addition, the conclusion to dismantle the Naimushô had already been reached.

Soon after, on 21 July, all parties represented in the Diet issued a memorandum, agreeing to the need for a party law and proposing the establishment of a committee to draw up a bill. This memorandum, published in the *Asahi Shimbun* on 22 July, presents a picture of consensus in the Diet. In fact, the agreement on the need to establish a party law was not nearly so universal. Only the Liberals hoped that such a law might shut out the Communists (JWC 94-15). The party law naturally invited opposition from the smaller parties, the Dai Ichi Giin Club, the Peasants Party and the Communists. Even within the four larger parties, the Socialists, the Liberals, the Democrats and the People's Co-operative Party, opinion was divided with small majorities often opposing

¹⁸⁹ Although Roest's report suggests the Naimushô was behind Uemura, it is difficult to say how much of a priority the party law was for the Naimushô at the time. Sensing that the support from GHQ was thin, the bureaucrats may have seen the consolidation of conservative power in the Diet as the better option. Within hours of his appointment, Uehara announced that he preferred a return to medium-sized districts: "Single member constituencies would be ideal, but medium sized ones will have to do for the time being." Having been appointed so shortly before and not an expert on electoral systems, he may well have been parroting what Naimushô bureaucrats had just told him, as Ishikawa Masumi has suggested (*Asahi Shimbun* 29/11/94).

the bill. Most opponents took a view similar to those of Saitô and Uehara. Nozaka Sanzô of the Communist Party declared that the bill was premature. There were so many small parties, precisely because the party landscape had not yet settled naturally, after the "democratisation of the Japanese people has advanced a few steps further," (JWC 91-23). Earlier in the month, the old Naimushô bill had been leaked to the press, leading to considerable opposition to the bill. Pressure to pursue the law came from GHQ: the memorandum was a direct result of a meeting with representatives of the seven parties called by Roest's successor, the new Chief of the Political Affairs Division, Carlos Marcum.

On the 29th of the same month a Diet committee was convened with the participation of all parties except the Communists (who sent an observer) and under the chairmanship of the Socialist Asanuma Inejirô. Like the parties from which they came, committee members were divided on the desirability of such a law. Proponents thought that the development of democracy in Japan required political parties which centred around policy, not individual politicians. The party law would help them to develop. They were also keenly aware that, in this respect, Japan was lagging "behind" democracies in the West, i.e. that it was not fully modern. The Americans had found a particular ally in Hosokawa Takamoto, Chairman of the Liaison Committee of the Socialists, who became a strong supporter of the legislative initiative. The opponents of the initiative were convinced that such a law was not constitutional as it would infringe on the right of assembly; that it was not necessary as the number of parties would decline on their own accord; and that it would even be harmful if it encouraged the kind of politics Japan had seen under the Imperial Assistance Association (Fukunaga 1994, p. 231). By August 20, the committee had met nine times without reaching a meaningful consensus.

Asanuma was well aware that he could hardly present the Americans with the conclusion that a party law was not needed. He decided that it was time to produce results. He appointed a 17-member subcommittee—this time again including Communist Party members—to draw up a bill. When this sub-committee had met three times, on August 29, Marcum called most of its members and related people to his office to speed up the process. Again the original intentions of GHQ to settle on a definition of political party in order to more easily establish them in the election process clashed with Japanese perceptions of the purpose of such a law. To Marcum, defining a

political party as an entity that proposed and supported candidates for election was quite sufficient. Among the Japanese, the proponents of a party law felt that this would be too little. Marcum later reported on the meeting: "Hosono [Michio, a Socialist,] believed that a political party is an organisation which has a platform and engages in political party activities; a group of people composed because they agree on internal and external political affairs and with a definite principle. [...] Mr Ishihara [Noboru, unaffiliated, ...] believed that a political party was an organisation which advocates measures for the benefit of the people as a whole and does not merely recommend candidates to the Diet," (JWC 94-21). In spite of these differences, Marcum demanded that the draft be finished by October 1 (JW 94-21, Fukunaga 1994, p. 236). As a result of this demand, the sub-committee delegated the wording of the bill to the Diet's legislative bureau which finished its task two weeks later. This draft bill, which was published in the *Asahi Shimbun* on 16 September, 1947, proposed that public subsidies totalling ¥ 3 million were to be distributed among the political parties.¹⁹⁰

The requirements concerning the accounting and the finances of political parties addressed the concerns about money politics. They had been the subject of some debate, specifically in the eighth meeting of the Special Diet Committee. There had been a basic agreement about the need for the transparency of party finances, but less consensus on how much institutions outside the Diet, such as government bureaucrats and prosecutors, should be allowed to oversee compliance with these rules. The Socialist, Mori Mikiji, had argued against the accounting provisions. Required reports to the ministry would make other kinds of bureaucratic interference possible, and interference in the accounts would be no less dangerous than organisational interference (Fukunaga 1994, p. 232-4).¹⁹¹

¹⁹⁰ It varied from its predecessor written up ten months before with Pieter Roest's help especially in three points. First, it included the members of the upper house among the numbers needed to qualify for status of party. Since these still saw themselves as separate from the realm of party politics, this aspect invited their wholesale criticism. Second, in order to alleviate the—potentially financially motivated—volatility of party alignments in the Diet, it restricted party re-affiliation until after three months had passed since the general election. Third, it put no limit on outside contributions to parties but boldly proposed the state subsidy on the basis of electoral success in the previous general election (Fukunaga 1994, pp. 236, 213).

¹⁹¹ Instead, the Communists had proposed—similar to the later discussions of the *kiseihô*—that no party or party branch would be able to accept "donations from any corporation established in accordance with a special law, a joint stock company, or any other legal person having profit making for its main object or

On the issue of a state subsidy, there had also been discussions in the same session of the Committee. Mori Mikiji, too, stressed that in financial matters, including the question of contributions, the independence of parties should be maintained (*ibid.*, p. 234/5). Matsubara Kazuhiko of the People's Co-operative Party, who was otherwise in favour of a party law, thought that political parties as free and voluntary associations should naturally be maintained financially by their members. Elections, however, should be both paid for and managed by the state. Hosono Michio of the Socialists, for example, wanted a public subsidy until the transition to mass-based political parties in Japan was completed. The most favourable opinion on the subsidy came from Ishihara Noboru, who without party affiliation himself, thought that in light of the limitations of party membership fees, the state should step in and help maintain parties financially. Political parties were in the public interest, and in the same way as the state supported the Diet it should support them, as representatives of the National Diet. Unlike corporate and private contributions, state funds were not likely to warp the course of politics. Necessary state auditing was also not objectionable. The party politicians were clearly more welcoming of public funding than they were of public control.

The Legislative Bureau draft tried to find an acceptable middle ground. In order to alleviate the fears of government interference, the legislative bureau's draft provided for a permanent Political Party Management Commission (*seitô kanri iinkai*) as the auditor of party finances. Yet, the bill did not manage to get the approval of the smaller parties in the subcommittee; the Peasants' Party, Communist Party and Dai Ichi Giin Club promised to present their own bill. Only the four larger parties duly presented their bill to GHQ as demanded on October 1. As the opposition to the party law among Diet members in general had by no means died, the passage through the Diet promised to be a rocky one. Yet, the bill might have passed if GHQ had continued to support it with the same commitment as earlier on. In the end it did not. GHQ sent the October 1 draft back to the Diet with a number of requests for revision which did not, however, appear to affect the central function of the bill (JWC 94-20). It is not unlikely that GHQ's enthusiasm was dampened by the cold reception that the party law bill continued to receive in the Japanese press:

from any person conducting a private enterprise in a any line of commere, industry, financing, or

It is incomprehensible that various political parties of the House of Representatives [...] should have offered a most irrational Political Party Bill to the Diet. They try to control the number of political parties as well as subervising [sic] all sorts of evils accompanying party activities by the power of law. The present excessive number of parties will be reduced sooner or later by the natural law of survival of the fittest, but they cannot be at ease without relying upon the artificial measure. There is a limit to the effectiveness of law (*Jiji Press*, 31 October 1947, in JWC 94-34).

Another publication went further. The *Yûkan Miyako*, on 7 October 1947, suggested—far from eradicating money politics—it would on the contrary help to entrench corrupt politicians:

Many of the present members of the Diet are said to have spent from 300,000 to 1,000,000 yen for the election [...] Such enormous expense can only be born by the new-yen class [...] Diet members who belong to the new-yen class or are supported by the latter are individuals of low moral character. It is feared that the proposed Political Party Bill will consolidate the position of these corrupt politicians (in JWC 94-33).

In the end, the party law bill never came to pass. In light of the crowded calendar for political reforms, GHQ's request for further revision of the bill proved its undoing. By December, C. Kades' list of legislative priorities for the remainder of the Diet session did not even include a party law. First priority was given to the creation of a central election commission—similar to the Political Party Management Commission—to be put in charge of running elections once the Naimushô—which contained the election department—was dismantled. The party law was postponed until after the establishment of an anti-corruption law. This, as we have seen already, was indeed enacted the following July as the *seiji shikin kiseihô*. As the number of political parties shrank of their own accord, the bill was not made into law but was reborn as the *kiseihô*, the anti-corruption law discussed above. This close relationship between the party law and the *kiseihô* prompted some people to call the *kiseihô* a "bastardised" party law (Nii 1977, p. 238-9).

