

JAPAN IN THE U.S. DOMINION: STATE, POLITICS, AND LABOR IN THE 1980s

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Introduction

This report was originally prepared in April 1982 for the *Fernand Braudel Center for the Study of Economies, Historical Systems, and Civilization* based at the State University of New York at Binghamton.

After this was written, in November 1982, Nakasone Yasuhiro, well-known as a rightwing leader of the Liberal Democratic Party, assumed premiership with the pledge to "remake the 33-year history of the postwar state." I feel this development has not made this essay outmoded since Nakasone is attempting to overcome precisely the inertia of the postwar years as described here. The "integrated security program," an attempt to politicize this economic inertia and the public attachment to the status quo, has developed its immanent contradictions to the point of rupture at the military dimension. Washington considered the program the maincurrent Japanese ruling groups' subterfuge to slow down the Pentagon-desired pace of military buildup. It is this failure of the integrated security program in its relations with the United States that brought the downfall of former Prime Minister Suzuki Zenko and put Nakasone in power. Nakasone therefore had to start with an extreme pronouncement of loyalty to Washington, especially in defense matters. His sudden visit to Seoul in January, 1983 with a promise to accord Chung Doo Hwan \$4 billion mainly in security aid was followed by his statement in February in Washington that Japan was an "unsinkable aircraft carrier" on the forefront of the U.S. defense line. He also declared, after an "intimate talk" with President Reagan, that Japan and the U.S. shared the "same destiny" (using the Nazi concept of "schicksalsgemeinschaft" introduced to Japan in the '30s).

The Japan-centered rhetoric of the integrated security program thus had to be disavowed before President Reagan, and Nakasone had to exaggerate this disavowal precisely because he was considered in the U.S. ruling quarters to be a "dangerous nationalist" who might openly advocate Japan's own nuclear armament. Though the U.S. is pressuring Japan to rearm quickly, it is hardly inclined to tolerate Japan as an independent nuclear power.

But Nakasone has not succeeded in overcoming the deep-rooted contradiction between the project of remaking of the postwar state directly on the basis of the requirements of the U.S. global strategy and the economic, status quo-oriented domestic political formation. His belligerent statements early this year

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turned the public off, and so he had to start an apparent retreat in March, speaking dovishly to the public.

There is more to it. Visiting ASEAN countries in May prior to the Williamsburg summit, Nakasone pursued two goals — getting the governments of the ASEAN countries to accept Japan's re-armament and obtaining the latter's mandate to make him their spokesperson at the summit. He failed in both despite the generous economic aid he offered. After all, at his last stopover in Kuala Lumpur, Nakasone had to declare, betraying all his previous political career, that he would abide by the peace provisions of the Japanese constitution.

And then he swung again in the other direction. During the subsequent summit, he behaved as an extreme hawk, insisting that theater nuclear missiles should by all means be deployed to Europe by December.

Nakasone's pendulum locus reveals the secret of present Japanese society, which is the theme of this present essay.

In the meantime, the labor reorganization scheme proceeded on schedule. In December 1982, big rightwing unions of the private sector organized their national council (Zenminrokyo) with 4.5 million members under it. In the same month, radical and genuine unions and worker activist groups founded an embryonical national formation called Zenkoku Rosoren.

I

The Japanese bourgeoisie has, thus far, handled the potential national crisis fairly well, and it will continue to do so unless and until its major programs, political, and ideological as well as economic, crumble on two fronts — military-cum-diplomatic and labor.

The Siamese twin coexistence, or back-to-back connectedness of the two parallel systems of post-World War II Japan, the "Peace Constitution" system internally and the military alliance system with the United States which functioned mainly externally, worked magnificently during most of the postwar period. This parallelism, originating in the occupation period, is based on an arrangement between ruling political groups and the bourgeoisies of the two countries. This felicitous arrangement provided for complementary functions by the two countries. After the shattering defeat in their hopeless adventure to wrest the Asian Pacific region from Western powers for Japan's "co-prosperity" sphere, the battered Japanese bourgeoisie could not hope to repeat the same thing again. They sought to turn to account the fact of U.S. military, political, and economic domination of capitalist Asia (and the Third World in general upon which Japan had to rely for resources) as a new framework within which they could pursue their own goals. This meant for the Japanese ruling class the partial relegation to the United States of its own imperialist superstructural functions, mainly military but also some diplomatic and political functions. In exchange they were to devote themselves to rebuilding and expanding their economic base. In this remarkable case of working through a borrowed imperialist superstructure, the military alliance with the U.S. became a built-in feature of Japanese capitalism.

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This deal was beneficial to the United States, too. The United States established its right to use Japan, Asia's leading industrial power, as its military outpost and the single most important logistical base for military operations in Asia (a "right" fully exercised during the Korean and Vietnam wars). The U.S. simultaneously enjoyed the benefit of a dynamic capitalist economy buying vast quantities of U.S. grains, machinery and technology and serving as a showcase of capitalist development in a shaky, revolution-fraught Asia. Most importantly, this *quid pro quo* barred Japan from again venturing to build its own exclusive empire as a threat to the United States.

This division of labour between the United States and Japan, is essential to understanding postwar Japanese development, for it has had a pervasive effect upon the formation of society, polity, and ideology. It was not just relatively lower military expenditures that contributed to the unprecedented growth and prosperity of Japanese capitalism. More importantly, the whole setup made possible by the complementarity helped shape a polity as well as a social, economic, and ideological environment for postwar Japan which facilitated maximization of economic pursuit. Thanks to this division of labor between military and economic, the Japanese ruling class had little need to mobilize politically and ideologically the masses to fight a war, and this circumstance accordingly could seal off internal Japanese politics from external turbulence. This separation imparted peculiar parochial characteristics to internal development. Rule was the rule of economics, and the Liberal Democratic Party, which has monopolized power ever since the occupation period (except for a brief intermission of socialist coalition government in 1947-48), embodied this rule. Given this ideal circumstance of germination, corporate power quickly took root, proliferated, and expanded. The state with its efficient bureaucracy worked to coordinate conflicting business interests in order to maximize corporate interests. In the whole period of what is often called "Postwar Democracy", the social integrative power of big business corporations came to overwhelm the political integrative power of the state as such.

