

CHAPTER 5

The End of Competitive Coexistence: Large Companies and Their Unions

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IT IS WIDELY believed in Japan that the activities of large companies and their labor unions play a major role in elections, both for political parties and for individual candidates. Corporate political donations are critical for the Liberal Democratic Party (LDP), and socialist parties have long relied on the votes and funds provided by labor unions. For individual candidates, the support of union members or corporate employees in their districts guarantees a sizable bloc of reliable votes. In a "company town" dominated by a single large firm, the company and its union can sway the voting results for that district.

This chapter focuses on the Aichi Eleventh District, which includes Toyota City, and the Ibaraki Fifth District, which includes Hitachi City, in examining the district-level electoral activities of major corporations and their unions. Toyota City is the location of the headquarters of the Toyota Motor Corporation, and a number of Toyota's business operations and other Toyota Group member companies are also located in Toyota City and its surrounding municipalities. In the Hitachi case, of the ten corporate facilities that Hitachi, Ltd. operates within Ibaraki Prefecture, five facilities and a research center are located in Hitachi City. A large percentage of the employees of Toyota and Hitachi corporations, and their families, reside in these two cities. In addition, many of the other residents have some kind of relationship with these corporations.

In neither case do the company and the union necessarily compete by supporting different candidates in local elections. Toyota's labor union and management supported the same candidate in Toyota City's most recent mayoral election, as did the Hitachi labor and management in Hitachi City. In local assembly elections, union-based candidates are usually elected as representatives from the employees' residential districts; the company does not participate in the elections. At the national level, in past general elections of the House of Representatives (Lower House) under the multimember district system, both Toyota and Hitachi, as corporations, supported the LDP candidates. The labor union of Toyota and the Federation of All Toyota Labor Unions (the associative body for the unions of Toyota Group companies) have long backed the candidates of the Democratic Socialist Party (DSP), which is now a part of the New Frontier Party (NFP). The union of Hitachi and the Federation of All Hitachi Labor Unions have supported the candidates of the Japan Socialist Party (JSP), who are now affiliated with the Democratic Party of Japan.

Under the multimember system, in which two to six Diet members were elected from each district, it was possible for both the corporate- and union-backed candidates to win seats. However, with the adoption of a single-seat district system for the Lower House, the candidates supported by management and labor must compete for a single seat in each district.

LARGE COMPANIES AND ELECTIONS

Definition of Terms

The workers and managements of large Japanese corporations generally support different candidates in national elections. In the era when the LDP retained its control of the government, large companies, either as members of business associations or individually, supported LDP or conservative independent candidates with both vote-gathering and funding. Labor unions, in contrast, supported the opposition parties that were linked to their national confederations. Until the establishment of Rengo (Japan Trade Union Confederation) in 1989, there were two large national centers of labor unions, Sohyo (General Council of Trade Unions in Japan) and Domei (Japan Confederation of Labor).

Sohyo supported the Japan Socialist Party, and Domei backed the Democratic Socialist Party. Even after Rengo was founded, this framework for political mobilization continued to be in force.

Earlier studies describing the electoral behavior of labor and management of large companies use such terms as "division of votes among candidates" (*hyowari*), "company-led election" (*kigyo-senkyo*), and "management-union joint election" (*kigyo-gurumi-senkyo*), but their meaning is often imprecise, and their usage appears confusing. It will be useful to clearly define these terms before examining electoral behavior.

"Division of votes among candidates" is a term principally used to explain the competition among LDP candidates in the multiseat district system. For these candidates, it was necessary to maximize vote-gathering within party bounds, and to form independent personal support groups that did not overlap with those of other LDP candidates (see McCubbins and Rosenbluth 1995, 41–50; Tatebayashi 1996, 53–54). Thus, vote allotments within the LDP were decided without direct negotiation or coordination among the candidates.

Similar competition can be observed within major corporations. Division of votes within a corporation resembles the activities of LDP candidates in multiseat districts, in that it describes the means by which companies and their unions target various groups and collect votes within their overlapping spheres of activity. A company and its unions are separate organizations; there is no mechanism for openly allotting employees' votes, nor do the two sides coordinate the solicitation of employees' votes in the election. Companies solicit votes using their network of corporate activities, which includes their corporate organization as well as other companies with which they have business dealings. The unions gather votes by mobilizing their members, by using personal networks of union members, and by cooperating with other unions. These spheres of activity are for the most part separate. However, in some areas, notably those involving middle management and the large network of subcontractors that surrounds each major corporation, the spheres of activity overlap. In these areas, company and union compete for votes, though these groups are marginal for both of them.¹

A "company-led election" is one in which the corporate organization as a whole (employees as well as management) is used in an election as a vote-gathering machine for a specific candidate. This is more

likely to occur in nonunionized small and medium-sized companies and in the banking or securities industries, where unions are weak and inactive in politics.

The related term "management-union joint election" refers to instances where a candidate receives the joint support of labor and management in an election. Although in corporate elections individual workers are mobilized by management as the employees of a company, in management-union joint elections workers are mobilized as union members. Wataka Kyoji's survey of local assembly members spotlighted cases in which union-based candidates not only were seen as representing the union members but also were considered to represent the company as a whole, so that they received the support of the entire corporate organization (Wakata 1982, 168-188).²

At the local electoral level, where management-union joint elections mainly take place, the large company's role is limited. Small and medium-sized companies, which are an important source of the votes that large companies collect in national elections, are an important part of the support bases of conservative local assembly members. Candidates in local elections do not go through the large companies, but directly mobilize the small and medium-sized companies. Thus, as large companies do not have their own candidates to back, for local assembly elections they are motivated to support the candidates of the labor unions, who partly represent the company's interests. In management-union joint elections, therefore, when union candidates stand for election, the companies see them not only as union representatives but also as representatives of the company as a whole.

