THE STRATEGIES OF INFLUENCE:

JAPAN'S AGRICULTURAL COOPERATIVES (NOKYO) AS A PRESSURE GROUP

by

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Degree of Doctor of Philosophy
in the
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STATEMENT

I certify that this thesis is entirely
the result of my own independent
research.

(Aurelia D. George)
ABSTRACT

Nokyo, Japan's mammoth farm organisation is the subject of this thesis. The focal point of interest is Nokyo's role as a pressure group and the relationship between this and other aspects of its diverse activities. The approach is primarily empirical: the thesis seeks to elucidate Nokyo as an organisation functioning according to its own logic. This emerges as a compound of historical, legal, administrative, economic and political factors. At the same time, broader theoretical issues are taken up including comparative references to patterns of Japanese interest group behaviour. Special attention is given to the extent of Nokyo's conservative bias and connections between Nokyo and political parties.

Chapter 1 considers Nokyo's organisational structure and functions, while Chapter 2 explores Nokyo's policy-related activities in more detail. Chapter 3 examines historical aspects of Nokyo's official representation in the Diet; types of agricultural cooperative electoral participation are surveyed in Chapter 4. Chapter 5 takes up the issue of rice as the traditional focus of pressure from the agricultural cooperatives, with other commodities such as fruit and livestock products discussed in Chapter 6 in the context of the agricultural trade liberalisation debate.

Throughout, Nokyo is seen as a group heavily committed to its own economic priorities, but exercising massive political clout as a result of the interaction between certain organisational attributes and external environmental factors. In policy terms, Nokyo's primary interest is in agricultural support prices. Related to this are the twin issues of rice as regulated by the Food Control system - Nokyo's chief source of official patronage - and protection of domestic farm producers from foreign
competition. Japanese agriculture is seen as a highly managed and controlled industry with a substantial political content - both cause and effect of Nokyo's involvement in the policy-making process.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abstract</td>
<td>iii</td>
</tr>
<tr>
<td>List of Tables</td>
<td>ix</td>
</tr>
<tr>
<td>List of Figures</td>
<td>xi</td>
</tr>
<tr>
<td>Glossary and Abbreviations</td>
<td>xii</td>
</tr>
<tr>
<td>Preface</td>
<td>xviii</td>
</tr>
<tr>
<td><strong>Introduction</strong></td>
<td>1</td>
</tr>
<tr>
<td><strong>PART I NOKYO AND ITS ORGANISATION</strong></td>
<td></td>
</tr>
<tr>
<td>1 Nokyo: The Pressure Group</td>
<td>10</td>
</tr>
<tr>
<td>The Popular Image of Nokyo</td>
<td>11</td>
</tr>
<tr>
<td>Agricultural Cooperative Union Law</td>
<td>13</td>
</tr>
<tr>
<td>Nokyo's Multiple Roles</td>
<td>19</td>
</tr>
<tr>
<td>Organisational Alternatives to Nokyo</td>
<td>26</td>
</tr>
<tr>
<td>The Political Source of Nokyo's Power</td>
<td>29</td>
</tr>
<tr>
<td>Nokyo in the Pattern of Japanese Interest Groups</td>
<td>33</td>
</tr>
<tr>
<td>The Fundamentals of Nokyo's Organisational Structure</td>
<td>34</td>
</tr>
<tr>
<td>Nokyo's Organisational Antecedents</td>
<td>36</td>
</tr>
<tr>
<td>Agricultural Cooperative Membership</td>
<td>44</td>
</tr>
<tr>
<td>The Nokyo Federations</td>
<td>53</td>
</tr>
<tr>
<td>Nokyo's 'Extended' Organisation</td>
<td>62</td>
</tr>
<tr>
<td>Conclusion</td>
<td>67</td>
</tr>
<tr>
<td>2 Nokyo's Agricultural Policy Activities</td>
<td>70</td>
</tr>
<tr>
<td>Nosei Katsudo Prior to 1955</td>
<td>70</td>
</tr>
<tr>
<td>The Central Unions</td>
<td>79</td>
</tr>
</tbody>
</table>
PART II NOKYO AND ELECTIONS