The drafts for a party law present the first instance of an attempt to recognise political parties legally, and to control their financial circumstances. They also included the first

carrying on any other kinds of profit making undertakings," (JWC 95-12).

suggestion of a state subsidy to political parties.¹⁹² Although they were not successful bills, they reveal the different attitudes taken by different actors. The driving force behind both the bureaucratic and the party initiatives had been Government Section in GHQ. The bill of 1946 that was sponsored by GHQ and the Naimushô demonstrated both how the Occupation forces' intentions for establishing democratic procedures in Japan and the Naimushô bureaucrats' interests were aligned. However, while GHQ wanted primarily to reduce the number of parties, the Naimushô was also interested in obtaining control over the internal affairs, especially the financial affairs, of political parties. While the parties were in favour of public subsidies, they were not willing to accept bureaucratic interference. Together with the legislature-sponsored bill of 1947, the first bill was defeated because of the re-emerging power of political parties. When the party law bill dropped from the American agenda, there was too little Japanese support to continue the process. More specifically, the experience of this episode in Japanese political regulation was well representative of what was to follow. The authorities—whether American occupiers or Japanese bureaucrats—were never able to win their case against political interests in the Diet. Political reform could only be effected if it was congruent with the political interests of the ruling party. However, the rhetoric of modernisation and of advancing the development of political parties towards a goal of ideology and internal democracy remained undisputed.

3. Subsequent Party Law Proposals

The idea of a party law, however, was not dead. Various ideas first tabled in these early post-war years came up again and again subsequently. For example, the following editorial from the monthly magazine *Shin Hôchi*'s February 1948 edition shows that some of the issues of the party law bills had not been addressed in the *kiseihô*, particularly the question of a party subsidy:

We have great hopes in the Political Corruption Law. However, as mentioned previously, the law will become nullified unless some measures are taken to guarantee necessary funds for the management of political

¹⁹² For an account of the interplay between the Occupation authorities, Naimusho officials and party politicians with regard to the establishment of a political parties law, see Fukunaga Fumio, "The Formation of the 'Political Parties Law' in the Occupation of Japan", in *Himeji Law Review*, No. 14/15, 1994, from which most of the account of the events of 1946 and 47 is taken.

parties and to aid candidates in overcoming their difficulties in raising campaign funds. Both the government and the people must give serious consideration to this problem (in JWC, 97-25-8).

The Shipbuilding Scandal in 1954 prompted the Kaishintô to put the first party law bill before the Diet that explicitly called for public assistance to political parties. It was drafted in the hope that the regulation of political parties and their finances would make similar scandals less likely, stating in its article 38 that "political parties' facilities should be aided in part from state funds" in the amount of ¥3 million every year. The bill was part of a detailed plan to effect the self-disciplining of politics after Inukai had used his ministerial authority to stop the public prosecutors. The contents were largely similar to the "four-party" proposal of 1947 but with its 80 different articles it was by far a more detailed proposal. The funds were to be distributed according to the percentage of the total vote. From then on, the public subsidy was an important part of subsequent proposals. But because the draft also included a strict prohibition of all corporate contributions to political parties its chances for success in parliament were slim. Simultaneously, the Hatoyama cabinet proposed changes to the election law. These would have introduced single-member constituencies and would have required candidates to obtain a party nomination before standing for election. Had these changes been instituted, they would have entrenched a conservative majority. In the resistance to these attacks on the status quo, the lawmakers voted down both the revision of the election law and the Kaishintô's party law bill (see Takeda 1991, p. 44 - 45).

3.1. Shingikai of the 1960s

The party law continued to be discussed at a variety of occasions during the 1960s. During the first electoral system *shingikai* at the end of 1961 and the beginning of 1962, the *shingikai* chairman Nomura Hideo encouraged two of the members, Hosokawa Takamoto and Yabe Teiji, to write a proposal for a party law. Hosokawa—who had already been in favour of a party law in 1947—had retired from politics, become an independent writer and in 1956 had written an account of the party law negotiations during the Occupation. Yabe was the president of Takushoku University. Their proposal made the point that the Japanese constitution should contain some regulation of political parties because they were already recipients of state subsidies in the form of state assistance paid to Diet members as legislative research reimbursement (*rippô jimuhi*).

When this bill was discussed in the *shingikai*, other members concurred. While general restrictions of parties would go against their character as associations naturally formed and based on free will, their activities could indeed be restricted. Hosokawa and Yabe also thought that if a party law contributed to the development of parties, such a law should be established. Yet in the end, there was agreement in the *shingikai* that a party law as such was not necessary, because its prescriptions could also be part of the political funds law and the election law (Takeda 1991, p. 47 - 49). The Ministry of Home Affairs bureaucrats in particular felt that political parties, their political roles and election activity could be sufficiently regulated through an improved *kiseihô*, and that a party law would be fraught with too many difficulties (Matsumura 1962a, p. 46-47).

As in the 1947 debate, the question of whether government offices should have the authority to investigate political parties was again raised at this first *shingikai*. It was evident that the current framework at any rate did not allow the effective control of party affairs. Although the *kiseihô* had given the Ministry of Home Affairs—and the election commissions which were in charge of administering the law in the regions—the authority to demand documents and other proof, this authority was never used. Namakura Keiichi, the Ministry of Home Affairs bureaucrat assigned to the secretariat of this *shingikai*, reported that the vast majority of election commissioners were opposed to having their authority strengthened.¹⁹³ Tsuchiya concurred that the state should not be allowed access to internal party affairs. Kojima agreed with the view that investigative powers should not be given to the commissioners. Horii thought that such powers would probably not be enforceable anyway (Shingikai 8/11/61, p. 210-6).

Hosokawa and Yabe had asked: "isn't it necessary to clarify the position of political parties in national politics by setting rules a [new] political party article in the constitution?"¹⁹⁴ In July 1964, the constitutional investigation committee made public

¹⁹³ One such commissioner, Miyajima Kôtarô, who was attending the session as an expert witness gave the impression that he would rather be in a position of giving advice to political parties (*sôdan aite*) than of having to investigate them. He did not feel that supervision of politics (*torishimari*) was his function and dreaded the trouble this would bring.

¹⁹⁴ Both of them had been members of the constitutional investigation committee (*kempô chôsa kai*) and it is not unlikely that they hoped to increase the chances for a more general change of the constitution: the explicit recognition of political parties in the constitution might have increased the parties' willingness to effect such changes. For ultimately the power to change the constitution lay with the parties (Katô 1996, p. 12).

the main arguments from a constitutional point of view in favour of and against a party law. A party law was needed, first, to give political parties constitutional status in light of the important role that they played in the running of a parliamentary democracy, second, to establish in the constitution that the character and internal organisation of political parties should be based on democratic principle, and third, to make clear the nature of a political party in the constitution in order to dispel the defects in Japanese parties and to bring about healthy party politics. Here the modernisation paradigm was expressed quite clearly. However, the problems were seen to be, first, that the original role of political parties as voluntary organisations relied precisely on not being regulated by the state, second, that since parties could not be regulated by abstract principle their regulation through detailed rules posed the danger of denying the essence of party politics, and third, that simply giving parties constitutional or legal status would not immediately solve the problems of Japanese parties (Takeda 1991, p. 57).

The sixth *shingikai* discussed the issue in terms of mediation between the state and the people and in terms of the parties' contribution to the formation of political opinion. Most members thought that the role of parties should be recognised, and especially that the state should assist in defraying the cost of elections and elections should be based on party platforms. Only a small minority of the members of this *shingikai* adopted the arguments that had been raised against the party law before, i.e. that it would oppress free political activity and that political parties in Japan were not ready (ibid., p. 49 - 50). The discussions in both *shingikai* and in the constitutional investigation committee also touched on the issue of the party law in Germany which had come before the German parliament in 1960. The "Pateiengesetz" was to assign the parties a function in the formation of popular political will. Although it was not passed until 1969, the German example influenced the Japanese debate throughout the decade.

The new attitude towards the role of political parties in the system in the 1960s we have seen in previous chapters moved the party law issue beyond the rather academic arena of the *shingikai*. During the Yawata court case some academics maintained that there should be a public subsidy for parties if the voters' contributions were insufficient (Saigusa 1991, p. 37-8). The idea to replace corporate contributions with a state subsidy, was echoed some years later by the Modernisation Association (*Kindaika Kyôkai*) led by Gôshi Kôhei. In February 1973 it published a catalogue of proposals to reform

political finance: for a transition period of five years political funds should derive in equal parts from individual contributions, corporate contributions and a party subsidy to be introduced; after five years corporate contributions should be ruled out so that half each should come from individual contributions and public support (Kiseihô Enkaku 10, p. 14).

The first time that the issue of public funding appeared to receive high level support from the LDP was when Prime Minister Satô in 1967 (57th Diet Session) of the Diet agreed with the thrust of a question from Socialist Diet member Oka Saburô: "In order to give political parties a status as organs of the state I would like to think in the direction of making a party law. In this case, I think it is reasonable that the state would pay funds to the political parties," (Takeda 1991, p. 55). Generally, among the parties, the Socialists—lagging behind the LDP in their ability to raise corporate funds—were most in favour of the subsidy. In 1976, Eda Saburô, before he formed the political party Shaminren, called for providing parties with government funds through legislation such as in Germany (Watanabe 1988, p. 234).

Some LDP members thought that the party law might make a good antidote to money politics: Tanba Kyoshirô, an LDP Diet member who had also been active in the *shingikai* debates, said in a meeting of the special election system committee in 1970: "[...] if we gave [the parties] legal status and clearly described the rights and responsibilities, then, I believe, political activity and electoral activity would become extremely fair," (quoted in Takeda 1991, p. 54). Home Minister Akita said in the Special Election System Committee of the 64th Diet Session in 1970:

In order to conduct fair elections that do not require money, elections based on the individual must change to elections based on party and policy. At that point, we naturally come to the problem what kind of thing a party is. [...] That is why the debate may have to get to the point were we define parties and if necessary establish a party law (quoted in *ibid.*, p. 54).

In 1975, Prime Minister Miki suggested: "Although political parties are not specified in the constitution, if you think that parliamentary democracy forms the basis of politics in Japan, then it is not saying too much that political parties are very important organs of the state. For their healthy development, I think it is natural that the state would make various sacrifices," (*ibid.*, p. 55). Yet even these prime ministerial utterings were no

more than suggestions to a generally unwilling LDP rank and file. Even Miki was careful on the issue of a party law, considering it an "area for study" that was not yet critical. Most LDP Diet members had nothing to gain from a strengthening of the role of party executives or from a subsidy that would flow through the party headquarters rather than their constituency *kôenkai*. This led LDP Diet member Kanemaru Saburô, who had been a long-time Ministry of Home Affairs bureaucrat and a specialist on electoral and political finance legislation to conclude in 1981 that a law was premature as long as Japanese political parties were not sufficiently developed (ibid., p. 54).