In national elections, by contrast, corporate labor and management employ their networks to form distinct constituencies. In past elections, constituencies formed by companies were part of the broader electoral basis of LDP or conservative independent candidates, while constituencies formed by unions were the major support base for (former) JSP or DSP candidates. By unspoken agreement, the companies use their organizations and networks of business activities, whereas the unions use their networks of union members to form constituencies. Within these unnegotiated boundaries, they work to maximize the number of votes they can gather. There are certain areas in which the natural constituencies of management and labor overlap, and in that overlapping area competition occurs to secure votes.

The Mobilization Strength and Restraint of Corporate Management and Labor

Corporations and their unions play a major role in vote-gathering and financing in national elections. Companies support the LDP and its candidates, either individually or through their industrial or business associations. Unions support the parties connected to their national confederations. This support consists not only of collecting votes and funds but also of recruiting candidates for the parties and encouraging employees and union members individually to join politicians' individual support associations (*koenkai*). Under the multiseat district system, a candidate could win by capturing about 20 to 30 percent of votes in the district, so a candidate whose support base was a large company or its union could easily secure a seat. However, in a single-seat district with limited geographical scope, the votes mobilized by a single large company or its union alone are not enough for a candidate to win. And neither "corporate elections" nor "management-labor joint elections" are likely to occur in districts with large companies and large-scale unions.

In Toyota City and Hitachi City, both large company towns, neither the company nor the union can mobilize the majority of voters in the district. In addition, certain classes of employees, such as middle managers or union members of subcontractor companies, are pressured both by their company and by their union. These groups' voting tendencies vary from one election to another, depending on the level of activity of the large company and its union. For candidates, mobilizing the workers and management of large companies in their districts is necessary to win, but that alone is not sufficient.

A large company and its union face some restraints when campaigning for elections. Under the multiseat system, an outcome in which both the company-backed candidate and the union-backed candidate win is the optimal one for both sides. A loss by the company-sponsored candidate will cause trouble between the company and the governing party. And if the union candidate loses, there will be conflict between labor and management in the company. The election of several representatives from the district where a company is located—whether they are management- or union-backed—is seen as advantageous for the company, which can then look to several Diet members to represent the industry's interests.

Restraints on campaigning partly emerge from the cooperative nature of industrial relations in Japanese companies. Both the union officials and corporate managers responsible for election campaigning are concerned about maintaining good industrial relations, and are apprehensive about the negative impact a contentious campaign could have on labor-management relations after the election. The Diet member who has been elected with the support of the company's union is often an employee (or former employee) of the company, so management also has a stake in his election success. Thus, when a candidate comes from the company union, the company is doubly concerned about the election results. A member of the Diet who has been elected with union organizational support usually acts not only as the representative of labor but also as a representative of his company or industry while he is in office. Matsushita Keiichi (1988, 119–120) has pointed out the tendency for union-based Diet members to represent the interests of their original companies or government offices. In addition, in the coalition governments that began in 1993 with the Hosokawa cabinet, some union-based politicians served as cabinet members in charge of ministries or agencies whose policies had a strong impact on industrial relations.

Union-based politicians cannot always deal with their areas of special interest, because of party considerations. Nevertheless, most union-based politicians have the experience of serving on Diet committees that are closely connected to their industries of origin. The two union-based Diet members whose careers will be described in detail later in this chapter are good examples. Ito Eisei of the Toyota Union has been a member of the Construction and Transportation Committees of the Lower House, and he served as parliamentary vice minister for the Ministry of Construction in the Hosokawa cabinet; Ohata Akihiro, the Hitachi Union's Diet member, has been a leading member of the Commerce and Industry Committee and has also served on the Science and Technology Committee. They represent not only the interests of the unions but also their companies' or industries' interests in the Diet.

Under the single-seat district system, large companies and their unions cannot elect their candidates using their organizational resources alone. The two sides campaign differently, based on the characteristics and limitations of their organizations. However, because they are able to mobilize large numbers of votes within districts, the activities of large companies and their unions can have a major influence on election turnouts.

THE AICHI ELEVENTH DISTRICT

Elections under the Multiseat System

The present Aichi Eleventh District comprises Toyota City and four towns in Nishikamo and Higashikamo counties. The former Aichi Fourth District (which would be divided into the Eleventh, Twelfth, and Thirteenth districts) was a multiseat district with four seats. From the late 1970s on, five strong candidates (3 LDP, 1 JSP, 1 DSP) competed for four seats in the former Fourth District, and two of them, Urano Yasuoki (LDP) and Ito Eisei (DSP), who were supported by Toyota's management and labor, respectively, were able to win continuously.

Toyota Motor Corporation has a strong political presence. In 1995, Toyota was the top donor among individual corporations in Japan, with ¥64.4 million in political campaign contributions, and Toyota's Chairman Toyota Shoichiro, as a former chairman of Keidanren (Japan Federation of Economic Organizations), has close ties with the LDP. In general elections, Toyota Motor Corporation traditionally supported Urano Yasuoki, one of the three LDP candidates, whose main constituency was in Toyota City and Higashikamo County, in the former Aichi Fourth District. However, in the 1990 election, in response to a request from the LDP, Toyota divided its organizational votes among the three LDP candidates.