3 The Political Alignment of Nokyo's Diet Membership, 1949-1977
   'Nokyo Diet Member' Defined 138
   LDP Dependence on the Rural Vote 140
   1946 to 1955: Introduction 142
   The Formation of Farmers' Parties 147
   The Decline of Farmers' Parties 151
   Nokyo's Party Alignment at the End of the First Postward Decade 158
   1946 to 1955: Summary 164
   1955 to 1967: Introduction 166
   The Farmers' Political Leagues 168
   The Farmers' Leagues and National Elections 169
   Nokyo and the Zennōsōren 174
   1955 to 1967: Summary 181
   1967 to 1977: Introduction 183
   The Stable LDP-Nokyo Connection 186
   The Zennōsōren: Current Membership and Structure 187
   Conclusion: 1946-1977 189

4 The Electoral Activities of the Agricultural Cooperatives 190
<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The National Nokyo Electorate</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>Categories of Farm Politician</td>
<td>202</td>
</tr>
<tr>
<td></td>
<td>Categories of Nokyo-supported Diet Member</td>
<td>208</td>
</tr>
<tr>
<td></td>
<td>The Nature of Agricultural Cooperative Electoral Support Activities</td>
<td>218</td>
</tr>
<tr>
<td></td>
<td>Case Study of a Nokyo Diet Member's Electoral Support Groups</td>
<td>230</td>
</tr>
<tr>
<td></td>
<td>Nokyo as a Source of Political Funds</td>
<td>234</td>
</tr>
<tr>
<td></td>
<td>Criteria of Electoral Support</td>
<td>240</td>
</tr>
<tr>
<td></td>
<td>Nokyo's Electoral Support Measured in Terms of Votes</td>
<td>252</td>
</tr>
<tr>
<td></td>
<td>Variations in Nokyo Vote 'Control' Relative to Constituency</td>
<td>256</td>
</tr>
<tr>
<td></td>
<td>The Regional Emphasis of Agricultural Cooperative Electoral Activities</td>
<td>268</td>
</tr>
<tr>
<td></td>
<td>Regional and Organisational Concentrations of Nokyo Socialist Support</td>
<td>274</td>
</tr>
<tr>
<td></td>
<td>The Discrete Nature of Agricultural Cooperative Electoral Activity</td>
<td>284</td>
</tr>
<tr>
<td></td>
<td><strong>PART III NOKYO AND POLICY ISSUES</strong></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Nokyo and Rice Price Policy-Making</td>
<td>288</td>
</tr>
<tr>
<td></td>
<td>Rice and the Origins of Food Control</td>
<td>289</td>
</tr>
<tr>
<td></td>
<td>Nokyo and Postwar Food Control</td>
<td>290</td>
</tr>
<tr>
<td></td>