Problems were already lurking. Those who designed this course of development as a stop-gap or a transitional process, enroute to the reestablishment of Japan as a full-fledged imperialist power experienced this paradise of economism as a bit of an aberration. Thus, Fukuda Takeo, later Prime Minister, deploring the individualistic tendencies prevalent among youth, railed against the theme of a popular love song of the 1960s, which says, "The whole world is for us two." "You should remember," he said, "that you two are for the whole world, not the other way around." Though nobody took seriously this old Meiji boy's admonition, the LDP's official ideological program, and among others the Education Ministry's sustained, tenacious battle against the Japan Teacher's Union and its "Democratic Education" program, precisely followed the same line as Fukuda's — less individualism, less assertion of the rights of individuals, more collectivism and self-sacrifice, more respect of elders, duty before rights, more love for the nation and state, and ultimately more concern about national defense. The right traditionalists in the LDP, bureaucracy and education circles, pushed this line, praising, whenever they felt they could be frank, the moral values of the Meiji

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Imperial Rescript on Education (loyalty and sacrifice to the nation, filial piety, and the respect for the Emperor).

But these admonitions were self-defeating as the Japanese bourgeoisie and LDP had long based themselves precisely upon a socio-political formation that inevitably secreted and spread crass economism, competition, and hence individualism. This was the chronic dilemma *and* scourge the postwar Japanese ruling class which opted for integration with the American empire.

Political Repression of Labor

In spite of officially approved cartels, "administrative guidance" by the Ministry of International Trade and Industry (MITI), and all other official measures to coordinate conflicting business interests, competition was of course never eliminated. Competition was indeed sharp among "corporate groups" each comprising an entire business complex — a bank, a giant trading firm (*sogo shosha*), heavy industrial, light industrial, chemical and petrochemical, and marketing companies, subordinating in their train numerous subcontract and affiliate firms. Competition was also ruthless among giant firms in the same business area. Thus, Mitsui & Co. and Mitsubishi Corp. (both *sogo shoshas* representing their respective corporate groups) were engaged in cut-throat competition over market shares and overseas projects, and the two auto firms, Nissan and Toyota fought a never-ending giants' contest.

The secret of Japanese capitalism is its success in translating this severe inter-firm and inter-corporate group struggle into competition among individual workers. Contrary to the widespread myth in the West about "traditional collectivism and the allegiance of the Japanese working class to management," it is this highly individualistic competition that has so far succeeded in creating labor's seeming collectivism and allegiance to management. Kamata Satoshi, a labor journalist, who himself worked at a Toyota auto plant, reports how management and the union constantly reminded the workers of rival Nissan's output and sales, and urged them to emulate and surpass it.¹ The intra-firm system was so organized as to set one worker against another in increasing productivity so the company could compete effectively with its rival firms. The well-publicized QC (quality control), TQC (total quality control), and ZD (zero-defect) campaigns at major plants are the culmination of this inter-firm and inter-individual worker competition. In order to be evaluated as passable and therefore to be secure in his job, each worker has to say something in the form of a proposal to boost efficiency. The point here is not so much the contents of these thousands of proposals as the effects of these campaigns on the thinking of workers. In the corporate setting arranged for workers, each worker is compelled to think on behalf of management and this is inescapable as competition among individual workers is organized on this plane. An auto worker at a Nissan plant reports that "having no fresh idea, my colleague at last proposed a 10% conveyor speed-up!" Of course, the poor proposer knows he is choking his own neck, but something had to be said somehow if he did not want to be a dropout and eliminated. The "collectivism" or "loyalty to management"

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are products of this coercive system which essentially capitalizes on the disintegration of the Japanese working class into isolated *homo economicus*.

The giant oligopolies organized in this manner themselves control thousands of subcontract firms. Some of them send their employees to work side-by-side with the employees of the parent firm, where they are paid less, have lower status, and remain devoid of job security. Dirty or fringe work — maintenance, repairs, and services — are contracted out to small subcontractors who hire workers on a parallel labor market functioning for jobs of this kind. True, on this second labor market where day laborers, casual workers, and small enterprise workers are recruited, it is impossible to translate inter-firm rivalry into inter-worker rivalry because mobility of labor is too high. But the whole hierarchical formation is characterized from top to bottom by competition, either among the regular employees at big factories or among subcontract firms trying to remain on the contractor list. These are competitions hardly hampered by any extra-economic regulations, and in these competitions the working class is cut up into small segments, ultimately individuals, and then compulsorily brought together and pressed into the mold of corporate power. If an independent union is established at a subcontract firm, the parent company simply terminates the contract with that firm (as occurred with Nippon Steel whose sub-contract bus company came to have an independent union). Or else, as is often the case with Nissan Motor, the parent company union intervenes to annex the new union after changing its leadership to loyal boys.

As capitalism required primitive accumulation before it could stand on its own feet, corporate omnipotence has as its pre-history extra-legal and extra-economic steps of stamping out factory militants and suppressing the potentially revolutionary labor upsurge of the immediate postwar years. That was accomplished by the Supreme Commander of Allied Powers (SCAP), Douglas MacArthur, in the form of the "red purge" carried out prior to and following the outbreak of the Korean War in 1950.

But that was not enough. After the collapse by repression of the militant Sambetsu (the Confederation of Industrial Unions), Socialist-led Sohyo (the General Council of Trade Unions) was created with the help of SCAP, and through this major new labor federation the U.S. sought to forge an effective anti-communist labor fortress behind the United States. Sohyo soon disappointed its designer by maintaining a militant trade union line under the leadership of leftwing socialist Takano Minoru and by beginning to resist the U.S. Cold War strategy. The workers under Sohyo leadership continued to maintain their power on the workshop floor in the coal, steel, shipbuilding, metal working, and auto industries as well as in the public sector where Sohyo was the unchallengeable power.

Thus, after the ground was roughly bulldozed by the U.S. occupation, the Japanese bourgeoisie still had to fight its way to wipe out the stubborn power of workers. Where necessary, violent suppression was used, and the rightwing Domei (Confederation of Labor) unions attempted to split the still militant Sohyo unions. But the single most important factor that undermined the workers' power on the shopfloor of the key industries was technological innovation

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wedded to new labor control systems. "Scientific" labor control systems were originally imported from the U.S. through the Japan Productivity Center set up in 1955. From the beginning these labor control systems were organically and consciously combined with the restructuring of the production processes.

Matsushita Konosuke, the founder of the Matsushita group (Matsushita Electric Co. as the core "National" brand), already in the early 1960s boasted that he would make of a simple young fellow a skilled worker in one month. Companies failing to produce skilled workers quickly enough, he said, would be disqualified as viable business firms. Now in the auto industry, any person of average physique, whether a farmer or a school dropout, can be, and is forced to be, a "skilled worker" in a single week. This is so for most of the assembling industries where production processes are highly automated and standardized.