Urano had worked for a commercial firm in the Toyota group before becoming a Diet member. He was first elected in 1979, when he ran as the successor to his father-in-law Urano Yukio, and was re-elected in every successive general election up to 1993. His main support base was made up of the managers (section chief level or above) of Toyota group companies, managers and workers in Toyota's non-unionized subcontractor firms, and personal supporter organizations composed of other residents. Toyota group employees support the union candidates as long as they are union members, but once they are promoted to management they typically support LDP candidates.

The Toyota Union currently numbers approximately 60,000 members. It is the core union in the Federation of All Toyota Labor Unions (with a total membership of approximately 284,000), comprising the unions of the Toyota group member companies. It is part of the industry-based Confederation of Japan Automobile Workers Unions

(JAW) and, under its former national confederation, of the Federation of Independent Unions.³ The union's membership is composed of rank-and-file workers and low-level managers, except for those in the personnel, security, and secretariat divisions.

In the 1969 election, the Toyota Union first sent Watanabe Takezo to the Lower House from the former Aichi Fourth District, and since then union candidates have continued to be elected from this district. In the 1992 general election of the House of Councillors (Upper House), Naoshima Masayuki, a former vice chairman of the JAW, was elected as a Toyota Union-backed candidate to the DSP's proportional representation seat. Toyota Union-based Diet members traditionally were affiliated with the DSP, but since 1994, when the DSP joined the New Frontier Party (NFP), Naoshima and fellow successful union-backed candidate Ito Eisei have belonged to the NFP. Including ten union-based council members elected to the Toyota City Council, the Federation of All Toyota Labor Unions sends twenty-seven union-based representatives to prefectural assemblies in Aichi.

During the multiseat district era, approximately 140,000 members of the All Toyota Federation resided within the former Aichi Fourth District, making electing an organizational candidate a simple matter. Current incumbent Ito had worked for one of Toyota's overseas operations and had been an officer of the Toyota Union. Since 1983, he had been reelected in each election, and with the backing of organized labor he was the top vote-getter in three of four elections in which he competed under the multiseat district system. In 1990, however, Toyota threw all of its votes to the LDP candidates at the request of the national party, depriving Ito of the support of middle management. In addition, the Japan Socialist Party (JSP) was experiencing a jump in popularity at that time, so ordinary supporters who were not organizational voters threw their votes to the JSP. Ito finished second in this election.

Ito has his own *koenkai* within the electoral district, which overlaps with the organization of the All Toyota Federation. Union members and their families go through unions to join the *koenkai*, but when union members become managers in their company, they do not necessarily leave the *koenkai*. Ito's staff worked to keep these members, and to acquire new supporters outside the union.

The New Electoral System and Lower House Elections

With the introduction of the new single-seat district system with proportional representation, the former Aichi Fourth District was divided into three single-seat districts, the Aichi Eleventh, Twelfth, and Thirteenth districts. Concurrently, the DSP joined the NFP. These two changes greatly altered the climate for the electoral activities of Toyota and its union. (For more on election campaigning by the company and the union, see *Yomiuri Shimbun-sha* 1996.)

The candidacies of both Urano and Ito in the Eleventh District were declared at an early stage, so from the time the electoral reform process began the two carried out their activities in full awareness of the next election, which would be the first under the new system. Their central concern was how Toyota would cope with this new electoral situation. Urano consulted with Toyota early in 1994 about accommodating the single-seat district, and asked for Toyota's continued support. The Toyota Union, through labor-management discussions, also informally investigated the company's response to the new electoral system and lobbied on Ito's behalf, but Toyota hesitated to take a clear stance. In September 1995, Urano assumed the post of director-general of the Science and Technology Agency in the second Murayama cabinet, and he held parties in the district to celebrate becoming a cabinet member and consolidate supporters. Ito countered by inviting political strongman Ozawa Ichiro, who was then secretary-general of the NFP, to appear at a party for his supporters. Ozawa capitalized on the occasion to visit Toyota's headquarters and consult with Toyota President Okuda Hiroshi, requesting Toyota's support for the NFP.

One important factor in maintaining awareness of the general election was the fact that there had been a national election every year in Aichi Prefecture. There was a reelection for a seat in the House of Councillors in Aichi in 1994, and a regular House of Councillors election in 1995. Thus the tension generated by the elections continued, and because Toyota's labor and management threw their support behind different candidates in these elections, they were aware of how to adapt their election procedures to single-seat districts.

In the October 1996 Lower House election, Omura Yoshinori of the Japan Communist Party (JCP) competed against Urano and Ito in the Aichi Eleventh District; but in truth, attention was focused on whether Urano or Ito would be elected. The overwhelming influence

of Toyota Motor Corporation and the Toyota Union in elections around Toyota City made it in practice impossible for a candidate besides Urano or Ito to be elected. For this reason the other parties, with the lone exception of the JCP, avoided fielding candidates in the Eleventh District. Urano was simultaneously a candidate for the Tokai bloc proportional representation district, whereas Ito stood solely for election in the single-seat district. The NFP headquarters had decided in principle not to field candidates for both single-seat and proportional representation districts, but in the end it was Ito himself who decided against a double candidacy.