<td>The Rice Price Advisory Council (RPAC)</td>
<td>291</td>
</tr>
<tr>
<td></td>
<td>Food Control Reform Before 1967</td>
<td>292</td>
</tr>
<tr>
<td></td>
<td>The Situation in 1967</td>
<td>297</td>
</tr>
<tr>
<td></td>
<td>Participants and Vested Interests in Rice Price Decision-Making</td>
<td>299</td>
</tr>
<tr>
<td></td>
<td>Pressures for Reform</td>
<td>317</td>
</tr>
<tr>
<td></td>
<td>The Reconstitution of the RPAC</td>
<td>322</td>
</tr>
<tr>
<td></td>
<td>The 1968 General Election Campaign</td>
<td>324</td>
</tr>
<tr>
<td></td>
<td>First Step in the Deployment of a Comprehensive Agricultural Policy (CAP)</td>
<td>326</td>
</tr>
<tr>
<td></td>
<td>The 1968 Rice Price Campaign</td>
<td>327</td>
</tr>
<tr>
<td></td>
<td>Finalisation of a Comprehensive Agricultural Policy</td>
<td>333</td>
</tr>
<tr>
<td></td>
<td>The Institution of an Independent Rice Trading System</td>
<td>340</td>
</tr>
<tr>
<td></td>
<td>The Producer Rice Price Freeze</td>
<td>346</td>
</tr>
<tr>
<td></td>
<td>Voluntary Production Adjustment</td>
<td>352</td>
</tr>
<tr>
<td></td>
<td>Conclusion</td>
<td>362</td>
</tr>
</tbody>
</table>
6 Nokyo and the Anti-Liberalisation Lobby in Fruit and Livestock Products 371
The Course of Japanese Agricultural Trade Liberalisation 371
The Nokyo Rice and Specialist Farmers' Lobbies: Some Contrasts 376
Functional Overlap in the Specialist Fruit Industry 379
Nichienren's Political Role 386
Political Leadership of the Fruit Industry by Mainstream Nokyo Organisations: Zenchū and Zenno 388
The Course of the Grapefruit Liberalisation Dispute, 1968-1971 392
Nichienren and the FPL: The Political Connection 402
Functional Overlap in the Specialist Livestock Industry 409
Nokyo's Economic Stake in Livestock-Associated Industries 414
Private Capital Integration of the Livestock Industry 419
Nokyo Production Enterprises: The Eino Danchi 423
Zenchū-Zennō Domination of the Nokyo Livestock Lobby 428
Livestock Products' Pricing Policies 429
The Amalgamation of Politics and Administration: The LIPC 441
Livestock Promotional Groups 447
Livestock Diet Members (Chikusan Giin) 453
The Beef and Dairy Electorates 460
Regional Concentration in the Livestock Industry 462
Decision-Making on Livestock Commodity Policy Prices 468
Anti-Liberalisation MAF Policies 476
Conclusion 487