3.2. Yoshimura proposal

Further proposals did not surface until 1983, when a group around the Tôkai University honorary Professor Yoshimura Tadashi, who was also the LDP's political graduate college's head (Chûô Seiji Daigakuinchô), published a proposal that drew the criticism in particular of the opposition parties. The original purpose of the Yoshimura proposal of 1983 was to establish a legal status for political parties. Their status had been enhanced by the recent switch of the electoral system of part of the upper house from a nation-wide constituency to proportional representation. But when the court verdict on Tanaka in the Lockheed incident was announced, the proposal's purpose was also discussed as a possibility for "ensuring political ethics" through the regulation of the relationship between politicians and political finance.

First the Yoshimura proposal explained the reasoning for legalising political parties (for the text see for example *Nihon Kyôsentô* 1984, p. 234-6). In its second article Yoshimura used the increasingly public functions of political parties to justify public funds: in the interest of healthy democratic politics transparency of political funding was an absolute necessity; the public functions of political parties had increased and their utilisation of new methods and technology also had expanded; these increased expenses could no longer be met from membership dues and contributions only; they demanded public support. In this Japan was no different from other countries. The first paragraph of the Yoshimura proposal read:

The political parties in the present democratic system at first formed as private associations of people who sympathised with the thinking of a certain political leader and in order to realise their sympathy supported him. With the enlargement of the electoral franchise they developed into groups

that were half private and half performed a public role by aggregating the huge electorate's will and channelling it into the midst of real politics. Still more today, based on this channelling role, exercising an indispensable and important function in the election of representatives and in the effective working of the diet activities [...] they have become voluntary associations that carry out the public responsibility of being in charge of the cabinet.

The purpose of the party law was, without challenging the political parties' character as a voluntary social groups, to secure legally their status and authority in order to maintain the people's trust in political parties. Yoshimura's proposal was particularly demanding in the criteria it set for qualifying as a party. It defined a party as working against the alienation of politics from the nation and warding off revolution.

The proposal, however, was also supported by an industry-related think tank close to the LDP called the Modernisation Association. In the *kindaika kyôkai*'s "declaration on the party law" of August 1983 many passages were borrowed straight from the Yoshimura proposal. Like the Yoshimura proposal it argued that parties had developed from private to essentially public entities and that for this reason required public funding. It did place somewhat greater emphasis on the need to make party finances more transparent. It also was more explicit in naming the threat of an increase of the number of political parties represented after the change of the upper house electoral law in the need for a party law: "[...] minor parties that do not differ from single issue pressure groups with purposes incompatible with the true character of politics and parties unable to assume responsibility vis-à-vis the electorate will emerge," (quoted in Nihon Kyôsentô 1984, p. 241).

Both texts reflect the influence of the Western European experience with political parties, especially with respect to their education function. Thus one of the ancillary definitions of a political party offered by Yoshimura is also interesting to note: "Political parties through activities of enlightenment and propagation [*keimo senden katsudô*], offer information widely to the people, carry out political education, and develop political consciousness to a higher level [...] and thus contribute to the realisation of responsible politics," (ibid., p. 236). In the Japanese context, and especially as a proposal from the governing LDP, this conception of a political party represents a departure from previous conceptions of party.

But the very fact that this proposal came out of LDP circles raised the suspicion of the opposition parties. Especially the communist party saw in the Yoshimura proposal, and in its stringent thresholds for membership etc., nothing but a threat to their own legitimacy. The Communists later drew repeated parallels with the Public Peace Preservation Law. They insisted that this 1925 law had been aimed specifically against a revolution by the non-propertied classes. In lifting this law, the post-war constitution had explicitly permitted the pursuit of a socialist regime and that the LDP's proposals attempt to restrict revolutionary parties was thus unconstitutional.

The debate even dragged on into the following year. On March 15, 1984, during the upper house budget committee Communist Party member Tochiki Hiroshi grilled Prime Minister Nakasone Yasuhiro on the Yoshimura proposal. Nakasone insisted that the proposal was still at the stage of party internal deliberations and had not yet reached the Political Affairs Research Council much less been approved by it. Nevertheless, Tochiki asked Nakasone whether Yoshimura's phrasing that a political party had to "contribute to the defence against revolution" meant that existing parties which advocated a socialist system instead of the reigning capitalist system would be excluded from this definition. Nakasone replied that there were weaknesses in its phrasing of the draft and that "revolution" could only refer to a violent revolution but not to a "spiritual" or "cultural" revolution.¹⁹⁵

Four weeks later, in the same upper house budget committee—the LDP had in the meantime proposed the party law to a joint multi-party political ethics committee of both houses—Nakasone repeated that he had no intention of installing a modern equivalent of the Peace Preservation Law or a violating the letter or the spirit of the constitution or the freedom of association. Nakasone's arguments for a party law were all aimed at the issue of money politics. He argued that elections required too much money and that the result was "criticism of political wrong-doing" and that a public

¹⁹⁵ Tochiki also scored a point against Nakasone when he requested the attending bureaucrat to list the foreign countries which had party laws. When the bureaucrat complied and named West Germany, Korea, Turkey, and Argentina, Tochiki declared dramatically that all of the countries but West Germany were militarist regimes or countries in which military coups were frequent. He claimed that these regimes had put party laws on the books in order to shore up their own power. The communists could also not be much appeased by the example of Germany because the German constitution, as well as its party law,

subsidy to parties would make the transparency of election funds possible (quoted in *ibid.* 1984, p. 263).

Eventually, the requirements of the new electoral system for the upper house were satisfied within the confines of the election law and the debate quieted down, until the Recruit scandal brought political reform and all the same issues on the table again. However, the issue of a party law was never debated more often in the Japanese Diet than in the year 1983.¹⁹⁶ The criticism had focused particularly, as in the past, on the constitutionally guaranteed right to freedom of association. This time, opposition forces suspected the proposal to be a tactical ploy used by the LDP to pave the way for a party system which would allow a conservatively dominated coalition in the event the LDP should lose the absolute majority (Watanabe 1988, p. 242). Indeed the proposal was supported by the opposition New Liberal Club, the LDP's minor coalition partner. One of the LDP's motivations was probably to prevent single issue parties from making inroads into established parties' territory in the way they had been able to do in Europe. Twice, in 1947 and in 1983, a party law had been tabled with the purpose of eliminating smaller parties. Their effective rejections also made the secondary objective, the regulation of party finances, a futile effort. However, it is important to note that the LDP—whatever its real motivations—had made the rhetoric of party modernisation and the public subsidy its own.

3.3. Post-Recruit

Public Funds without a Party Law?

The new LDP attitude on the importance of modern party structures was also reflected in a "preliminary outline for a party law" (*seitôhō taikô*), published by the LDP's "party law project team" in the upper house in May 1989. It contained, for example, for the first time explicit requirements with respect to internal party organisation, in particular a provision requiring that the party president had to be elected in a fair procedure from

contained provisions for prohibiting political parties which threatened the existing political order. As a result, one of the communist parties of West Germany had been prohibited from 1956.

¹⁹⁶ In the Diet, the issue was debated most often in 1983 (100th and 101st session: 15 times) and in 1974 (75th session: 7 times) (Takeda 1991, p. 52). The discussions in 1983 and 1984 extended not just to the world of politics but also to academia, labour, industry etc.

among the National Diet candidates (Takeda 1991, p. 46). This "outline" was drafted in response to the Recruit Scandal in 1989. It was intended primarily as a method for introducing a public subsidy in order to achieve the regularisation of the relationship between money and politics that had so often engulfed the LDP in scandal, especially most recently. Indeed while the public subsidy was only one aspect of a number of party regulations in the Yoshimura proposal, the "outline" conversely sought the regulation of parties only in order to make the public subsidy possible (Katô 1996, p. 13). By now, in light of the strong feeling of political distrust that the recent case of money politics had left behind, a public subsidy appeared to be "in the air". The opposition Minshatô had published a draft bill for public assistance to political parties proposing to allow corporate contributions only until a party law made possible the introduction of public funds (Yoshida 1990, p. 30). Also Keidanren suggested the introduction of public funds (Keidanren 1989, p. 5).

But the suspicions raised by the Yoshimura proposal, that the LDP was seeking a party law in order to shore up its faltering power base through manipulations of the thresholds required for qualification as a party, were still lingering. There continued to be considerable opposition to the idea of a party law from the opposition parties. The solution turned out to be the provisions of public subsidies without the corset of a party law. The first to consider formally a separation of party law and a party subsidy was the Electoral System Advisory Council (the eighth *shingikai*) that, after a lapse of almost twenty years, Prime Minister Takeshita had convened in 1989 just before his resignation (Narita, 19.7.95). According to one source, Gotôda Masaharu, the chairman of the LDP's political reform committee, realised at the beginning of 1990 that the Diet would never pass a party law, and the separation of the party law and the party subsidy was his doing (Maeda, 19.7.95). The first report of this eighth *shingikai* recognised the need for public assistance to parties and its second report made this recommendation more explicit. In the process of reaching its conclusion, the *shingikai* had interviewed political parties who were almost all in favour of public funding but some, especially the smaller ones, were intensely opposed to the legal framing of parties (Takeda 1991, p. 50).

It is important to remember that the political reform process between the Recruit Scandal in 1989 and the passage of the reform laws in 1994 changed distinctly in character. In the beginning issues of political ethics and money politics were at centre

stage. In the actual reform package the new electoral system had become pivotal. Not a few voices attributed this change to the interests of the conservative camp, represented especially by Ozawa Ichirô and his Shinseitô, to make possible a change in the constitution (Katô 1996, p. 14). As the focus shifted away from the issues of money politics, so the public acquiescence with the party subsidy also subsided. The public sentiment, as will be shown below, was not in favour of the subsidy.