In the cases of both Urano and Ito, the prior vote totals of their support groups were indispensable for victory, but these votes alone were not sufficient. Urano's constituency was made up of his *koenkai*, managers of Toyota group companies, and Toyota's small subcontractor firms. The underpinnings of his *koenkai* were agricultural, construction, and small retailer organizations as well as administrative bodies such as senior citizens' clubs, and he showed particular strength in rural areas. Ito's support base consisted of the All Toyota Federation and unions affiliated with the *Yuai-kai*, a political organization composed of unions formerly affiliated with Domei.

In addition to the vote-gathering activities of support organizations retained from the multiseat district, notable in this election was the cooperation of other parties and candidates. In elections held under the multiseat district system, neither Urano nor Ito obtained a majority of votes from the municipalities of the Eleventh District. In 1990, Urano claimed 36.90 percent of the total votes of these municipalities, whereas Ito captured 29.07 percent. In the 1993 Lower House election, Urano's vote ratio in the Eleventh District was 36.59 percent, and Ito's was 35.77 percent. Thus, their previous turnouts had not been sufficient to guarantee them electoral victory, and expanding their support base became a necessary precondition for electoral success for both candidates.

To expand his base of support, Urano cooperated with the other LDP candidates against whom he had competed in the former Fourth District. Four LDP candidates including Urano exchanged information with each other about their supporters. In February 1996, the LDP Aichi chapter brought together five prefectural assembly members from the former Fourth District and their top office staff members, and they exchanged their mailing lists of supporters from the

multiseat district period, based on the current single-seat district realignments. However, cooperation among the candidates did not extend to activities such as campaigning in other districts.

Ito, on the other hand, cooperated with the support organizations of other parties. He received the endorsement of Komei, the local remnant of the former Komeito (Clean Government Party), one of the parties absorbed into the NFP, and attempted to cooperate with unions that had supported the former Japan Socialist Party, a bloc that controlled an estimated 20,000 potential votes in the Eleventh District. These unions now supported the Democratic Party of Japan, but that party chose not to field a candidate in the Eleventh District. Aware that this large bloc of union voters could sway the election result, Ito tried to secure the support of these unions through the mediation of Rengo Aichi, the prefectural branch of Rengo. Since 1993, Rengo Aichi had continued to pursue an anti-LDP strategy in elections, and in the 1995 Upper House election it played a mediating role between the former Domei-affiliated unions and the Sohyo-affiliated unions. Though there was a complicating factor in that NFP candidates and SDP candidates were competing in other districts within the prefecture, Rengo Aichi nominated Ito as a "supported candidate" (indicating a lower level of organizational support than for an "endorsed candidate"). Nevertheless, most of the individual unions affiliated with Rengo did endorse Ito in the Eleventh District.

In examining the election campaigns of the two candidates, it is evident that Urano's basic election strategy was, first, to secure his former support base. Except for the exchange of mailing lists among the four candidates in the former Fourth District, Urano's activities, as before, centered on moves by his *koenkai* and local assembly members, supplemented by requests to the automobile industry for support. Even before the start of the official campaign period, Urano attended almost every official event sponsored by the municipal administrations in the district, aiming to consolidate his supporters. At supporters' gatherings and in curbside speeches, he would criticize Ito as the "flunky of big organizations," positioning himself as the "representative of communities."

In previous elections, Ito had run second to Urano in the municipalities of the Eleventh District. With the geographical realignment of the districts splitting union votes among three districts, the necessity of expanding his constituency was even more compelling. Ito's

election strategy included not only starting new koenkai but also directly infiltrating Urano's supporters. Ito and his staff asked municipal administrations to invite both candidates to local events. Or they approached small retailers, who were typically regarded as core LDP supporters, and requested support. The groups that worked for Ito during the campaign included the Toyota Union and All Toyota Federation and their organizers, local NFP and Komei assembly members, and other unions affiliated with Rengo. During the campaign, these three groups acted independently.

As a result of the vote-gathering activities of Urano and Ito, the Eleventh District registered a voting turnout of 73 percent, the highest in Aichi Prefecture. Ito won with 123,404 votes, whereas Urano captured 85,766 votes. Urano was also unable to win a seat in proportional representation, because his margin of defeat (69.50 percentage points) was low among the LDP candidates who lost in single-seat districts. Both Urano and Ito increased their vote totals over the 1993 election, but the 20,000 votes from members of the formerly Sohyo-affiliated union bloc mainly accounted for Ito's large margin of victory.

The Behavior of Toyota Labor and Management

From the time the single-seat district system was adopted, the activities of Toyota Motor Corporation and the Toyota Union became the focus of attention, because of Toyota's close relationship with the LDP through political donations and the All Toyota Federation's status as the largest group of unions supporting the former DSP. In the Lower House election of 1996, although the company's activities were somewhat anemic, the union's were dynamic.

In the 1990 and 1993 campaigns, Toyota actively pursued vote-gathering activities on behalf of the LDP, such as compiling a mailing list of supporters within the company, mainly targeting corporate managers and their families (*Asahi Shimbun* 1990; 1993). After the adoption of the single-seat district system, Toyota received requests for support from both the Toyota Union and the LDP. As the 1996 election approached, Toyota officers began to participate in meetings of Urano's koenkai. However, in contrast to the previous elections, there appeared to be a lack of such activities as using the Toyota corporate organization to compile a mailing list of supporters inside the

company. This time Toyota faced a serious dilemma: whether to support LDP candidate Urano or its former employee Ito.

Compared with the management side, the Toyota Union had a strong awareness of the implications of the single-seat district. So the Toyota Union clumsily cooperated with other unions through Rengo Aichi, while at the same time asking management to support Ito as the representative of Toyota.