The steel industry is where the Japanese bourgeoisie has earned worldwide reputation. It is in fact the first industrial branch that set out to carry out comprehensive technological-cum-managerial innovation in the latter half of the 1950s. The brand new Tobata mill of then Yawata Iron and Steel Co. (now part of Nippon Steel), with the most advanced computer-controlled blast furnaces and strip mills, was organized on an entirely new labor system based on the separation of "line" from "staff": "line" meaning workers who had no say, and no role to play in controlling the production process as such. The production process was centrally controlled by computers, and most of the work was standardized. What once had been hard and complex work requiring years of experience and subtle coordination of all workers in the workshop under the guidance of a respected, experienced foreman, was reduced to simple, monotonous labor. The newly appointed "foreman" had nothing in common with what had been called by the same name before. He was now simply the lowest echelon representative of management whose duty was to control the workers posted under him for the sake of the company. The whole stratum of skilled workers, who used to be the core of worker collectivism, was wiped out in due time.

The situation differs industry by industry, but the technological revolution — a permanent revolution for that matter — had more or less the same effect of, or rather targeted, the disintegration of workers' collectivism on the workshop floor through the elimination of traditional skilled labor and the reduction of qualitative and hard-to-measure worker expertise in favor of quantitatively measurable standard works. This same process abolished or minimized the need for cooperative work among workers of the same team, which also led to dissolution of the basis of the traditional worker collectivism. In the chemical industry, for example, workers are terribly isolated, watching meters all day long, and having little chance to meet fellow workers.

The "Company World"

A vulgar version has it that Japanese workers are happy because they are protected by the "life-time employment"² and "high seniority wages" systems (under which the salary goes up in accordance with duration of employment),

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and they enjoy such intra-firm benefits as company houses, company housing loans, company gymnasia and swimming pools.

Aside from the fact that these benefits are "enjoyed" by only one-third of the Japanese working class, or the regular employees of big corporations, it is important to see that these systems, together with other more ideological and starkly coercive devices, are the bricks of what may be called a "company wall" without which the bourgeoisie can hardly transplant inter-company competition into the ranks of workers and turn it into inter-worker competition.

Obviously, inter-company competition should be clearly distinguished from inter-worker competition. The latter sharpens or relaxes depending on the conditions of the labor market. Inter-firm competition also sharpens or relaxes (but generally sharpens) but it is determined primarily by the commodity market situation and is not linked directly with the labor market situation. To link the two kinds of competition, the Japanese bourgeoisie devised an apparatus by which they could tie the fate of individual workers to the fate of the company. The said systems are useful as long as they serve this purpose. In other words, these systems herd workers into a pen, the "company world", sealed off from the general relationship of class forces, as the arena of inter-worker competition. The "company world" might better be called a "company country", for this partition resembles the division of the working people — classes — into separate nation-states, which enables the state to channel even the discontent of local working people into an outburst of national chauvinism in the context of nation-to-nation competition.

As a veteran left worker leader put it, the "company housing loan incapacitated the Japanese working class." An employee of a big company can borrow money from the company to buy a tiny house on the condition that he repay it with his severance pay at the age of 55 when he has to retire. This alone ties him to the company. If he should resign prematurely, his severance pay would be much less than his debt to the company. Pointing to this, the leader said that for a worker being hired by a big company is like mortgaging his whole life. Usually the company housing loan is not enough for a worker to buy a house, and so he borrows from other sources counting on the severance pay. If the company should go bankrupt, he also goes bankrupt as he cannot repay his debt to the private housing company. This means that his house will be confiscated. A series of family suicides occurred precisely for this reason following the bankruptcy of many medium-size firms during the recent recession. The "seniority wage system" works similarly. If a worker is in continuous service with the same company for 20 years, his salary goes up, and his life style and social status improve accordingly. But once his company fails and he loses his job, he can hardly get a new job with a comparable salary allowing him to maintain the same living standards. Besides, his skill has been shaped in accordance with the particularized systems of his company and often has little universal value. (Formerly mechanics were mechanics wherever they went.) Even if his skill has a universal value, his social value does not. His social value is determined by his status in the company (foreman of Mitsubishi Heavy Industries, for instance). Since he has reached this status through severe intra-firm competition only to

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satisfy the company requirements, he finds that the value does not emanate from himself at all. It has been imparted to him by the company. So, the value goes as soon as he ceases to be a company man.

Sophisticated intra-firm systems have been developed in order to mold workers as "company men". The "seniority wage" system is one of these systems. This system is characterized by complex, often mysterious, job-rating, promotion, and work/attitude evaluation schemes.³ The present tendency is that the portion of the wage subject to evaluation is expanding at the sacrifice of age (employment duration) consideration. And since the 1974-1976 recession, the whole systems of "seniority wage" and "life-time" employment are being gradually phased out in favor of increased capacity-loyalty evaluation.

The average wage level and intra-firm benefit level, of course, are influenced by the labor market. When labor was scarce (especially the young work force) in high growth periods, companies had to engage in competition among themselves to obtain "golden eggs" (as middle school graduates were called). In this competition, companies had to offer higher pay, better intra-firm benefits, better dormitories, etc., which resulted in the raise of benefit levels. Within this framework, Sohyo's annual wage-hike campaigns (Spring Campaigns) could exploit the labor market situation.

But what should be noted is that the absolute level of benefits, which is a function both of labor supply and demand as well as workers' struggles, are not essential to the corporate mechanism. The heart of this mechanism is the corporate microcosm where workers are told to work, compete, and live throughout their service time. Essential to this mechanism is the particularization of business undertakings into these "company worlds". To build the wall of the "company world", the builder does not choose bricks as far as they are useful. A new gymnasium can be such a brick to lure "golden eggs" during an economic boom, and the "life-time employment" system apparently served the purpose for many years, but if it becomes cumbersome, it can be phased out and the gap may be filled by more coercive ideological drives. The bricks are changeable but the wall stays the same.

The "company world" is the key to understanding postwar Japanese capitalism. It is in fact the citadel of the Japanese bourgeoisie. Pushed into the "company world", a large segment of the Japanese working class has taken up inter-company competition as their challenge — if not fully believing.

The Complementarity Deal

The Shangri-la of pure capitalism, however, was not totally consistent and complete in itself, for it had as its premise the above-mentioned complementarity deal. If this domestic rule, resting heavily on the integrating capacity of corporate power is likened to a circle, another larger circle partially overlapped it. The larger circle is the circle of U.S. strategy with its military prerogatives and drawn in accordance with the requirements of the U.S. empire. While the popular assumption in Japan was to regard the smaller circle as more or less complete, this understanding was more self-deception than perception. The larger circle

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was the real determinant factor, not just an extension of the smaller circle.