Conclusion 490

Bibliography 499
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Nokyo's Farm Household Membership Figures and Membership Rate</td>
<td>45</td>
</tr>
<tr>
<td>1.2</td>
<td>Nokyo's Individual Farmer Membership Figures and Membership Rate</td>
<td>47</td>
</tr>
<tr>
<td>1.3</td>
<td>Increases in Agricultural Cooperative Associate Membership</td>
<td>52</td>
</tr>
<tr>
<td>1.4</td>
<td>Members' Utilisation Rates of Nokyo Marketing and Purchasing Services</td>
<td>61</td>
</tr>
<tr>
<td>2.1</td>
<td>Membership Composition of Prefectural Central Unions (1977)</td>
<td>87</td>
</tr>
<tr>
<td>2.2</td>
<td>Ōenchū: Membership Composition (1976)</td>
<td>88</td>
</tr>
<tr>
<td>2.3</td>
<td>Nokyo-Sponsored Agricultural Policy Conventions (1973)</td>
<td>102</td>
</tr>
<tr>
<td>2.4</td>
<td>Nokyo Agricultural Policy Demands and Sponsoring Groups (1977)</td>
<td>107</td>
</tr>
<tr>
<td>2.5</td>
<td>Number and Percentage of Capital-Stock Specialist Cooperatives for Different Years</td>
<td>131</td>
</tr>
<tr>
<td>2.6</td>
<td>The Changing Balance Between Rural and Urban Cooperatives</td>
<td>135</td>
</tr>
<tr>
<td>4.1</td>
<td>A Comparison of the Party Affiliations of APRA and Nokyo Diet Members</td>
<td>216</td>
</tr>
<tr>
<td>4.2</td>
<td>The Composition of APRA Members' Kōenkai</td>
<td>225</td>
</tr>
<tr>
<td>4.3</td>
<td>Variations in Electoral Support Relative to Nokyo Connection Amongst APRA Members</td>
<td>244</td>
</tr>
<tr>
<td>4.4</td>
<td>Variations in Electoral Support Relative to Party Affiliation Amongst APRA Members</td>
<td>246</td>
</tr>
<tr>
<td>4.5</td>
<td>APRA Members' Estimates of Agricultural Cooperative Vote-Mobilisation Capacity</td>
<td>255</td>
</tr>
<tr>
<td>4.6</td>
<td>Success Rates of National Constituency Nokyo Candidates, 1950-1977</td>
<td>258</td>
</tr>
<tr>
<td>5.1</td>
<td>'Political Additions' in the Producer Rice Price 1961-1968</td>
<td>305</td>
</tr>
<tr>
<td>5.2</td>
<td>Profits on Marketing and Warehousing Government Sale Rice in 1969</td>
<td>310</td>
</tr>
<tr>
<td>5.3</td>
<td>A Comparison of Food Control Budget Allocations in 1967 and 1968</td>
<td>321</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Page</td>
</tr>
<tr>
<td>---------</td>
<td>------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>5.4</td>
<td>Targets and Results in the Production Adjustment Program</td>
<td>369</td>
</tr>
<tr>
<td>6.1</td>
<td>A Ranking of <em>Mikan</em> Production by Prefecture</td>
<td>404</td>
</tr>
<tr>
<td>6.2</td>
<td>A Ranking of Summer Orange Production by Prefecture</td>
<td>405</td>
</tr>
<tr>
<td>6.3</td>
<td><em>Zennō</em>-Related Livestock Companies</td>
<td>420</td>
</tr>
<tr>
<td>6.4</td>
<td>Regional Breakdown of Dairy Farm Household and Cattle Numbers</td>
<td>463</td>
</tr>
<tr>
<td>6.5</td>
<td>Demands and Decisions on Livestock Policy Prices</td>
<td>474</td>
</tr>
</tbody>
</table>
LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Organisational Chart of the Federated Nokyo Organisation</td>
<td>57</td>
</tr>
<tr>
<td>2.1</td>
<td>Zenohu's Internal Structural Divisions</td>
<td>81</td>
</tr>
<tr>
<td>2.2</td>
<td>Zenohu's Executive Decision-Making Structure</td>
<td>93</td>
</tr>
<tr>
<td>5.1</td>
<td>Changes Instituted in the Rice Trading System in 1955</td>
<td>292</td>
</tr>
<tr>
<td>5.2</td>
<td>The Distribution System for Government Sale Rice</td>
<td>307</td>
</tr>
<tr>
<td>5.3</td>
<td>Changes Instituted in the Rice Trading System in 1969</td>
<td>343</td>
</tr>
</tbody>
</table>
GLOSSARY AND ABBREVIATIONS

An extensive list of Japanese terms relating to Nokyo is set out below.