During this election, the organizers of the Toyota Union explained the necessity of an internal candidate to union members and their families, in order to solidify organizational support. The union also emphasized to company managers that Ito had formerly been a Toyota employee, and asked the company to support Ito.⁴ The union appealed to middle managers, particularly those at the section chief level, to support Ito. After numerous discussions with the union, Toyota's top management reconsidered Urano's duplicate candidacy, and just two days before the vote, 5,000 managers were mobilized to support Ito (*Asahi Shimbun* 1996). This decision was presumably based on the fact that Urano had claimed more votes in past elections, and was believed to be leading at the beginning of the 1996 campaign. At that point, Toyota expected that Ito would win the single-seat district, whereas Urano would secure a proportional seat. But the final result showed that Ito captured more votes than anticipated due to the efforts of Komei and former SDP supporters, so Urano did not secure a seat in proportional representation.

Thus, in Toyota's case, change took place in the campaigning of Toyota and its union, mainly due to the union's leadership. However, both management and union hoped to avoid damaging labor-management relations with their electoral activities. Before the campaigning began, labor and management agreed to avoid negative feelings in their relations, irrespective of the election results.

IBARAKI FIFTH DISTRICT

Elections under the Multiseat System

The Ibaraki Fifth District is composed of three cities and one town, with Hitachi City as its largest component; the others are Kita-Ibaraki City, Takahagi City, and Juo Town of Taga County. During the

multiseat district era, it was a part of the Ibaraki Second District with three seats. The former Ibaraki Second District was a "safe district" during the 1980s, consistently awarding the LDP two seats and the JSP one.

Given this situation, the Hitachi Union, as the main force supporting the JSP within Ibaraki Prefecture, backed the internal union-based candidate for election to the Lower House, whereas Hitachi Corporation supported the LDP candidates. There was a tacit agreement between Hitachi and the LDP candidates, known as the Kujigawa (Kuji River) Pact. Hitachi operated nine plants within the former Second District. The four plants north of the Kuji River, which ran through the center of the district, agreed to support Tsukahara Shumpei; the five plants south of the river supported Kajiyama Seiroku.

In mobilizing constituencies, there were differences in the approaches of the union and the Hitachi management. The company gave as its reason for supporting candidates the fact that they were candidates of the LDP, the governing party; the personal connections of the candidates had little to do with the company's support. The union mobilized its members to vote by emphasizing that the candidate was a representative and fellow member of the union, rather than the JSP party affiliation.

Hitachi solicited votes for LDP candidates in two ways, centering its activities on the general affairs sections at the plant level. First, it was customary within the company for Hitachi managers (section chief level and above) to support the LDP candidates. Second, the materials procurement divisions of each plant collected the votes of subcontractors. Among subcontractors, the main targets were small, nonunionized companies, because in companies with unions, the workers are likely to cooperate with the Hitachi Union and cannot be mobilized by their managers.

These vote-gathering activities took place at each individual plant during the campaign, while activities for the entire district were controlled at the Hitachi plant, the largest business entity within the district. In the 1993 election, however, Hitachi decided to stop gathering votes on the basis of the Kujigawa Pact, and the company declared that it would not directly participate in election campaigning for LDP candidates.

The Hitachi Union is the largest union in Ibaraki Prefecture, and since the 1950s it has supported union-based candidates in national

and local elections. The union sends eight union-based council members to the Hitachi City Council, and it has elected three union-based assembly members to the Ibaraki Prefectural Assembly. The union is composed of rank-and-file workers and low-level managers (except for those in such departments as personnel, security, or procurements). The Hitachi Union was formerly a member of Sohyo, the Japan Labor Unions General Council; unlike other public-sector unions affiliated with Sohyo, it followed a policy of cooperative relations with management. The Hitachi Union belongs to numerous union federations, such as the Japanese Electrical Electronic and Information Union (Denki Rengo, the industry-level confederation of unions); as supporters of the Japan Socialist Party, unions affiliated with these federations also support Hitachi's internal candidates in elections. But of all these unions, Hitachi Union is overwhelmingly the largest in membership.

Ohata Akihiro, the incumbent Diet member, added to his organizational support from Hitachi Union by organizing a *koenkai* composed of Hitachi employees. This association was a kind of safety net to secure the support of union members, who joined the association as individuals. Some middle managers who had previously been union members also joined the association.

Throughout the 1970s, in the former Ibaraki Second District, four strong candidates, two of them LDP and the other two JSP members, competed for three seats. In the 1986 election, two LDP candidates and one JSP candidate were the top vote-getters. However, in the 1993 election, a Japan New Party (JNP) candidate ran from this district and got about 60,000 votes, mainly from JSP supporters, to be a runner-up.

The New Electoral System and Lower House Elections

The former Ibaraki Second District was divided into the Fourth and Fifth districts under the new election system, with the Kuji River as the boundary dividing the two districts. In the ensuing election, among incumbent representatives, the LDP's Kajiyama Seiroku ran from the Fourth District and Tsukahara Shumpei ran from the Fifth District, whereas Ohata Akihiro, who moved from the SDP to the newly established Democratic Party of Japan (DPJ), ran in the Fifth District. The

attention here is on the campaign in the Fifth District. There were two candidates other than Tsukahara and Ohata, but the true contest in the Fifth District was between Tsukahara and Ohata. Both were listed simultaneously as candidates for the single-seat district and for proportional representation.