Japanese ruling groups knew better than the ruled that the smaller circle was but a subordinate function of the larger. Knowing this, they never compromised with the people when it came to the matter of military alliance with the U.S. Thus, in 1960, Premier Kishi Nobusuke rode roughshod over millions of protesters to ram through the revised Japan-U.S. Security Treaty. Premier Sato Eisaku, Kishi's brother, in 1969 flew to Washington, defying militant mass protests by radical workers, students, and citizens, to reiterate Japan's support for the U.S. in the Vietnam War, and in his joint communiqué with President Richard Nixon assumed the role of "peace keeping" in South Korea.

These steps gradually expanded the area of the small circle covered by the large circle, and the point of equilibrium between the two parallel systems accordingly moved visibly to the right. Even so, the division of labor remained basically the same: military functions for the U.S. and economic pursuit for Japan. And as long as this pattern was alive, the parallelism of domestic rule could also survive.

The parallelism generated, and at the same time concealed, an insoluble dilemma of identity for Japanese imperialism. This dilemma became more and more visible with the growth of Japan as an economic power with expanding foreign investments and control of the resources and manpower of other countries. The dilemma concerns, more than anything else, the military forces.

What is the nature of the Japanese Self-Defense Forces (SDF)? Palpably unconstitutional in light of Article 9 of the constitution, they have nonetheless existed already for more than three decades, ever expanding and ever better equipped. The fundamental question was whether it was the Japanese armed force or part of American armed force. The SDF was decreed by General MacArthur as a rear force of the U.S. army fighting in Korea, and in this light it was nothing more than a mercenary army. Has it ceased to be a mercenary force? If so, when? Can it cease to be mercenary while remaining an integral part of the U.S. forces deployed worldwide and thus deprived of the right to independent action or non-action? On the other hand, the SDF is proclaimed to be the force to defend Japan from invasion. Japanese people should be more defense conscious (so we are told) and support and love the SDF.

Where the small circle and large circle overlap is the twilight zone in which the SDF is located. Depending on how one looks at it, the SDF can be seen belonging to the smaller circle, or it can be seen as part of the larger circle.

To the "genuine" rightists, Emperor Hirohito himself is an ambiguous entity. He is the one who told Japanese youth to go to the battlefield and die for the glory of the nation, but at once it was he who was saved from the gallows by yesterday's enemy, and who now says he hates war. Again he is the one who attends ceremonies to pay tribute to the war-dead and he is the "symbol of the unity of nation", the constitution proclaims. What "unity" does he symbolize? The image is totally confusing.

The armed forces being an essential factor for any imperialism (because absolute loyalty is involved), the ambiguity of the nature of the SDF symbolically

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reflects the ambiguity of identity of the postwar Japanese state. For Japanese rightists and the ruling classes in general, this duality of state identity was and is a haunting torment. Mishima Yukio's theatrical putsch attempt followed by suicide reflected precisely the irritation of rightwingers with the embedded dualism of "statehood" and the impossibility of "purifying" Japan of this ambiguity. But this crucial issue could be left more or less dormant as long as the parallel systems based on the complementarity deal worked.

II

In the 1970s, the premises of complementarity collapsed. Two factors contributed to this: (1) the erosion of U.S. global hegemony and (2) the end of the long cycle of prosperity of world capitalism of which Japanese prosperity was a part. On the Japanese side, Japanese economic power has outgrown the capacity of the complementarity deal.⁴

With its economic hegemony eroded and new tensions created with the Soviet Union, the U.S. has categorically told Japan that a division of labor should now exist not between military and economics, but in the military field itself. The U.S. has also made clear that in the economic field Japan had become America's rival. These issues have been linked up — if Japan wants to continue to export, it should share more equally the U.S. global military burden.

The demise of the old complementarity logically calls for the termination of the parallelism of government and, for that matter, the remaking and reorganization of the postwar state and its underlying assumptions: for it means the crumbling of the wall that shielded internal development from the rough external situation under the old division of labor. This new situation confronts the Japanese ruling groups with very serious difficulties.

If they continue to go with the United States in the new setting, they have to share the empire's global military burden. The SDF, nurtured in the atmosphere of economism, has to be made ready to fight a real war under U.S. Command, and the Japanese people have to be mobilized politically and ideologically to make self-sacrifice for the cause of the "free world".

A call for the "defense of the free world" can hardly appeal to the people, first because the "free world" understood as the U.S. Empire is too abstract, and second because it can easily prove, as the military plans prescribed for Japan show, fatal to the *status quo* whose maintenance is the major concern of an economic people. It should be recalled that Japan's military buildup has been rationalized for many years by an "entertainment cost" theory. This theory, peculiar to the postwar Japanese politics, says that defense spending is so much entertainment cost Japan should be prepared to meet in order to "please and satisfy Americans". Its artless cynicism aside, this "theory" could be maintained as long as Japan's role in counter-revolutionary wars in Asia was confined to verbal and logistical support for the U.S. without committing its own troops in combat. Now a different role has been meted out for Japan. Under the 1978 U.S.-Japan Guidelines for Joint Defense, Japan is required to fight a real war in and around Japan. On what ground, then, can this type of real military involvement

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be rationalized? Certainly the government cannot tell young SDF soldiers to go to war and kill "to please and satisfy Americans".

Stirring up nationalism and chauvinism would be a classical solution. But when the SDF is obviously part and parcel of the U.S. global strategy and practically under U.S. command, mobilization of nationalism would not be easy at all.

Whatever the case, the ruling groups must now deal with the enormous inertia of the pervasive economism which has served their interests well in earlier decades. More than anything else, the Liberal Democratic Party and its style of rule are a product of this postwar economism. Can the LDP be a body qualified to carry out the "great task" of transformation?

III

Toward the end of the 1970s, business think tanks (Mitsubishi and Nomura Institutes) and rightwing elitist intellectuals (some of them from the Defense Agency Institute) were working together to improvise a new program to meet the new situation. The late Prime Minister Ohira seized upon it and made it the central state strategy as he came to power. Before he died during the 1980 election campaign, Ohira was haunted by the worsening prospects of the capitalist world economy. Although he was publicly optimistic about Japanese politics (proclaiming in a speech to business leaders that all political parties in Japan had the same heavy stake in capitalism), he remained preoccupied with how Japan could avoid political turmoil when the world economy went into a downspin. He found the answer in a new program.