The details of the package of political reforms passed in January of 1994 make clear that political party interests dictated its contents. The package did not include a political party law but a political party assistance law (*seitô joseihô*) which introduced the provision of a public subsidy. The public subsidy in Japan was made by a law passed by both houses, not as a simple budget provision as in some European states. The subsidy was made available to political parties for their discretionary use, i.e. it was not linked to campaign reimbursement, and it was, as the name suggests, made available to the parties rather than individual candidates or Diet members. In order to qualify, political parties have to have at least five members in the Diet (upper or lower house) or have to have won at least 2% in recent national elections (upper or lower house).¹⁹⁷ Although the *shingikai* had proposed 1%, both the LDP and the Hosokawa coalition originally came out with a threshold of 3%. The eventual reduction to 2% was a concession to the Sports Peace Party and the Niin Club, in the negotiation of the increasingly difficult passage in the upper house that ended in a temporary rejection of the bill.¹⁹⁸ The reforms did not succeed the wholesale banning of corporate donations to individual politicians'

¹⁹⁷ The first hurdle appears to be lower than the second, since five Diet members are the equivalent of not even 1% of the populations of the upper and lower houses. However, getting them elected requires a minimum of 3% of voter support in the larger PR districts, or an outright seat in a single member district.

¹⁹⁸ Incidentally, the same thresholds, five members or two percent, have been newly introduced in all political regulations. The *shingikai* had explicitly insisted that the definitions of what constitutes a political party should be uniform. In case of the election law, it is still possible for parties below the threshold (they are by definition not called parties but *seiji dantai*, political associations) to nominate candidates for the single-member-constituencies or submit lists for the proportional-representation-districts, but they receive, for example, no allotted time on TV. Individual candidates can no longer claim TV time, either, unlike in the past. In the eleven PR districts, groups that have not qualified as parties must provide a list of at least as many candidates as one fifth of the number of members to be elected from that district (including the candidates' deposit of ¥ 6 m. each) in order to be able to put up the list. In case of the Political Funds Control Law, fund raising has been made considerably harder for politicians who can not rely on a political party above the threshold to support them. Political donations to parties continues largely unrestricted, while tougher restrictions have been imposed upon individual politicians or their personal fund-raising organisations.

seiji shikin kanri dantai—the reporting threshold was lowered merely to ¥50,000—, but such a ban was promised after five years. At that time only political parties would be able to accept donations from corporations. This review period was formally written into article 6 of the Party Subsidy Law's supplementary provisions.

Legal Status Law, 1994

Giving a subsidy to parties presented a legal problem. Political parties had no legal status (*hōjinkaku*) and could technically not enter into contracts or other legal agreements.¹⁹⁹ Specifically, they could not hold assets such as land or buildings. In the past, bank accounts and real estate, such as the party headquarters, had been registered in the name of the party accountant.²⁰⁰ This would obviously not do for money that was provided publicly. At first, the *shingikai*—interested in creating responsible, accountable political parties—had been inclined towards the creation of a party law, which would not only have given the parties legal status as an incorporated person but also have allowed for the publication and official registration of their principles and rules (2nd Report, 2.1.2). But in line with to the compromise described above, most *shingikai* members were not interested in the strong regulatory aspects of a party law and there were no recommendations for the auditing of party accounts and for the regulation of candidate selection (Takeda 1991, p. 50).

Hosakawa's coalition had agreed with the opposition LDP to postpone the decision how political parties would acquire the necessary legal status. There was a possibility that this procedure would lead to the introduction of a full-fledged party law after all. When the issue resurfaced in August 1994, the LDP found itself back in government, in coalition with the Socialist Party. To oblige them, the LDP decided not to press the issue of a party law (*Asahi Shimbun*, August 5, 1994). Also, the LDP itself had become quite sensitised to the question of state intervention in party affairs. On August 10, the LDP "Political Reforms Headquarters" (*Seiji kaikaku honbu*) led by Mitsuzuka Hiroshi

¹⁹⁹ Until 1994 no law explicitly defined political party although the concept was predicated in such laws as the election law, the political funds law, the state public employee law and the diet law (Takeda 1991, p. 42). After the reform package, the election law, the *kiseihō* and the *seitō joseihō* each included the same consistent definition of a political party.

²⁰⁰ This is one of the reasons why political party finance is lacking sufficient transparency (Morikawa 1996, p. 141).

announced that legislative action to give parties legal status would be brought as a member's bill. Rather than as a party law, the necessary provisions would be inserted in the *seitô joseihô* (political party assistance law). The home ministry had announced that it did not think that a law which so fundamentally touched political parties should be brought as a government bill (*Asahi Shimbun*, August 11, 1994).

In November 1994 a law was passed that gave political parties the status of a legal person, paving the way for the first disbursement of the subsidy in 1995. It contained no conditions other than those already used to define a political party in the other political regulations. In order to obtain legal status, parties merely have to register name, address and purpose. Unlike legislation in the United States, for example, no independent auditing body was established, so Japanese parties appear to be largely left to regulate their own affairs. Nevertheless, the JCP has openly opposed the public subsidy and refused to accept it.

4. The Introduction of the Public Subsidy

What were the reasons for introducing the public subsidy to parties in 1994? Given the historical circumstances, even the casual observer would assume that the prevention of corruption should have been high on the list of reasons. Indeed, the traditional argument for public funding is directly related to the crises experienced with money politics scandals. Like many others, the academic Murakawa Ichirô justified public funding of political parties because state-funding of politics which was not explicitly and legally regulated would result in the "collapse of the foundation of democracy" (Murakawa 1996, p. 143). But the evidence suggests that public funding was not an anti-corruption measure but a way to secure financial resources for political parties in an environment that had generally become adverse to the sourcing of political finance. Instead there was also strong opposition to the subsidy. Some of the opposition derived from its failure to address money politics, some of it from the criticism that had already been used against the party law at previous occasions.

4.1. Shingikai Motivations: Modernise Parties and Elevate Them

The public's—and the media's—concern was primarily with corruption. This concern was supported by the string of scandals that followed soon after Recruit. If the law

really promised to end money politics, "¥250 per Japanese should have been a small price to pay to end corruption," (Masuzoe 1994). This is also the argument put forth by Yamaguchi Jirô:

In Japan where the distrust vis-à-vis political parties is deep, originally the thinking of handing out the people's tax money as political funds did not earn the people's sympathy, but the Recruit scandal suddenly put a spotlight on the idea. It appeared better than to corrupt politics with unfair corporate contributions to politicians and parties [...] (Yamaguchi 1993, p. 183).

Was the public subsidy meant to eradicate money politics? From the context, one might infer that the substitution of government money for "corrupt" money was an important argument for the subsidy. The subsidy, however, was not really designed to lower the high cost of politics in Japan. The *shingikai*, probably afraid of the charge of permitting the state to interfere in the affairs of the parties, also made no attempts to regulate the use of this public money. Subsidies were not tied to specific purposes and could legally be used for the same kinds of purposes—wining and dining voters and opposition politicians etc.—that had proven so scandalous. Finally, the *shingikai* had not recommended any total size for the subsidies but subsequent events showed that their size was decided in such a way that they were unlikely to lower the overall political spending.²⁰¹ Even the *shingikai* apparently did not expect that the public subsidy would, by itself, help much to reduce money politics. In the same report, admitting that the public subsidy would be unpopular, it mentioned that the understanding of the public for this innovation could only be earned if a variety of anti-corruption measures were to be realised. The subsidy should be contingent on the successful passage of the anti-

²⁰¹ The Hosokawa coalition took the idea that henceforth parties should dominate over individual politicians seriously and based its original proposal on the assumption that donations to individual politicians, or their fundraising organisations, would be banned. Taking the total amount of donations reported to the Ministry of Home Affairs—which of course understated the real amounts—for the year 1991 they subtracted the amount donated not to politicians but to political parties. This left ¥ 60 bn, or ¥500 when calculated on a per citizen basis. ¥500 proved publicly untenable, and in addition, the total ban on donations to politicians was dropped, so the figure was lowered to ¥335. The figure eventually adopted was ¥250, the LDP's preference. There were other calculations to justify the amount chosen that were equally arbitrary but that were also extrapolations of amounts reported in the past. (¥335 was calculated as one third of the average annual political expenditures from 1989 until 1991, of parties, *seiji dantai* and politicians, while ¥250 could be calculated as one third of all expenditure averaged over three different years, 1986-9.) Basing the amount of the subsidy on past amounts of course could do little to reduce the high cost of politics. One unnamed MHA senior bureaucrat argued: "There are no grounds for

corruption package (1st Report). Not the subsidy but the changes to the *kiseihô* and to the Election Law would reduce corruption. The public subsidy itself was a concession to the parties. If parties wanted the carrot of free money they would also get the stick of political reform.

Perhaps trying to show more sensitivity to public sentiment, in its second report, half a year later, the *shingikai* had suggested that the public subsidy should be sufficiently large to resolve the various problems that had arisen around political finance (2nd Report, section 2.2.1.). Unfortunately, the deliberations of the eighth *shingikai* were never made public, so it is difficult to know the arguments put forth by different members. But the main thrust of both reports was to change the candidate-centred political culture into one where political parties were at the centre not only of the electoral process but also of the policy process.

"Political activity, to the extent that it provides the basis for the formation of state aims, has a public character. In order to ascertain healthy party politics, and at the same time to ensure the fairness and equality of opportunity among parties, it is necessary to strengthen the financial resources needed for political activity, (1st Report).

As we have already seen in the previous chapter, parties were placed in a privileged position by the reforms of 1994. Putting political parties at the centre of both elections and political activity was one of the overarching principles of the reform package as advocated by the *shingikai*, so that giving public subsidies to the parties, rather than to individual candidates, was a logical step. Many political expenses had already been reimbursed from the public purse but they were generally not channelled through a political party but through individual Diet members.²⁰² The *shingikai* had instead

extrapolating the necessary amount from figures of the past," (*Asahi Shimbun*, 18/9/93 p. 7 "Shindan Seijikaikaku Hoan").