Tsukahara won his first election in 1975, taking the seat that had been held by his father, Tsukahara Toshiro. He retained many supporters from his father's era, particularly in the agricultural and fishing sector. He held cabinet positions as parliamentary vice minister of both the Ministry of Finance and the Ministry of Labor, and served as labor minister. At the time of the 1996 election, he was serving as minister of international trade and industry.

Ohata, the organizational legislator from the Hitachi Union, had worked as an engineer in Hitachi's Nuclear Energy section; after serving in the Ibaraki Prefectural Assembly, he first won election to the Lower House in 1990. In the Diet, he served on committees related to his area of expertise, namely the Commerce and Industry Committee and the Science and Technology Committee.

In the 1996 election, changes in the electoral system and trends in party reorganization had an impact in the Ibaraki Fifth District, as in many others. The three most significant factors were cooperation between Kajiyama and Tsukahara, changes in the policies of the New Frontier Party in the district, and the defection of many SDP members to the DPJ.

First, LDP candidates Tsukahara and Kajiyama cooperated in their election campaigning within the boundaries of the former Second District. Both of them had *koenkai* in each of the municipalities within the former Second District, so it was possible for them to exchange their supporters' votes. At the beginning of the campaign, Kajiyama announced that he and Tsukahara would conduct reciprocal campaigning. It was decided that Tsukahara's *koenkai* within the Fourth District would support Kajiyama, and Kajiyama's electoral organization in the Fifth District would back Tsukahara. There were two factions among the local LDP assembly members in the former Second District: One faction had previously supported Tsukahara and the other had supported Kajiyama. But they agreed to support the agreed-on candidate for their district, irrespective of their former factional alliances.

Second, the NFP revised its election strategy in the Fifth District again and again. In the middle of September, the NFP's local chapter

decided to run a candidate from the Fifth District. However, the national organization was opposed to fielding a candidate in the district: The unions supporting the NFP wanted to cooperate with the DPJ and support Ohata. So ten days after announcing their candidacy, the NFP withdrew it. As a result, NFP supporters were a large bloc of floating votes in the Fifth District, and competition for these votes became a critical issue for Tsukahara and Ohata.

The third significant factor concerned party reorganization. The Democratic Party was formed shortly before the election by many Social Democratic Party and New Party Sakigake (*sakigake* means pioneer) members. But it was not clear how much support this new party would attract from organized groups or independent voters. From 1995 to 1996, three parties emerged from the former Japan Socialist Party: the Social Democratic Party, the New Socialist Party (NSP), and the Democratic Party of Japan. Labor unions that had supported the JSP threw their backing to one of these three parties, depending on their political stance. Most unions decided to switch their support from the SDP to the DPJ, but some of the local branches of these unions did not follow that decision, and the decision influenced individual members to varying degrees. In the case of Ohata and the Hitachi Union, the decision was easier because Ohata was the official candidate of the Hitachi Union, the largest union belonging to the ex-JSP bloc in the Fifth District. Most DPJ candidates in Ibaraki Prefecture were supported by the local SDP organizations, and Ohata was no exception. On the whole, there was little confusion or disunity within the ex-Sohyo bloc.

Tsukahara's campaign strategy was to win Kajiyama's supporters to supplement his previous constituencies in the district. This involved mobilizing local politicians in an organized way. Tsukahara and the LDP divided the district into several subareas; an assembly member headed each subarea, and council members gathered votes under his guidance. Tsukahara also requested Hitachi's support. He had the advantage of being minister of international trade and industry at the time, so Hitachi (which like other companies operates under the guidance of the Ministry of International Trade and Industry, or MITI) was motivated to work for his reelection. In addition, as MITI minister, Tsukahara had advocated regional industrial park planning, and even before the election he had expressed a wish to identify Hitachi City as a model area under this plan; it is unclear how much this

pork-barrel policy attracted the support of firms in the Ibaraki Fifth District, but it may well have had an impact.

The cooperation with Kajiyama was successful. Kajiyama often visited the Fifth District during the campaign and asked his supporters there to vote for Tsukahara, and Tsukahara returned the favor in the Fourth District. As a result, most voters in the Fifth District who previously supported Kajiyama voted for Tsukahara.

Ohata's election strategy was to expand his constituencies beyond organized labor. Fundamentally, he aimed at collecting the votes that had gone to the JNP in 1993 and at cooperating with grass-roots citizens' groups. Besides his campaign activities using union organizations, he visited housing developments in the district and held a number of small gatherings in an attempt to expand his nonunion support base. Many of the residents of housing developments were not involved in any candidate's *koenkai*, and Ohata tried to win their support by emphasizing the common interests of salaried workers. Cooperation with citizens' groups was an important positioning strategy of the newly inaugurated DPJ. A network of these groups was organized at the beginning of the campaign, and the network lent its support to Ohata. In addition, via Rengo Ibaraki, labor unions supporting the NFP were mobilized for Ohata.

However, one important goal, cooperation with Komei, was not realized. This cooperation would have meant Ohata's receiving Komei's support, and in exchange former Komeito candidates in other districts would receive the support of the Japanese Electrical Electronic and Information Union, which is the industrial-level organization to which the Hitachi Union belongs. Ohata requested the endorsement of Komei's Ibaraki headquarters, but there was not sufficient time for negotiation, due to the NFP's confusion over an independent candidacy, so it did not come to pass.⁵

The election results showed Tsukahara receiving 69,369 votes and winning the single-seat district, whereas Ohata, who captured 53,497 votes, won a proportional representation seat in the North Kanto block. Despite a lower election turnout, Tsukahara captured approximately the same number of votes as he and Kajiyama together had garnered in previous elections from municipalities in the Fifth District. Due to the cooperation with Kajiyama, Tsukahara could include former Kajiyama supporters in his constituency, and he greatly expanded his support base.