The program is called the integrated security program, and what is new in it is precisely the concept of "integrated security".⁵ Ohira emphasized that security could not be considered purely military security, but should be interpreted to encompass national security in the broadest sense. Integrated in this concept are military security, energy security, raw materials security, business security, public peace, and family life security. Japan is an insular, resource-poor country, depending upon distant countries for the supply of materials, and accordingly, just trying to defend its raw materials and energy security by military force will not work. Hence, the need for "all dimensional diplomacy" with an emphasis on aid to resource-rich countries as a "sort of insurance" (Foreign Ministry's expression). Nuclear power generation is essential to keeping the Japanese economy going, and so, the anti-nuke movement must be regarded as a national security threat as rebellion in the army and therefore should be "crushed" (1981 LDP Policy Statement). For a society to live securely in an era of turmoil, public peace is essential: consequently there is a need to strengthen the riot police and intelligence service and regulate labor disputes. With Japanese society aging, the family tradition should be revived with more filial piety in order to ensure security for the aged with less reliance on the state. Last but not least, the buildup of the SDF and the alliance with America should be a high priority as it is the ultimate recourse to defend the nation from invaders.

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It is clear enough that the whole program rotates around the key word "defense". People are urged to defend: the *family* by protecting the old; the *company* by working hard and preserving industrial peace; *energy* supply by silently accepting nuclear plants; the *national economy* by accepting oil storage projects; *law and order* by supporting the police; and the *nation* by supporting the SDF buildup (and collaborating with the U.S.).

This program brought the LDP a near landslide victory in the 1980 general elections, during which campaign Ohira died, and Suzuki Zenko, picked for prime minister from among second-liners in the interest of intra-party peace, inherited it as his strategic guideline.

Japanese Anxiety

In fact, the integrated security program is a well-formulated program precisely because it addresses the widespread anxiety of the Japanese people about the future. Devoid of bright prospects, they anticipate, if only vaguely, something worse happening in the future. The program, with its call for the maintenance of the *status quo*, deftly capitalizes on this sentiment and "elevates" it step-by-step to the buildup of an authoritarian state, ultimately, to an accelerated military program.

What is actually happening under this program is a move to the right (*ukeika*) in all areas of state and society. The drive for the revision of the constitution (not just for the deletion of Article 9 but curtailment of human rights and labor rights and a change in the Emperor's status) is gaining momentum. "State of emergency" systems enabling wartime mobilization of human and material resources are in the making and the Education Ministry has strengthened its censorship to eliminate or tone down textbook references to the evils of prewar Japanese militarism, to the horrors inflicted at Hiroshima and Nagasaki and to pollution issues.

The Justice Ministry has drafted a revised Penal Code which would legalize preemptive detention of the "mentally sick" who are considered potential subversives and criminals. The courts are handing down starkly anti-labor rulings in eight out of ten disputed cases. Ideologically important are the recent demonstrative visits of Cabinet ministers to the Yasukuni Shrine where the war dead of the Second World War are enshrined, an obvious gesture to rationalize Japanese motivations in the last war. The program at a glance would look complete and consistent in itself as a strategy reflecting genuinely the Japanese national interests (or the Japanese imperial interests).

But a closer look at the program will show that it is heterogenous. Though the program's formulations are extremely Japan-centered, the strategy lacks the lynchpin — Japan's military autonomy. The whole program is predicated on the continued and strengthened military alliance with the U.S. The people are told that they should be prepared to "defend the nation" if they want to safeguard their *status quo*.

However, the U.S. never conceals its intentions. The strategic roles doled out to Japan under the Reagan strategy are: strengthen the Japanese navy to improve

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the Seventh Fleet's anti-submarine operational functions; prepare Japan to assume responsibility for the blockade of the three strategic straits of Soya, Tsugaru and Tsushima (to contain the Vladivostock-based Soviet fleet in the Japan sea); take responsibility for safeguarding sea lanes over 1,000 nautical miles south of Japan; and strengthen the Japanese navy and air force to participate effectively in joint operations with the U.S. in case an "emergency situation" arises in the Far East (particularly South Korea). By securing the participation of Japan in the global U.S. strategy, the United States (it is stated) can safely fight a war in the Middle East or Europe. The present buildup of the SDF is to play this strategic role.

The advocates of the proposed program argue that all this is for Japan's defense.

But it is clear that the strategy which Japan is urged to join (and has joined) is the Reagan-Weinberger strategy designed exclusively to preserve U.S. interests. Where is the guarantee that it is also a strategy appropriate to the interests of Japan as an imperialist power? There is none. On the contrary, this strategy presupposes the sacrifice of Japan on the frontline of a future war with Soviet Union.

The blockade of the three strategic straits, for instance, would be highly provocative, and if it were done, Japan would have to be prepared against an all-out attack from the Soviet Union. As all strategists agree, Japan cannot hold out for many days should the Russians attempt to destroy Japan's war capabilities. The commitment to this strategy obviously has nothing to do with the defense of Japanese imperialism, let alone defense of Japan as such.

Absurdity comes to a head when strategists argue that by collaborating with the U.S., Japan's energy security will be safeguarded. Could Japan expect the U.S. fleet to convoy tankers all the way from Persian Gulf when Japan's supply line is threatened? The program promoters carefully conceal from the public the established lesson of the 1973 oil crunch when the U.S. exploited the situation to weaken its Japanese and West European rivals.

All told, this program is intended as a moratorium, an effort by the Japanese bourgeoisie to buy time by artificially extending the practically dead system of complementarity by telling half-truths to the people. In this sense, it adheres to the assumption of parallelism when the basis for "parallelism" has already been abandoned. Its success is therefore limited to the domestic sphere. It assists in mobilizing the security concerns of the Japanese people while leaving intact their economism. If this is still a way of politicization, it is *politicized economism*: one based on a half-truth at that. The discrepancy between false assumptions and reality will inevitably widen, and though this gap is now barely bridged by the rhetoric of integrated security, the Japanese ruling class, and the people, as far as they follow this rhetoric, will be forced to settle the account in hard currency in the future.

IV

The unions have been selected by the Japanese bourgeoisie as the basis for

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the authoritarian state.⁶ Whatever the future political choice may be, the bourgeoisie reasons, Japanese capitalism would be secure if the state is sufficiently authoritarian and labor-management relations are under control. Sakurada Takeshi, the leader of the Employers' Association of Japan (Nikkeiren), declared in a public statement widely acclaimed by the entire bourgeoisie that Japan will not be shaken (regardless of what happens at the highest levels of political leadership) provided the bureaucracy, the courts, and the police are sound and the labor-management relationship remains a "zone of stability" in society. He made this statement in 1975 when Japanese politics was shaken by the Lockheed bribery scandal which led to the arrest of former Prime Minister Tanaka.

The "unification of labor fronts" promoted energetically at the initiative of rightwing labor leaders is precisely an effort at strengthening and solidifying this "zone of stability" as the optimum social base for the integrated security program. The scheme concerns not just labor, but the entire structure of Japanese society in the 1980s.