²⁰² In particular:	office and communication allowance:	¥ 12.0 m.
(per Diet member)	legislative research allowance:	¥ 7.8 m.
(from Ronten 94)	three paid-for secretaries:	¥ 19.0 m.
	new party subsidy:	¥ 40.5 m.
	election support:	¥ 19.0 m.
	total:	¥ 98.3 m.

suggested that the party subsidy should also necessitate a re-consideration of the research allowance to Diet members (1st Report). In its zeal to "modernise" political parties, the *shingikai* even went so far as to suggest that the subsidy would be spent to increase Diet members' policy activities, to hire, for example, more policy staff and to build a new *giin kaikan* with more space (2nd Report). If parties and their policy platforms could also be moved to centre stage of the election, the vote-gathering machines of individual candidates would become superfluous (1st Report). The permanent subsidy, as opposed to an election reimbursement, would support party activities at non-election times. Reformers may have hoped that the public subsidy would help to make continuous party work more feasible and detract attention from cyclical election frenzies.

4.2. LDP not Bureaucrats Dominate Reform Process

Traditionally, the LDP should not have supported public subsidies. The reform momentum in the past had crystallised around bureaucrats. In the past, most LDP legislators had been cold to the ideas of public subsidies and of a party law. Even the Yoshimura proposal in 1984 that had originated from within the LDP was no different: there was never the "will" to pursue any one of the proposals (Narita, 19.7.95). Nevertheless, the 1994 reforms were primarily the work of certain parts of the LDP.

The post-Recruit reform process until the middle of 1993 was dominated by the LDP, not the bureaucracy. The result of the *shingikai* deliberations, which were neither public nor recorded for public reference, were almost certainly not a surprise to the LDP. Ozawa Ichirô, who later made reform possible by breaking away from the LDP, was a central figure in the reform process from the beginning. As *kambôchôkan* under Takeshita, he had been in charge of preparing the *shingikai* and especially the brief (*shimon*) it was asked to consider. In earlier *shingikai* the Ministry of Home Affairs had taken the lead in selecting members and determining the agenda but this time most of the members felt that the Ministry of Home Affairs had deferred leadership in this area (see Yayama 13.7.95). Unlike the proud bureaucrats at ministries like the MoF or MITI, the Ministry of Home Affairs role was more passive. According to the Hosokawa

coalition's principal advisor on political reform, Narita Norihiko, there had been no brokering role for the bureaucrats between the "public" interest and the particularistic interests represented by Diet legislators, although there certainly were differing opinions within the LDP leadership (Narita, 19.7.95).²⁰³

4.3. LDP Motivation: Securing Financial Certainty

The LDP had come to see subsidies as being in its own interest. For a variety of reasons, the basic funding patterns of the parties were changing by the late 1980s. The end of the Cold War²⁰⁴ and the continuing decline of the Socialist Party had one particular effect on money politics: industry peak organisations began to see less need for the continuation of their contributions to politics. The industry association of general constructions companies, the *Nihon kensetsugyô dantai rengôkai*, for example, gave only ¥ 713 million to the *kokumin seiji kyôkai* in 1992, according to the reports made to the Ministry of Home Affairs (1991: ¥ 837 m., 1990: ¥ 1,026 m.).²⁰⁵ Keidanren chairman Hiraiwa stopped all contributions to political parties in 1994 (Maeda, 19.7.95). As fund-raising became difficult, marginal fundraising methods presented greater risks of scandal. Ozawa Ichirô may well have drawn the conclusion that the public subsidy would provide safer money, especially when he saw how Kanemaru Shin dealt with money (Narita, 19.7.95). This view would have been reinforced when in 1989, the four peak associations of industry (*keizaikai*) met the LDP leadership to explain how the Recruit scandal had been possible.²⁰⁶ They argued that the country's

²⁰³ It is also unlikely that the MHA was interested in party subsidies in order to increase its own budget allocation. There were only 8 new positions in the *seitô joseishitsu*, of which 6 were newly budgeted (Narita, 19.7.95).

²⁰⁴ More by coincidence than causality, the Recruit Affair unfolded in the year before the collapse of the Berlin Wall and the beginning of the disintegration of communism as a threat to the Western world. The many commentators who have since made a link between the end of the Cold War and political reform in Japan suggest that it was this coincidence that gave much of the meaning to the Recruit Affair.

²⁰⁵ It is important to note that this decline in contribution preceded the scandals involving this particular industry in 1992, and can thus not be an effect of the increased public scrutiny resulting from those scandals. While it is conceivable that the Recruit scandal also had the effect of greater scrutiny of corporate donations in all industries, many observers give the end of the Cold War the greater credit for the decline (Prof. Nakamura Hiroshi, personal communication 3.5.95, see also Moroi 1994).

²⁰⁶ Recruit was a publishing empire built by Ezoe Hiromasa who was not only relatively young but also not a member of the industrial establishment. Through the handing out—and financing—of pre-flotation stock in his company to literally hundreds of politicians, he was alleged to have secured preferential treatment on licensing and computer purchases from the US. Others argued that he was mostly interested in enhancing his prestige in the circles of influence (see Holstein 1990).

industrial structure was moving away from manufacturing industries and towards service industries like Recruit. These were often young and flexible and less easily controlled within the old structures. Since their political contributions were not channelled through some central organisation, popular criticism would be inevitable. Public funding, however, would alleviate this problem (Maeda, 19.7.95).

Thus, the contribution from large corporations and their industry associations which had primarily funded political parties in the past began to dwindle. As desirable as the exclusive reliance on membership dues and donations from individuals seemed to most reformers, they realised that few Japanese were willing to make contributions of anywhere near the amount that political parties were requiring (see Satô 1993). The subsidy—paid from tax receipts, it was a kind of bastardised version of individual contributions—was adopted because corporate contributions did become less reliable. In practice, the subsidy was less likely to replace the donations to individual politicians that have made headlines such as from Recruit, Sagawa or the construction industry, but more likely to take the place of the relatively transparent money provided by business organisations like Keidanren.

"All parties except the Communists have adopted a positive attitude towards the opinion of many who think that a party law, which includes state assistance, must be established in order to ensure transparent political finance," (Takeda 1991, p. 57).

The LDP also knew that the opposition parties would welcome public subsidies—the SDP and smaller parties had generally had greater difficulty than the LDP in securing financial support—and would be more inclined to go along with reforms in the election law that favoured the LDP (Nakamura Hiroshi, 3.5.95). The JSP went along for reasons of "equal footing", an argument borrowed from Germany (1960s) and England (1970s). The same argument is contained in the *shingikai*'s phrase "fairness and equality of opportunity among parties" (1st Report). So the political parties generally—the dissenting opinions will be discussed below—favoured the subsidy because of the need of certain, predictable finance in an environment where the financial base of political parties had become uncertain.

4.4. LDP Critics: Dominating Party Executive

Those in the LDP who were opposed to the subsidy were opposed to the very idea of stronger parties and to the modernist paradigm in principle. Although much effort was paid by the *shingikai* to put political parties at the centre of the electoral and policy process, the effect on the internal party structures was left to work itself out within the framework of new incentives. However, precisely on these effects much of the criticism against the thrust of the *shingikai*'s reforms in general and the Party Subsidy Law in particular was focused. The potential despotism of party leaders has been a common theme in the comment on the new public subsidy law. "Politicians will lose their freedom, parties ruled by totalitarian bosses will increase, [...]" (Masuzoe 1994, p. 153). Similarly, Moroi Kaoru wondered whether pushing political parties towards the centre of the campaign finance activities was really more than the logic of the bigwigs of the "*Nagatachô chônaiikai*," i.e. of the old guard from the government district (1993, p. 107).

The fear of overly powerful party executives was reinforced by the potential power they would hold over the names on the lists for the proportional representation part of the Diet elections: Because the parties' selection mechanisms for the new districts' candidates are entirely controlled by the power of the party executive, there is the added danger that those potential candidates will always be favoured who ingratiate themselves with the party executive," (Murakawa 1996, p. 145). Even in the 1930s, the Diet members forming the established parties had opposed the introduction of proportional representation on the grounds that deciding the order of the election lists would lead to "the corrupt dictatorship of the party executive" (Itô 1980, p. 59).

4.5. More LDP Critics: Dependence on the State

The idea that a political party should not be determined by its executives but by the candidates rooted in their election districts combined with a populism that focused on the extra cost of the subsidy: "Maybe Nagatachô thinks the public subsidy is a good idea, most voters would surely want to say 'No!'" (Moroi 1995). Another commentator noted, "These days, there are heaps of people in the Diet who don't study things carefully, and only waste taxpayers' money [...]. The state intervenes and pickpockets ¥250 from my purse in order to give the money to politicians I loathe." He equated the

public subsidy with forced contributions, and claims that freedom instead should be the principle of political donations. The argument of Masuzoe Yôichi is similar:

To be able to give to a candidate, to vote for him, is the basis of democracy. But through the subsidy, the tax payer has to give to all politicians equally. He ends up supporting the politician of his choice with a mere 30 sen (¥250 divided by the number of Diet members), and at the same time has to give to politicians he opposes (Masuzoe 1994, p.153)

Although the eighth *shingikai* had qualified that the public subsidy should be subject to review and should be calculated not to induce parties' dependence on the state, among the conservative rank and file, mistrust of the subsidy was based on the perception that it would sever the close contacts with the electorate. Matsuno Raizô, an ex-Diet member with a history of money politics scandals, for example, expressed the view that parties should derive their authority from the people not from the government. A party should be founded on volunteer commitment. Politicians should find their own money. Everyone should be allowed to participate in politics by voting. But in order to be elected a leader of the people, a candidate should have to prove that he or she can raise money, or risk his or her own money. Be self-sufficient and run your own house (*jikatsu dekiru*). If politicians become like bureaucrats, asking for the government's money the same way as any other constituency did, this would bring the danger of "state socialism" and lead to parties at the beck and call of the government (*seifu no yoyo seitô*) (Matsuno 19.7.95). Similar arguments were advanced by Masuzoe Yôichi, a critic close to the LDP point of view: "We mustn't have politicians who can't even raise money on their own," (Masuzoe 1994, p. 153).