Ohata held onto his 1993 votes in every municipality, but he was unable to capture nearly half of the votes that had flowed to the JNP in 1993. Because of Ohata's switch to the DPJ just prior to the election campaign period and because of the NFP's vacillation, he lacked sufficient time to expand his support. In addition, because the election campaign period overlapped with the reelection campaign for Hitachi Union officials, the union had to campaign for Ohata without adequate preparation. Nevertheless, because Ohata, who was nominated in both the single-seat district and the proportional representation block, had a sizable vote total among DPJ candidates and a narrow defeat margin with the winner in his single-seat district of 77.11 percentage points, he was able to secure a seat in the proportional representation block. In sum, Ohata expanded the scope of his support organization to include NFP supporting unions and citizens' groups, but these new constituencies were all small in scale, so he was unable to form a large enough faction within his district.

Behavior of Hitachi Labor and Management

The behavior of Hitachi labor and management was basically the same as in previous Lower House elections in terms of vote-gathering activities within their respective networks. A unique and significant factor in this election was the fact that at the time of the dissolution of the Diet, Tsukahara was minister of international trade and industry in the Hashimoto cabinet. MITI is the ministry with jurisdiction over Hitachi and other industries, and there was a strong feeling at Hitachi and its affiliated firms that the current MITI minister must win reelection. For that reason, Hitachi, which at one point in 1993 had ceased vote-gathering for LDP candidates, was aggressively active this time in support of Tsukahara. Hitachi group companies, such as Hitachi Electric Wire, Hitachi Chemical, and Hitachi Engineering, were asked by Hitachi to cooperate in supporting Tsukahara. In addition to asking subcontractors to collect votes, this time Hitachi also carried out direct organizing of subcontractors for the *koenkai* supporting Tsukahara. However, it is doubtful whether the recruiting of small subcontractors for Tsukahara's *koenkai* had significant impact on the election results. These small firms had already been connected with Tsukahara individually, via local politicians' networks. In this sense,

the organizing of small firms by Hitachi had only a supplementary effect on mobilizing them.

Parallel with these efforts, Hitachi consolidated the internal support for Tsukahara among its managers. Some managers retained links to Ohata through his *koenkai* even after they were promoted to managerial positions and resigned from the union. And because Ohata was originally from the Hitachi plant, many managers felt a sense of closeness and personal connection with him. Some managers had in previous elections openly supported Ohata, and the Hitachi group companies had even lent their tacit approval. But in this election, Hitachi strongly indicated that managers should disengage themselves from the union's campaigning. In addition, Hitachi controlled the union's on-site election campaigning at the company by applying work regulations more strictly this time than in previous elections. Thus, Hitachi's behavior was more aggressive, but it focused on cementing the solidarity of existing support groups.

In contrast to the aggressive vote-getting behavior of management, the Hitachi Union placed most of its emphasis on consolidating internally and on obtaining floating votes. With the introduction of the single-seat district system the union's strength was divided between two groups, and union members working at four plants in the Fourth District had no candidate to support. Hitachi has a lower ratio of self-manufactured products than other production companies, so more than half of its employees are white-collar workers. Compared to Toyota, its union foundation is not so strong. In addition, many of Hitachi's subcontractors are fairly small and nonunionized. So it was difficult to rely on organizational votes besides those generated by the unions of Hitachi Group companies.

Along with its efforts in the Fifth District, the Hitachi Union campaigned at each factory or branch in the Fourth District, with the aim of increasing the number of votes for the DPJ in proportional representation. Ohata was a candidate both for the single-seat district and for the proportional representation block. And because Tsukahara maintained a consistent lead over Ohata in the polls, the Hitachi Union was well aware from the beginning of the campaign that even in a worst-case scenario, Ohata could secure a seat in proportional representation. So the union branch in the Fourth District campaigned mainly for DPJ votes in proportional representation in the Kita-Kanto block, to increase the number of seats for the Democratic Party.

The election campaigning of Hitachi management and labor could be described as activities in defense of existing boundaries that would not encroach on each other. Because the election involved a candidate who was a current MITI minister, Hitachi was more active than in the past, but the company did not attempt to encroach upon the union. It was said that Hitachi, although supporting Tsukahara vigorously, hoped Ohata would secure a seat in proportional representation. In addition to the benefit accrued from having two members of the Diet from one area, and from Ohata's activities as a representative of their industry, Hitachi considered it important for Ohata to win a seat from the standpoint of Hitachi's labor policies. Hitachi was involved in streamlining its work force at this time. The company's management worried that the election results might have an adverse effect on union cooperation with its restructuring plans. Hitachi reasoned that Ohata's electoral victory would be a means of smoothing the way toward cordial management-labor negotiations.

CONCLUSIONS FROM THE CASE STUDIES

This chapter selected as examples two large corporations, Toyota Motor Corporation and Hitachi, Ltd., and their unions, and used their election participation processes to examine the characteristics of election activities by managements and unions of large companies in Japan. In the following section, I will review these two cases and identify several characteristics.