"Body Slimming"

But before looking into the present phase, it may be necessary to see (if briefly) what happened to labor in 1974-78, the years of recession that hit Japan as well as other countries.

No major confrontation erupted between labor and capital when the Japanese bourgeoisie initiated what it called a "body-slimming" rationalization to survive the slump. Body-slimming included dismissals, layoffs, scrapping entire factories, transfer of parent firm workers to subcontractors, annexation of bankrupt small firms by big ones, fictitious bankruptcies of small firms where unions were strong, purging activists, violence against dissidents, and innumerable other corporate "rationalization" stratagems. Workers tried to resist, and they fought back wherever there was strong union leadership. Saeki Shipbuilding workers, for instance, put up mass resistance, mobilizing the whole township against the parent company Ishikawajima-Harima Heavy Industries, and metal workers in South Osaka countered bankruptcies and shop closures with the occupation of factories and self-management. But the big unions in the strategic industries not only did nothing on behalf of their workers, but on the contrary, volunteered for the dirty work of kicking workers out of jobs for the "defense of the company". Hypocritically, dismissal was called "voluntary retirement". It happens like this: one day, an elderly worker is tapped on the shoulder and told by his foreman/union officer that he had better retire. If he resists, harassment starts and continues until he resigns. Thus, from 1973 through 1979, the number of Japanese industrial workers decreased by one million. In the shipbuilding industry, a cartel was formed by all the major companies under the guidance of the Ministry of Trade and Industry (MITI), under which Japanese shipbuilding capacity was reduced by 40%. Accordingly, the shipbuilding work force in the four years from 1974 dropped from 274,000 to 179,000. The government designated 12 industrial branches (including ship-

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building, aluminum refining, textiles, and fertilizer) as "recession-vulnerable" and poured in state funds to accelerate rationalization. With this help and with the annexation of smaller firms, most of the "vulnerable" sectors came out with "slimmer", healthy bodies from the recession. Or else, overseas relocation of plants was carried out as in the case of the aluminum industry. In the years of recession, the increase of Japanese companies' employees overseas about matched the decrease in their employees in Japan.

The auto industry fully utilized this opportunity for rationalization in all fields. The subcontract prices for parts were cut by an average of 10%, seasonal workers dismissed, and conveyer speed increased. The auto manufacturers thus increased exports by an average of 20% annually from 1975 through 1978, chalking up record profits of 14 billion yen in 1977.

Regular employees in factories with 30 or more employees all over the country diminished 5.9% from 1975 through 1979, and labor days declined 6.4% but their output grew 33.1%, a labor productivity growth of 42.8% (taking 1970 as 100, the labor productivity index in Japan's manufacturing industry in 1980 stood at 159.2 compared with 127.3 for the United States and 139.8 for West Germany).⁷

Industrial accidents also increased year after year. The victims of industrial accidents claiming the lives of workers or requiring absence for four days or more climbed from 318,000 in 1975 to 334,000 in 1976, to 346,700 in 1977, and 348,826 in 1978, the overwhelming majority of the victims being subcontract workers.

"Body-slimming" was characteristically carried out at the expense of the "life-time employment" system. In order to economize on wage costs, management preferentially fired relatively highly paid older workers. Already they were feeling that these workers were cumbersome as production processes were computerized and work simplified and standardized. Economic activities were reinvigorated from 1979, but the old system did not return as management preferred hiring part-time workers, many of them women, to do the same jobs that regular full-time workers had done before.

Labor Rationalization

Inside big factories, labor rationalization was carried out through stepped up QC drives. Scenes of QC drives are often crazy and horrifying. Take the Kimizu steel mill of Nippon Steel where workers gather in a "self-management" rally to listen to their colleagues' proposals for higher productivity. The speaker on the stage first flashes a V-sign, and shouts, "Are you alright? Are you doing what you should?" The whole crowd must shout back in unison, "Yes, we are alright. We are doing it." This is called workers' participation in the work process, hence self-management. A bad joke? In the course of "body-slimming", workers who remained at major corporations were fully integrated in the "company world" through *compulsion* to *voluntarily* participate. As happened in 1981 at Nissan's Kawaguchi auto plant, dissidents are met ultimately with physical violence such as beatings wielded (in this case) every day over weeks. It is as though the

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"company world" were immune from the law of the state. And it is natural that in this "company world", workers, petrified with horror, their free thinking frozen, keep their mouths shut. Fear of freedom, in Paulo Freire's words, is deeply embedded in the workers. If they were earlier lured by benefits to internalize inter-company competition, they are now compelled (morally, physically, and institutionally), to make their own the fear on the part of capital which faces worldwide crisis.

For this type of labor control to become pervasive in key industries, thorough "brainwashing" of a segment of workers is required. The brainwashers are so-called "informal groups" (company-organized groups) including professional union busters. The brainwashing takes a variety of forms — para-military training at a training school coupled with moral teachings, sado-masochistic criticism/self-criticism sessions outside the company, and pseudo-psychological conditioning. Soul-searching type moral teachings are combined with inculcation of anti-communist ideology to produce the ideological foundations for the company's private army. These people are then posted to major workshops and most become union officers with the backing and recommendation of management.

Politically, this labor control system is connected with the Democratic Socialist Party. Tempered in the day-to-day class struggle against workers as front-line officers of management, the Democratic Socialist Party has come to occupy the extreme right position in the Japanese political spectrum. Die-hards in fighting "communism", loyal to management, and abhorrent of the very concept of class struggle, the party even criticizes the LDP for being "too liberal" as it did, for instance, in connection with the "illegal" strike waged by workers of the National Railways to regain their deprived right to strike. The Liberal Democratic Party includes diverse tendencies from ultra-right to liberal, and it must collect votes from broad constituencies who are more interested in the protection of their economic interests than in the anti-Communist cause itself. Not so for the Democratic Socialists who are anti-communist crusaders.

Can this intra-firm totalitarian rule now consolidated in key industries be extended to form a universal polity for all Japan? If so, Japan will emerge once again as a totalitarian state, this time on the basis of a corporate constituency rather than the poor peasant constituency on whom fascist young Turks of prewar Japan relied. Though this possibility cannot be categorically denied, a large gap remains between the current intra-corporate totalitarianism and totalitarianism as a universal polity. The Democratic Socialists are strong in as much as they are protected by the watertight fabric of the labor management system which cannot easily extend beyond interests of individual corporations (though it should be noted that big corporations are now trying to extend their influence over the whole community and have succeeded in some industrial cities, most typically Toyota and Hitachi and the nuclear park in Fukushima). More importantly, the support which the SDP does receive is not always full and spontaneous. As the general constituency is politically passive and supports the LDP program only out of fear of the future, so the same is true of workers in big companies despite the seeming enthusiasm they must manifest during

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campaigns of company chauvinism.