4.6. Leftist Critics: Dependence on the State

The arguments on the left, mostly among intellectuals were surprisingly similar. Some of them had already been put forward by Watanabe Osamu in 1988. He thought that the likely effects of the public funding proposed in the context of the Yoshimura party law proposal, would have been to force parties to rely on the state for a great part of their funding. Parties who were faced with the threat of having this funding cut off would be unlikely to maintain real political activity. They would lose "independence and their mass character." Like a drug, once tasted, public funding would be difficult to refuse. The established order would be stabilised not only by forcing all mainstream parties into

the same framework, but also by allowing the LDP to ward off the decline of its authority which had resulted from its "corrupt" funding patterns. In a view that differed diametrically from that espoused by the *shingikai* he thought that a subsidy would "equate political parties with money" rather than a set of ideas and policies (Watanabe 1988, p. 238-41). In 1994, a group of constitutional scholars expressed the fear that the public subsidy would foster the dependence on state support, putting the power of life and death into the hands of the ruling political power. They felt that "forced contributions" to parties whom the voters do not necessarily support are a violation of the constitutional freedom of thought and of the freedom of association (*Hôritsu Jihô* 1994, p. 175).

Generally, the most vocal opposition to the subsidy came from the far left of the political spectrum and from academia, on grounds of principle. Not only the *shingikai* claimed modernisation as a legitimation of its reform proposal: one academic feared that the modernisation of political parties would be disturbed if politicians lost their independence and the incentive to appeal to the voters (Professor Sugihara of Hitotsubashi University, in *Hôritsu Jihô*, June 1992). Another academic was even more explicit:

Far from solving the problem of political corruption, the new (subsidy) law has not only not addressed the way that contributions are made to parties, political associations and individual politicians today, but it has also twisted the way our parties should be, and strengthened public interference in political parties. It has moreover contributed to the exclusion of minority parties, and limited the people's freedom of choice (Yoshida 1994).

This last argument was, of course not so far fetched, in light of the motives that had driven the original party law proposal in 1947. A number of critics have thought that the new law was designed to discriminate against parties that are not or not yet represented in the Diet. Of course the parties represented in parliament have an incentive to form a cartel against parties outside parliament or parties not yet formed (see Katô 1996, p. 22). Indeed, the public subsidy is only available for parties with a minimum of five Diet members or with a minimum of 2% electoral support at the most recent national

election.²⁰⁷ A barrier to entry is also raised by an additional stipulation intended to reduce the dependence on state money. The total amount of subsidy is distributed among the eligible parties according to their strength in the Diet and their share of the national vote but is capped at 2/3 of the donation income of the previous year.²⁰⁸ New parties are forced to simultaneously achieve both electoral support as well as financial support in order to get the benefit of the subsidy, a task that may well overstretch their fledgling organisational resources. Some went as far as to suggest that opposition parties would be less inclined towards criticism and democracy will suffer (Kaneko et al. 1994).

4.7. More Leftist Critics: Constitutional Freedoms

From its early days right after the war, the preamble of the *kiseihô* had claimed that public scrutiny should constrain the practices of political funding. But effective public scrutiny had never been realised. The eighth *shingikai* hoped that this would change when the taxpayer's money was at stake. They hoped that the public eye would be vigilant (2nd Report). It alerts the parties that the use of tax payers money will require their full responsibility and care not to invite criticism for their spending of taxpayers' money (2nd Report). Yamaguchi, too, suggests that the success of the subsidy hinges on the scrutiny with which the citizens regard the uses of their tax money (Yamaguchi 1993, p. 186). Indeed, the parties have to account for their use of the subsidy: While the parties are free in their decision how to use the public money, they are not free from scrutiny in that they have to account for this use.²⁰⁹

²⁰⁷ Among the parties that *are* represented in the Diet, the smaller ones are likely to receive somewhat more money than the larger ones. Of the total subsidy amount, half is distributed to the parties on the basis of their membership in the Diet, i.e. in both the lower or the upper house. The other half is determined by the party's relative share of the total vote cast. This distributive mechanism is more proportionally representative than the Diet composition itself. While 2/5 of the Diet membership is determined by proportional representation, 7/10 of the subsidy is proportional to the share of the vote cast. Thus smaller established parties can receive a disproportionately higher share of the subsidy than the bigger parties, provided they run even hopeless candidates in single member constituencies in order to increase their share of the total vote.

²⁰⁸ The potency of this condition was amply illustrated by a fund-raising frenzy at the end of 1994, the year whose income would determine whether a party could claim its allotted maximum.

²⁰⁹ The original Hosokawa proposal required publication of items of expenditure above ¥10,000. The LDP proposed setting the threshold at ¥50,000 and saw their version prevail through the negotiations with Hosokawa's coalition. Spending reports have to be delivered to the MHA at the end of each calendar year, together with an auditing statement by a public accountant (*kônin kaikeishi*).

Yet precisely this vigilance raised many doubts. Even though the public subsidy was separated from the proposal of a party law, the old fears of state interference were still lingering. Citizens' scrutiny was only possible if transparency and definition was achieved by administrative means. Hirose Michisada wrote: "Strengthening the authority of the offices of the Ministry of Home Affairs or the prefectures would come with great dangers. It would only open the way for unjustified interference into the affairs of parties and politicians by related government agencies using the investigation of the correctness of reported items as an excuse." Hirose instead proposes a special commission (Hirose 1991, p. 17). These fears were addressed in article four of the Party Subsidy Law by stating that the law may not be used in any way to restrict the freedom of political parties, that no conditions may be attached to the disbursement of the subsidy nor any restrictions be placed on its use. Nevertheless, as a party that felt it had experienced more state interference than most and did not wish to open its books to public scrutiny, the Communist Party decided not to participate in the subsidy.

Takeda Michio noted that subjecting political parties to legal restrictions - in the attempt to recognise their indispensable function to parliamentary democracy - contrasts with a definition of political party as a freely constituted and voluntary association of social activism. He believed that there are two schools of thought: one thinking of political party in terms of its original genesis, the other in terms of its public role (Takeda 1991, p. 42 and p. 54). While many of the academic statements above had a distinctly political, that is anti-establishment, flavour, this observation led to the beginnings of a real academic debate on the nature of political parties that had so far eluded Japan.

4.8. The Academic Debate: Public Role of Parties

Political parties are not mentioned in the Japanese constitution. Political parties were not critical in the ideology-driven debates of constitutional legal scholars in the 1950s and 60s. But the public subsidy debate and the issue of giving political parties legal status led to a number of academic symposia and publications.

Constitutional legal studies today have not produced sufficient results in the area of political party legislation. Compared to many legal areas that stand independently as systematic scholarly fields - for example education law, labour law, tax and finance law, local autonomy law etc. - where political parties are concerned, for example in discussion on the constitutional status and character of parties, and the field of public assistance to parties,

although certain results can be seen, we are still at the stage where we have reached only a part of the results of the studies in foreign countries on party legislation (Katô 1996, p. 21).

The Party Law, however, and the party subsidy debate did give rise to a discussion among academics on the proper role and functions of a political party, in particular on the degree to which it should be seen as a public entity. When the conception of political party was discussed, it was usually subsumed under the constitution's Article 21 "Freedom of Association", like any other form of association with guaranteed freedoms of formation and dissolution, membership, political activity and so on (see for example Satô 1990). Thus, the traditional academic view defined political parties as lodged in the sphere of society, i.e. as private entities.

This definition did not seem to exhaust the role of parties to many scholars who then tried to differentiate among different roles. Kobayashi Naoki distinguishes two levels—the "non-state" and "state"—and places the party's role in the transitional sphere between (Kobayashi 1991, p. 308). Ozawa Ryûichi, in a discussion of academics in 1993, discerned even three different levels at which the public role of parties finds expression: the citizens' level, during elections and in the process of government. He concedes that parties in Japan are public at the latter two levels, but that the public funding of their activities at these two levels will probably adversely affect the nature of the public character and the competition among the parties at the citizens' level (see Mori 1994, p. 471). Shiratori Rei made again a two-level distinction:

The inconsistency between the two faces of political parties, one public, one private, became apparent in a very clear fashion, when [...] the LDP and other parties tried to introduce assistance from public funds to political parties. On the one hand, the parties insisted on the public role they performed within the system of parliamentary democracy, and emphasised that public funding was natural. On the other hand, they emphasised the freedom to use the funds in the manner of private business. They took the position of rejecting regulation and oversight by public authority which must follow naturally for a public organisation that receives assistance from public funds which are taxes from the people. [...] Because it is parliament, which is in turn run by political parties, which decides the law, these arguments appeared in the eyes of the electorate to be pure self-serving convenience by the political parties (Shiratori 1996, p. 383).

A similar differentiation has been explored by Mori Hideki who argues that the traditional view of political parties as private associations has changed. He differentiates

two levels of analysis, and on each of them he affords political parties public qualities though of a different nature. Their "public character in the social sense" is a quality that they share with other types of association such as labour unions and industry associations. On a second level political parties enjoy a "public character in a systemic sense", meaning the systems of the electoral process as well as of the process of government. It is here that political parties differ essentially from other forms of association. The function of political parties is to form a government and cabinet from among their representatives in the case of a government party, and to criticise the government in the case of an opposition party. And because of this special function, public funding is legitimate (Mori 1990).