A variety of factors influence the election campaign activities of management and labor in large companies. In analyzing our two cases, we can first note that those candidates who have clear-cut identities have an advantage over others in election campaigning. In the 1996 elections, the candidates' policies and points of contention were unclear, and this was regarded as connected with the low voting turnout nationwide. Yet at the district level, there were cases in which a candidate's individual, concrete identity served as a fulcrum for mobilization, replacing policies and issues, and there were also instances in which that identity facilitated the mobilization of particular groups. The case of the Aichi Eleventh District, where the Toyota Union hoped to send a "representative of Toyota as a whole" to the Diet, and the case of the Ibaraki Fifth District, which could not allow the incumbent MITI minister to be defeated, are cases in point.

There are many features common to the Toyota and Hitachi cases. First, the borders between management and union are uncertain, with a section of middle management in the grey area. Middle managers are not legally part of the union membership. But in the past, most have participated in elections as union members, and because of their individual relationships with candidates and union officials, they often feel the conflicting pressures of labor and management. Each middle manager's consciousness of his situation within the company determines his stance in supporting candidates, and in every election, the differing levels of activities by unions and management influence the decisions of middle managers.

Second, when the union and management of a company like Toyota or Hitachi mobilize for an election, management tries to maintain its relations with the LDP, the long-time ruling party, while the union emphasizes the chance to send a "colleague" belonging to the same union to the Diet as a representative of the union. To individual union members, the benefit of electing an organizational candidate is not clear. So for the unions an appeal to members' fellow-feeling is their most reliable means of mobilization.

Third, both labor and management are aware that elections influence industrial relations. In the case of both Toyota and Hitachi, because it had been possible in the past to elect both candidates supported by labor and those supported by management, there was very little tension within the company between these two forces at election time. But with the adoption of the single-seat district system, because the candidates backed by the two sides were forced to compete, the effects on cooperative industrial relations came to be a source of concern. In addition, labor and management in both companies could tactically employ the election results as a stratagem in regular collective bargaining, so both labor and management watched the election results carefully, regarding them as a potential resource for negotiation.

There are also points of difference in the two cases, such as the fact that there was an effort by the Toyota Union to breach the boundary between management and labor—namely, the effort to hold a management-union joint election. But in the Hitachi case, the behavior observed was basically similar to that under the multiseat district system. This difference can be attributed to the election strategy of Ito and the NFP. Among the candidates examined in this study, only Ito was a candidate only for the single-seat district, rather than running

both for the single seat and for a seat through proportional representation. So it was necessary for Ito to secure a majority of the votes in the district to be elected to the Diet.

In contrast, Urano and Tsukahara of the LDP and Ohata of the DPJ were all candidates for both systems. This method, of running for both the single-seat district and for proportional representation and to decide the winning order according to how narrowly the candidate was defeated, brought about election results similar to those of the multiseat system, in that multiple candidates from one district could win seats. All those in dual candidacies behaved so as to maximize their votes within their existing constituencies, based upon the division that had been used in the multiseat system. The disparities in the election strategies of these candidates caused varying behavior by their support groups, and as a result brought about differing behavior by management and labor, as seen in the case studies. However, the possibility of dual candidacy introduced a number of unclear elements, such as the turnout in other districts. Because of this uncertainty, Toyota did not achieve its goal of electing two candidates from the Aichi Eleventh District.

The managements and labor unions of large Japanese companies can have a great deal of influence on an election with their organizational votes. But their power to mobilize votes has become weaker. With declining industrial production in a poor economic climate and the shift to overseas production, it is more difficult for companies to use their economic hold over subcontractors to mobilize them for political purposes. Thus, LDP candidates today not only rely on gathering votes via the large companies but also directly recruit small and medium-sized companies into their *koenkai*. For their part, the labor unions have been affected by the reduction of their organizational force due to restructuring; in addition, political indifference is on the rise, particularly among young workers, as union members come to value leisure activities above voting. For this reason, the Toyota Union made a point of instructing members who had other plans on election day to cast absentee ballots. And union-based candidates like Ito and Ohata, rather than relying on their unions' organizational efforts alone, also organized *koenkai* targeted at union members. For the union-based candidates, organizational mobilization seemed insufficient to secure the votes of union members. Even in the districts where large companies and their union have a number of organizational votes, because these organizations' ability to mobilize votes has become un-

certain, candidates have come to place more importance on directly securing support thorough koenkai.

NOTES

1. In other cases, companies or unions, rather than being united behind a single candidate, may divide their votes among several candidates. The unions of large companies commonly divide their votes in local assembly elections among several union-backed candidates. This process characterized Hitachi's "Kujigawa Pact," which will be discussed in a later section of this chapter.

2. In addition, according to research on local elections, a management-union joint election can be understood as capitalists and unions uniting to achieve the "company's best interest" in local politics by sending representatives to the local assembly. For research on Toyota and Toyota City from this Marxist perspective, see Nakagawa (1985).

3. Among the major unions affiliated with the Confederation of Japan Automobile Workers Unions, the labor unions of Nissan Motor and Mitsubishi Motors were members of the Japan Confederation of Labor, but other unions including the Toyota union were part of the Federation of Independent Unions.

4. Ito continued to be an employee of Toyota Motor Corporation even after he was elected as a Diet member, but he retired from the company after being named parliamentary vice minister of the Ministry of Construction in the Hosokawa cabinet. He now serves as advisor to the All Toyota Federation.

5. Based on information obtained in interviews at Ohata's koenkai office and at the political office of the Federation of All Toyota Workers' Unions.

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