Corporate power is a product of the era of parallelism and still bears its imprint. Chauvinism for the company, institutionalized so as to maximize corporate profits, cannot be shifted immediately to a *national* chauvinism. To become the social basis for a totalitarian political regime, corporate power will have to make a death leap, the same leap which confronts the ruling political elites in the context of the new reality.

V

But for the immediate program of integrated security, which is a transitional program, corporate power is in sufficient to provide an adequate social base. So the big unions, as part of the corporate power structure, spring to the fore as a new social force asserting itself in the name of labor. It is not fortuitous that the initiators and promoters of the "unification" scheme are big unions integrated into the corporate world, most of them in strategic export multinationalized industries. They are the 600,000 member Confederation of Auto Workers' Unions (Jidosha Soren), 540,000 member Federation of Electrical Workers' Unions (Denki Roren), 230,000 member Federation of Iron and Steel Workers' Unions (Tekko Roren), and the 170,000 member Confederation of Shipbuilding & Engineering Workers' Unions (Zosenjuki).

The above mentioned unions are all members of what is called IMF-JC (International Metal Workers' Federation-Japan Committee, under the ICFTU). This committee was set up in 1964 as the channel introducing ICFTU influence into the Japanese labor movement. There is a background to it. Inspired by an unusual personal message addressed by President John F. Kennedy to the 1961 annual convention of Denki Roren, a move began to unite all metal-related industrial workers, regardless of their affiliations, on a neutral and non-political platform. Traditional bitter antagonisms existed between Sohyo and rightwing Domei as Domei constantly attacked Sohyo unions to rip off their weak units. Though Domei was often successful, it could not match Sohyo in size (2,000,000 members), and the antagonism became sharper and sharper. The IMF-JC proposed to overcome this conflict, inviting members from Domei, Sohyo, and Churitsu Roren (Federation of Independent Unions) as well as non-affiliates. This was a shrewd tactic to unite all corporation-integrated unions on a broader basis than Domei itself. The scheme worked. As the workplace power of workers was wiped out at one company after another, the IMF-JC succeeded in recruiting new members, from Domei, Sohyo, and Churitsu Roren, as well as from among non-affiliated unions. Sohyo was plagued by a trojan horse in its organization, Tekko Roren, which openly defied the "political" and "too class-struggle oriented" policy of Sohyo while Sohyo was too weak to expel the union.

Though both are rightwing, there is a marked difference between the traditional Domei maincurrent and the IMF-JC maincurrent. (IMF-JC includes Domei unions, too, but the leadership is in the hands of non-Domei or non-maincurrent Domei unions.) The maincurrent Domei consists of traditional rightwing unions with anti-communist labor bosses who bargain on behalf of

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the workers if only to compromise. In this sense, it is a union movement in its own right. But IMF-JC maincurrenters are indistinguishable from the management of the big corporations they work in. Their organization, at the company level, merges with and fuses into the labor management system itself. It is this wing of the union movement that is dictating the terms of unification.

In June 1981, a six-man working committee appointed by Sohyo, Domei, Churitsu Roren, and non-affiliates, produced a guideline for unification which proudly claimed that the Japanese economy had succeeded in overcoming the two oil crises and was able to continue stable growth "thanks mainly to the quantitatively abundant and qualitatively superior labor force in this country," (thus echoing the voice of business). Nakamura Takuhiko, Chairman of Tekko Roren, bluntly set out the goals of unification: (1) eliminating Marxist influence and the concept of class struggle from the Japan Socialist Party and turning the party into the Japanese counterpart of the West German Social Democratic Party; (2) promotion of nuclear power to save the nation from the energy crisis; (3) abandonment of the struggle against industrial rationalization and "industrial structure transformation" program (government efforts to relocate processing and assembling industries abroad to allow Japan to concentrate on technology-intensive ones); (4) revamping the National Railways and other unprofitable public corporations through administrative reforms. The program is taking effect. Zosenjuki (shipbuilders) is already promoting a campaign to pressure the government to increase domestic production of weapons, specifically warships and aircraft. The Federation of Electrical Workers Unions recently adopted a more explicit program calling for strengthened military alliance with the U.S., faster buildup of Japanese military forces, promotion of nuclear power, and closer collaboration with South Korea's dictatorial regime.

The unification plan is being carried out in accordance with the predetermined schedule. On December 14, 1981 the Domei and IMF-JC unions and several Sohyo unions set up a preparatory committee. This is scheduled to grow in the following year into a liaison council comprising private sector unions. Later, all unions, including public service workers' are to join, closing the big circle of "company-union world" — a design as grand as the Ohira-Suzuki integrated security program. Sohyo is either to disappear or be pared down to a second-rate national labor federation.

VI

Can these grand designs of Japanese capital work? In the suffocating atmosphere of the rightward swing, beginning & continuing resistance is not easy. However, certain points relevant to the question emerge from the above analysis.

(1) The self-serving formulation of the integrated security program and its fallacy vis-à-vis the contemporary world reality can be exposed in ways which could call forth a popular movement comparable to the anti-nuclear movement witnessed in western Europe in 1981. This could arise either as a result of a shock to the unprepared Japanese public in an emergency situation which forces the

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realization that the U.S. has no interest in the "defense of Japan" as such, or as a result of normal educational and campaign efforts to expose the gap between assumptions and reality.

(2) Division among ruling groups over the question of the U.S. link may shatter the consensus on the integrated security program and cause political reorganization, creating in the process space for popular resistance.

(3) Stepped up U.S. economic pressure may occur including pressure to curb Japan's exports or to reinvigorate U.S. capital in specific markets, followed by a serious trade war directed against Japan.

(4) The effects of one or more of the above on labor should be closely watched. In the event of a political military crisis [as in case (1)], the labor force, even if it has been "unified" under the hegemony of the right, may be shaken, creating and expanding space for pacifist and radical tendencies to gain grassroots support. If U.S. capital's counter-offensive succeeds in specific areas (particularly in the auto industry), the weakest links of corporate totalitarianism may be broken creating greater possibilities of intervention by the left.

Currently, the front unification drive itself is a major battlefield of class struggle in Japan destroying the decades-long stalemate and compelling unionists to rethink the situation. The unification move started at the top and in camera. Neither the rank and file nor even middle echelon union officials were consulted. In the fall of 1981 many middle-echelon officers suddenly realized the danger of the great conspiracy and began to rally to block this scheme.