The problems with this view, argues Katô, are the danger that attributing a public character to political parties could diminish the tension the parties should experience vis-à-vis the state, that there are legal difficulties with ensuring democratic structures within the parties, and that political parties can possibly interfere in the constitutional rights of their members as individuals (Katô 1996, p. 10). Furthermore, treating political parties like public entities leads to unfairness as soon as criteria are established for distinguishing between parties and non-parties (Shiratori 1996, p. 389). These of course are the views that the opponents of public subsidies espoused. Both Katô and Shiratori conclude that public funding should therefore not go beyond an amount that would represent the degree to which parties perform public functions: "It is only natural to limit the state subsidy [...] if the inevitable subordination of political parties to the state is to be avoided." (Katô 1996, p. 20). But Shiratori thinks that the 1994 public funds law by providing general and unrestricted funds to political parties does not conform to this qualification (Shiratori 1996, p. 391 - 93).

5. Conclusion: Political Parties and the Public Subsidy

Although a party law was never put into force in Japan, it was often discussed as an element of political reform. Its impact was not limited to the context of political corruption and money politics but in this area it would have played an important role, because from the first Naimushô proposal onwards, public assistance was usually an element of party law proposals. Eventually, public finances were introduced without the framework of a party law, but many of the issues that had been discussed over the years

still applied. However, the public subsidy itself was not designed as a direct measure to reduce money politics, but as compensation to political parties, especially to the smaller and opposition parties, for accepting political reform. It was part of a programmatic package intended to enhance the role of parties. However, this aim was pursued inconsistently because political contributions were not banned at the same time. Rather, the public subsidy law of 1994 promised to reconsider the issue of banning contributions to individual politicians after a period five years.

As the previous chapter on the *kiseihô* has shown, the ban on corporate contributions was an important theme especially for political reformers who were not in the bureaucracy. Political activity was to be sustained from individual contributions, they argued. However, the political culture of Japan made impossible the collection of individual contributions on the scale required. Bridging this gap was the point of the public subsidy—as a compulsory, bastardised form of individual contributions. In addition, in the 1994 reform package, corporate contributions were not banned; the public subsidy law, on the contrary, actually legitimated corporate contributions: they would be legal if made to a political party. The lack of transparency of party finances meant that they could easily be channelled into the campaigns of individual politicians. As a result, the demands for a ban on corporate political contributions continued even after the 1994 reforms. The Communists, for example, argued that public funds to political parties would just allow the same money politics to continue as long as there was not a simultaneous ban on corporate contributions.

Thus the changes that public subsidies promised to bring to the political finance regime in Japan addressed money politics only imperfectly. However, they were—like the reform case studies discussed above—part of the aim of changing the political culture in a way that would make money politics unnecessary. Common to all party law proposals of the post-war period were the three aims of establishing the political importance of parties, ascertaining the democratic organisation of parties, and making parties contribute to the healthy development of national politics. At the most general level, party laws were part of political reforms that sought the modernisation of the Japanese political institutions in a similar way that the *kiseihô* was often framed in terms of enhancing the role of political parties. The goal of modernisation was to create a system that was less centred on individual candidates. Similarly, big parties were favoured over

smaller ones because they were more similar to the model of the mass-based party that prevailed in Europe. However, the constitutional right to form political associations was used to defend against a program of consolidation in the party system.

Naturally, the size of a political party largely determined how it stood on the introduction of a party law. At every instance that its introduction was proposed, it would have favoured the LDP, but the attitudes to the law varied, not just among the opposition but among the LDP politicians as well. Similarly, responses to the public subsidy among politicians were shaped by the financial resources available to the different parties and their candidates. For the candidate such as the pre-war politician whose resources were independent of any institutional support, be it from a party, from the unions or from business sources, money came from the family fortune. The development of parties and factions were accompanied by a differentiation of the sources of campaign finance. A faction leader had access to other sources than a relative newcomer. Also important was the differentiation of the sources of income from one party to the next: some were dependent on business, others on unions, yet others relied on religious-sects to provide the finances. The introduction of government money has threatened to reduce this kind of differentiation. As a result, political parties have been perceived as becoming more similar in their interests. This so-called equalising effect was explicitly desired in order to put the different political parties on equal financial terms but it was resisted by individual candidates.

There was also fundamental criticism of the public subsidy, coming from both the left and the right sides of the political spectrum. Both were worried that public subsidies would increase the influence of the state in party politics. On the left, especially and vehemently within the Japan Communist Party, there still was the fear that the subsidies were merely the cover for restrictions against and interference in the affairs of opposition parties by the government: "Enforcing tough restrictions, would only open up the road to interference from the bureaucracy," (Hirose 1991, p. 9). On the right, the worry prevailed that individual candidates would be deprived of their freedoms and would be forced under the rule of the party executive in terms of both policy and political finance. Among Diet members over the entire political spectrum there was an ambivalence about the relationship between political parties and the state. The Japanese parties' historical experience of the authoritarian state before the war and the continuing

strength of the national bureaucracy after the war had made politicians wary of embracing either the legal status that the state conferred through the party law or the public funds which it could disburse. In general, political parties were not eager to be coopted by the state.

Conclusions

Assessment of the Approach

In this study, three case studies of political reforms were chosen to illuminate the Japanese perceptions on money politics. How well has the approach worked? In three areas, this study falls short. First, the reform discourse is at times more a monologue than a dialogue. Sometimes it is not so much a description of a discourse but a narrative of the history of institutions such as the election enlightenment initiatives. Thus the reform debate is like listening to a telephone conversation where only the caller in the room is audible but not the person at the other end of the line. Generally, the arguments of the proponents of reform are better represented than those of the opponents. This is a problem of sources; there are fewer records of the voices in favour of the status quo because they tended not to articulate their position. If anything, they tended to chime in with the reformers for reasons of public relations. The opponents' most eloquent statement was the difficulty that most reform proposals encountered in being realised. Most reform attempts were foiled either in the early stages or in the way that they were carried through.

Second, the historical context in which each case study unfolds could not be presented with much detail. Of course, the reform discourse was always part of the general political discourse. It has taken many cues from short-term incentives presented such as elections, from the general political situation and from the academic and learned debate. This short-coming is probably inevitable for a study which covers such a large quantity of historical ground. Third and last, the study could have explored additional angles and participants in the reform debate. Especially after Recruit, the power and influence of the media on the political reform process was discussed. However, this perspective was not taken, as it did not play a sufficiently significant role in each of the case studies.

However, this study does show that there are broad similarities between each of the very different approaches to political reform, represented by the three case studies. All three are tied to the basic motivation for political reform: money politics. Although they were carried out simultaneously and the debate on each of them did not necessarily overlap much with the debate on the others, they do follow a certain pattern. This Japanese

pattern of reform was suggested by the Japanese journalist Fujita Hiroaki: first there is a certain "spiritualism"; it is followed by a cure of the symptoms, and when neither work, the problem is delegated to a higher authority (1980, p. 11-13). Fujita thought that the first response to corruption in politics was always an emphasis on self-discipline, self-admonition and self-consciousness. This was the case with the election enlightenment campaigns. When moralism fails, there is the cure of symptoms: regulation and limitation. This was the approach taken by the *kiseihô*. When the cure of symptoms has not worked, the third response is relying on someone else. Fujita mentions public funding of parties as an examples of this.

Modernisation of political culture as Westernisation

The three case studies were concerned with the issue of political modernisation. In the context of the first case study, on election enlightenment, modernisation meant the organisation and mobilisation of the electorate. It had its roots in the totalitarian experience of the 1930s but continued in a similar vein even after the war. The entire nation could be marshalled in the service of a common purpose—whether this was war-making in the 1930s and 1940s or economic growth after the war—and the political system could be the mechanism for this marshalling. In the context of the second case study, on political finance regulation, modernisation required that political contributions be made by individuals and of their own, autonomous political will. In both cases, it was assumed that the aggregation of the individual voters would yield a common direction which would be equivalent to the "public" interest. The voters' partial interests were not so much their own as imposed on them. In the third case study, the party law sought to establish parties that had at least a minimum of support either at elections or in the parliament. The implication was that parties with only little support and the voters who voted for such small parties, were the sign of an immature political system. The attainment of the "public" interests was also the thrust of the party law. It attempted to regulate political parties in such a way that they would by law be given public status, and—as the opponents of such a law feared—be potentially subjected to a government seeking to enforce its own definition of the public interest.

The first two case studies illustrate that the existing political system was seen as deficient and backward and in need of reform. Especially the perceived malleability of

the voters to make their own decisions independent of contextual, local and group-oriented constraints was seen as problematic. The only reason that voters allowed themselves to be thus imposed upon was, in this thinking, their low level of political maturity. The reasons for the lack of efficacy of public opinion as a controlling instrument of money politics was also seen to lie in the low maturity of the Japanese voter who was easily swayed by considerations other than the reports on how his Diet member had received the money he was spending on "constituency services". Whether or not this was an accurate perception of voter behaviour—after all, public opinion could be quite vociferously opposed to money politics scandals—the political maturity of voters was seen as the key to better scrutiny of politician behaviour in the *Asahi* editorial as early as 1948 and in the report of the eighth *shingikai* as late as 1991. If political consciousness needed to be modernised then modernisation was understood as the slow change of political culture and the money politics that is a part of it. This culture is of course not static but subject to change. In fact, the three case studies have shown that cultural change was actively sought in Japan. The Japanese have perceived money politics in terms of political modernisation. Overcoming traditional forms of political activity, and establishing modern forms of political participation—largely modelled on examples such as Great Britain or Germany—would eventually lead to political corruption losing its purpose.

Since Tanaka's prime ministership and the "Advent of Machine Politics," (Johnson 1986) the goal posts of anti-corruption reform had begun to shift. No longer was corruption seen only as a problem of backwardness or as a moral issue, but as a matter of systemic roots. The press had coined the phrase "structural corruption" to denote the collusion of interests between politicians, government contractors and voters in a given election district. Corruption came to be seen as the sign of structural weaknesses in the political system. Thus the conception of corruption has changed over time. While political parties were synonymous with corruption before the war, they have come to be embraced as a safeguard against it after the war, although the change did not occur in a quantum leap but gradually, and even today there are clear remnants of the pre-war conception of the corruption of political parties. Today, the idea of systemic structural corruption dominates. Nevertheless, this does not mean that corruption had been seen until recently as only a problem of the system and its incentives.