Three different labor forces, sometimes collaborating but also developing sharp differences, presently resist the unification scheme.

1. Those socialist union leaders and the unions and groups under their influence who, sensing that what is under way is the total negation of the Sohyo-Socialist tradition of labor militancy (especially the tradition of the Sohyo sponsored Spring Wage Campaign), oppose the scheme and advocate that all efforts concentrate on strengthening Sohyo.

2. Communist Party-influenced national and local unions and chapters, in accord with party policy, denounce the unification as the negation of class struggle and of the democratic labor movement. They have declared that they will set up their own national federation in the event that unification is carried out. (These unions have already formed their own liaison council, which claims a membership of 1,100,000.)

3. The radical labor trend attracts a growing number of rank and file members of Sohyo unions as part of it, or as its allies, and maintains close ties with workers' groups in the IMF-JC and Domei unions. The core of this group came from the radical workers' movement rallied around the Anti-War Youth Committee, which in the late 1960's and early 1970's mobilized tens of thousands of workers from all sectors of industry and engaged in street fights over the Vietnam War issue. Though the committee as such disintegrated, its members, joined by student radicals who chose to work among the working class, have struck roots across the country and industry.

A wing of this trend allied with the former Takano faction of the Sohyo movement, Rodo Joho organized the first national workers' assembly in Osaka in

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1976 that drew 1,000 representatives of militant unions and workers' groups. It has since sponsored annual national assemblies of workers. The 1982 assembly, attended by 1,500 representatives and addressed by two former Sohyo chairmen and former secretary general, adopted a new policy line envisioning the total reorganization of the Japanese labor movement into a new front cutting across corporate barriers and based on the participation of alienated masses of workers. As a transitional step toward the formation of such a front, the radical wing will help form a coalition of "genuine unions" (including the militant wing of the National Metal Workers' Union and the dockworkers union as well as of public workers' unions which are resisting the "unification" line). This is a new strategy based on a critical assessment of the weaknesses of Sohyo's Spring Campaigns (which after all could not break the corporate walls). Also, this radical wing's anti-imperialist stance makes possible solidarity with workers' movements in the Third World (especially in Asia) where Japanese multi-national corporations are directly exploiting local labor. The radical wing of labor is also active in the anti-nuke and Korea solidarity movements and has close working relationships with community-based movements and struggles including the Narita farmers' 17-year struggle against land confiscation.

Whether a rebirth of the popular movement on two fronts — military buildup and labor — can be achieved hitting at the weakest joints of the whole structure is still to be seen.

As of now, the whole situation is yet to unravel.

Notes

1. Kamata Satoshi, "Japan in the Passing Lane," Pantheon, New York, 1982.
2. "Life-time employment" is a misnomer for workers are not employed life-time. They have to retire at the age of 55 (or 60) receiving severance pay, whose amount is supposed to be proportionate to the duration of employment. This system implies no post-retirement employment guarantee.
3. The mystery of the "seniority wage" system can be illustrated with the case of Nissan Motor. The "regular wage" (which excludes incentive bonus, special work allowance, and overtime) has the following components: basic wage (13.5%), special allowance (72.9%), qualification allowance (2.4%), and family allowance (4.5%), which altogether account for 93.3% of the "regular wage". Note the exorbitant weight of the "special allowance". This part of the wage is largely subject to evaluation, based on job rating and capacity rating. (The figures are for 1978.)
4. This essay does not detail the overseas expansion of Japanese capital and increasingly visible imperialistic activities of the Japanese state. It should be noted that the private industrial branches with the rightwing unions mentioned in this essay are also most aggressive in overseas expansion. Shipbuilder Ishikawajima-Harima Heavy Industries (a citadel of IMF-JC) is operating shipyards in Brazil and Singapore, and 32% of the firm's total employees are workers in those two countries. Electrical firms were operating 407 factories overseas in 1978, which employed 180,000 workers. Tokyo Shibaura Electric (Toshiba) had 40.1% of its workforce overseas. The comparable rates were 20.6% for Mitsubishi Electric, and 11.1% for Hitachi Electric. The MITI, in its "Trade and Industrial Policy Vision for the '80s" is encouraging relocation of traditional industrial branches overseas so as to allow Japan to concentrate on aircraft, space, nuclear, electronic, and other technology intensive businesses yielding high value added. Japanese overseas investments in 1980 exceeded \$30 billion (placing fourth in the world following the U.S., U.K., and West Germany).

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5. The integrated security program is connected with the Ohira-proposed "Pacific Community" program, a proposal for a Pacific-Asia economic zone connecting Australian and Canadian resources, Japanese capital and technology, and labor force in Southeast and East Asia. But this program is still vague, and it is still difficult for the Japanese government to obtain the consent of the countries involved.
6. This essay does not refer to one of the most important aspects of the "labor unification" scheme — the Administrative Reform. The reform is aimed not only at slashing the state budget in the face of serious fiscal crisis (due to deficit budgeting over the years) but also, and mainly, at totally revamping the labor situation of public corporations. The central idea is that the public corporations, some of which suffer from deficits (National Railways in the main), should be rationalized and organized on the same competitive principle as private companies. Uneconomical corporations are to be transferred to the private sector in whole or in part. In our context, it is important to note that workers' power is still strong in these corporations because the mechanism of translating inter-firm competition into inter-worker competition has not been developed there. The public sector thus remains Sohyo's (and the Socialists') main constituency. By introducing the principle of competition, the government is attempting to demolish this remaining "workers' world."
7. These figures are taken from *Kyodai Kojo to Rodosha Kaikyu*, (Big factories and working class), Mukai Ryoichi, *et al.*, ed., Tokyo: Shinnihon Shuppan, 1980.
8. *Rodo Joho* has already started an active international exchange program under which Philippine activists were invited to Japan in 1979, Detroit auto workers in 1981, and a Malaysian worker in 1982. In 1981, it inaugurated the English version of *Rodo Joho* (monthly). (Available from 5-13-12 Shimbashi, Minatoku, Tokyo, Japan., Bi-monthly, \$10 per year.)

Reference

In a serialized essay entitled "Class Struggle in Japan — Its Past, Present, and Future," *AMPO: Japan-Asia Quarterly Review* (published by the Pacific-Asia Resources Center, P.O. Box 5250, Tokyo Int.), I deal in much more detail with the same subject as this essay. (The first three installments have been published in *AMPO*. Vol. 13, No. 4, Vol. 14, No. 1, and Vol. 14, No. 3.) This English quarterly systematically carries analysis of Japanese imperialist activities and labor, community, anti-nuke, and other people's movements as well as of the Korean and Southeast Asian situations.