It would not be correct to say, however, that corruption was always associated with traditional paradigms and reforms always pointed the way to Western models. Modernisation did not mean Westernisation in all instances. In the 1930s, corruption was associated with the Western paradigm: competitive party politics. In the post-war years, corruption was the backward, feudalistic ways of Japanese election campaigns. During Lockheed, a Western company was actually doing the bribing. Finally, in 1989, the Recruit Company represented the market oriented, competitive, modern, i.e. Western, company. Yet, all three reform cases were modelled to some extent on Western examples: election enlightenment took some cues from political campaigns and initiatives in the United States at the beginning of the century; the *kiseihô* was established with the help of the Americans and based on U.S. legislation during the Occupation in 1948; and the debate on the party law made frequent reference to the establishment of party legislation in Germany in the 1960s. Equally, all three cases studies also have illustrated that the Western model was rejected in one important way: the model of the mass political party that was implied in them was never really espoused by the Japanese reformers.

Interest groups and political parties

The distinction between public and private was the conceptual centre-piece of all the reform debates in all three case studies. Election purification sought a political culture in which public goals were supported by the electorate and structured itself in opposition to the partial interests of political parties. The *kiseihô* was used as a battle ground for the question whether political contributions were public or private in nature, and the decision defined them as serving the public good. The party law, finally, would have given political parties not only the public recognition of a legal status but it did, in the form passed in 1994, provide the parties with political funds.

This public-private divide asserted itself primarily in an ambivalence about the groups that presented only partial interests and not the interests of the whole. Whether they were *kôenkai*, unions, companies, political associations or political parties, none of these groups enjoyed the same legitimacy as the "whole", usually represented by the government bureaucracy in Tokyo. The three reform efforts, in one way or another sought to raise the legitimacy of these group interests by transforming them into public

ones: either through judicial fiat, as in the Supreme Court decision, or through a co-optation by the state, as in the attempts to introduce a party law and the provisions of public funds. That the election enlightenment initiative was drawn into the arms of the Tokyo bureaucracy was only the logical consequence of this strategy. Although the role of political parties became increasingly recognised by the reformers in all three case studies, none of the reform efforts explicitly recognised the legitimacy of partial, competing interests. In addition, the conflict between the example of political institutions in the West and this aversion to partial interests was never made explicit. The three cases show how the ambivalence towards interest groups applied equally to modern groups, such as companies, unions etc., and to traditional groups, such as *kôenkai* and factions. It resulted at least in part from their internal dynamics and the supposed suppression of the individuals' political freedom and ability to take decisions freely. In the case of the election enlightenment campaigns and partly the *kiseihô*, the concern was that followers would be too easily swayed by their leaders. The debate on the party law exhibited a concern that the financial clout of the party executive might compromise the political freedoms of expression. Similar reasoning was also contained in the debate on the legitimacy of political contributions mediated through unions or corporations. The actions of individual voters and of the national government were accorded high political legitimacy, while intermediate groups were accorded low legitimacy. Common to all three case studies was the emphasis on political participation primarily through elections. By extension, money politics was seen primarily as a problem of the corruption of the electoral process.

The basic ambivalence about political parties is particularly instructive about the political reform process. What Carol Gluck has called the "denial of politics" was more specifically the denial of political parties and it survived far beyond the late Meiji Period that Gluck was analysing (1985, p. 239). From an early time, parties were identified as actual or potential representatives of class. Industrialisation, economic development and modernisation always threatened the division of society into classes. In ideology, and perhaps in practice, there has been a broad alliance in favour of warding off the spectre of a class ridden society. Political parties were welcome only as long as they did not further the possibility of social division, in other words, only as long as they stayed confined to the Diet. Even after the war, the dominance of

bureaucratic agencies in the political system as well as dominance of former bureaucrats within the parties continued for some time. Then the increasing power of political parties caused a number of reformers, political scientists among them, to call for the modernisation of parties, meaning the greater integration of candidates into the party organisation and the functional differentiation within the parties. The traditional political differentiation by region, resulting in centre-region conflicts, was to be replaced by modern functions and roles within the party. They were said to need to become mass organisations, and to be guided by open discussion. Thus, in 1994 the Japanese reformers were not only concerned with creating a two party system, although this motivation may have been behind the changes in the electoral system. They were also interested in creating a political system that was based on political parties, whether one, two or many, much more than the system had been in the past.

Changing coalitions of reform

The three reform efforts were supported by a varying constellation of interests. A pattern, however, does emerge. No post-war reform was possible without the support of the members of the Diet. This support was forthcoming only in the most extreme circumstances of public pressure. In all other circumstances, the politicians favoured change from the status quo only to the extent that it appeared to offer them electoral or other advantage. This reluctance to reform was equally present among the ruling and the opposition parties. Irrespective of their persuasion, political parties were made up of politicians who had come to power under the current system. By and large, therefore, they had a conflict of interest vis-à-vis reform legislation which potentially diminished their chances for re-election. For this reason, the natural role of the opposition to capitalise on the weakness of the ruling party did not apply to political reform. With the exception of some of the smaller parties such as the Communists and the New Liberal Club, the opposition parties were not the champions of reform but similarly constrained by the political culture that the reformers attempted to change.

More consistent reformers were the government bureaucrats. Before the war, as the protagonists of *senkyo shukusei*, they were indeed the deciding force, but after the war, their reformist efforts met with the opposition of the Diet. In the area of political reform, bureaucrats never enjoyed the kind of influence they had in other policy areas.

Strategies to co-opt politicians into the reform agenda such as the consultative councils in the 1960s did not succeed. However, over time, these strategies had an impact on the substance of reform. They increasingly packaged reform in terms that were more palatable to the ruling LDP, and sometimes the opposition parties. Quantitative limits instead of a ban on corporate contributions, reform packages that included changes in the electoral system, and the provision of public funds were all designed to be acceptable to at least some of the parties in the Diet. They failed largely because they appealed more to the party executives—who were more concerned with their party's overall image—and less to the individual back-benchers whose interest was the maintenance of their election machines back home. The process of co-opting the LDP increasingly weakened the bureaucrats' influence on the substance of reform. Of course the bureaucrats never had been interested in political instability, nor had they openly favoured the opposition parties. By 1994, the LDP had clearly taken the lead in the reform process. Even though they were passed under Prime Minister Hosokawa, they could not have been without the support of the LDP, then in the opposition. The reforms themselves relied primarily on what the LDP had already outlined well before 1994.

The third group of reformers were not so much a group as a heterogeneous collection of independent activists. The former bureaucrats who were the activists of the election enlightenment campaigns and the journalists and academics who supported a ban on corporate contributions were possibly at opposite ends of the political spectrum from each other but they were similar in their desire for political reform that was less guided by Western examples than the bureaucrats' efforts.

The significance of the Hosokawa reforms

None of the attempts to curb money politics discussed here were particularly successful. It is difficult to avoid the impression that money politics and corruption were never the primary objective of the reform initiatives, but that they always served as the vehicle for other political interests and rivalries. The issue of reforming money politics was repeatedly hi-jacked for political purposes, and the public interest was rarely sustained over a long period of time. By the same token, it also never went away completely. Political reform has been part of the Japanese political agenda for more or less the entire post-war period. The reforms of 1994, however, appeared to be different. In the 1960s,

political finance reform had always been packaged with electoral system reform. The last packaged proposals had been made by the Tanaka cabinet but, as previously, had failed to surmount the considerable difficulties inside and outside the LDP. In 1975, the reforms of the election law were minor compared to those of the *kiseihô* revision, and there was no attempt to change the electoral system as such. Until the eighth *shingikai*, the reform impetus had concentrated on the *kiseihô*. While all recommendations made by the *shingikai* on amending the *kiseihô* continued to subscribe to the ideal of party-centred political finance, they now emphasised that in this regard the *kiseihô* could play merely a supplementary role to a changed electoral system which would put parties at its centre.

The 1994 reforms were, however, not so much reforms of money politics as they were a reform of the electoral system. The LDP had been able to redirect the reform momentum towards a change of these rules. The public mind was focused on these issues from 1988, when the Recruit scandal broke out until well after the passage of reforms. In addition, probably the most substantial reform package to that date were realised. There has not been much emphasis on the 1994 reforms in this text. This is partly a function of the cases selected: as explained in the introduction, the election law was explicitly excluded from the analysis here. It is also partly a result of the way the debate had been shaped in the past. *Senkyo keihatsu* had illustrated that, in the given framework of political decision-making, its methods could not effect a re-cultivation through political education and that reforming "structural corruption" went beyond the means of the movement. Nevertheless, the two paradigms—political reform through a change in the electoral system and through a direct reform of the political behaviour—are present in all three of the case studies.

The string of scandals since Recruit have brought a change to this equanimity and stability coincided with a period of the most profound policy disorientation in Japan: the end of the Cold War, the bursting of the speculative bubble and the most protracted post-war recession. In historical terms, this period was a watershed because three value conflicts came together: Economic liberalisation had made companies break out of line and resent the restrictive corset of collusion, academics were given a free hand in modernising political structures in the eighth *shingikai*, and the political turmoil and instability gave more leverage (at least temporarily) and trust to the bureaucrats or their

former peers. Indeed, in each of these conflicts, one side can be identified with "Western" values as a shorthand characterisation. Assuming that the events of the last year are the beginning of real political reform, including political funding, what made possible the change of attitudes? Most recent events have confirmed a crisis in the bureaucracy, brought about by a general lack of direction after catching-up with the West had been completed and the attendant negative attitude in press and public. The state may have weakened, and democracy strengthened, to the point where standards of morality are being held to politicians' behaviour. While bureaucrats were strong, politicians could be corrupt so long as they were independent from the state. When the politicians became stronger, and their dependence less of a possibility, standards of behaviour became tougher. A change in the relative position of institutions may thus have brought about a change in beliefs.

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