beika undo - rice price campaign
buraku - village hamlet
chikusan giin - livestock Diet member
Chikusan Shinkō Jigyōdan - Livestock Industry Promotion Corporation
Chikusan Shinkō Shingikai - Livestock Industry Promotion Council
Chūkin, or Nōrin Chūkin; Nōrin Chūō Kinkō - Central (Cooperative) Bank for Agriculture and Forestry
chūō honbu - central (policy) headquarters of Zenchū
chuōkai - central union
Chūraku, or Chūō Rakunō Kaigi - Central Dairy Council
einō danohi - regionally integrated farm management units, or cooperative farm complexes
gaikaku dantai - extra-departmental group
giin renmei - Diet members' league
hōjin - juridical person, legal person
Hokkaidō Nōmin Domei - Hokkaidō Farmers' League
Ie no Hikari Kyōkai - 'Light in the Home' Association (Nokyo's publishing group)
jiban - voting base
Kaishinto - Reformist Party (1952-1954)
Kajūren, or Nihon Kajū Nōkyō Rengōkai - Japan Fruit Juice Agricultural Cooperative Federation
Kaitokuren, or Zenkoku Kaitaku Nōkyō Rengōkai - National Settlers' Nokyo Federation
kankei - political 'connections' (see Chapter 4)
kanren gaisha - (Nokyo's) related companies
Keidanren - Federation of Economic Organisations
keivetsu - big business enterprise network
keito Nōkyō soshiki - federated Nokyo organisation, or network of Nokyo federations
keizaikan - economic group
Keizai Doyukai - Japan Committee for Economic Development
keizaimen - economic federation
keizai ronri - economic principles
kenchū, or ken chūkai - prefectoral central union (of agricultural cooperatives)
kenren, or ken rengōkai - prefectoral federation (of agricultural cooperatives)
kōenkai - political supporters' association
koku - 150 kilos (of rice)
Kokumin Kyōkai - the People's Association (LDP)
kome giin - rice Diet members
Kōmeitō - Clean Government Party
Kōno Seiji Renmei - Political League for Promoting Agriculture (in Ibaragi Prefecture)
kudamono giin - fruit Diet members
Kumiai Bōeki - Unicoop Japan (Nokyo's trading company)
kumiaitchō - agricultural cooperative chairman
kumiaiin - member of an agricultural cooperative
kyōdō kaisha - cooperative company
kyōdō kumiai shugi - cooperative unionism
kyōsaiiren, or kyōsai rengōkai - mutual aid (Nokyo) federation
mikan - Japanese mandarin orange
Nichienren, or Nihon Engei Nōkyō Rengōkai - Japan Horticultural Nokyo Federation
Nichinō, or Nihon Nōmin Kumiai - the Japan Farmers' Union
nōgyō itinkai - agricultural committee (local-level organisation of the National Chamber of Agriculture)
nōgyōkai - agricultural association (wartime)
nōgyō kaigi - agricultural council (prefectural organisation of the National Chamber of Agriculture)
Nōgyō Kihonhō - Agricultural Basic Law
Nōgyō Mondai Kenkyūkai - Agricultural Problems Research Association
nōji kumiai hōjin - farmers' group corporation
nōkai - agricultural association
Nōkyō Fujinbu - Nokyo Women's Division
Nōkyō gappēi - agricultural cooperative amalgamation
Nōkyō giin - Nokyo Diet member
Nōkyōhō, or Nōgyō Kyōdō Kumiaihō - Agricultural Cooperative Union Law, or Nokyo Law
Nōkyō Seinenbu - Nokyo Youth Division
nōmin kumiai - farmers' union
Nōmin Kyōdōtō - Farmers' Cooperative Party (1949-1952)
nōmin no seijiryoku kesshū - mobilization of the farmers' political power
nōmin renmei - farmers' federation
nōmin soshiki - farmers' organisation
nōmin undo - farmers' campaigns
Nōrin Bukai - Agriculture and Forestry Division (LDP - PARC)
nōrin giin - agricultural and forestry Diet member
Nōsei ibu - Agricultural Policy Department (of Zenchū and Kenchū)
nōsei giin - agricultural policy Diet member
nōsei katsudō - agricultural policy activities
Nōsei Kenkyūkai - Agricultural Policy Research Association
Nōseikyū, or Nōgō Seisaku Kenkyūkai - Agricultural Policy Research Association (not to be confused with the Nōsei Kenkyūkai, or APRA)
nōseiren, or nōmin seiji renmei - farmers' political league
Nōsei Suishin Giindan - Agricultural Policy Promotion Diet Members' League, or Agricultural Policy Promotion League
nōsei undo - agricultural policy campaigns
nōson giin - rural Diet member
rakunō giin - dairy politician
Rōnōto, or Rōdōsha Nōmintō - Worker Farmer Party (1948-1957)
Ryokufūkai - Green Breeze Society
sangyō kumiai - industrial (producer) cooperatives
seiji dantai - political group
Seiji Shikin Kiseihō - Political Funds Regulation Law
Seikaren, or Ehime-ken Seika Nōkyō Rengōkai - Ehime Prefecture Vegetable and Fruit Nokyo Federation
senkyo katsudō - electoral activities
senmon nōkyō - special- (or single-) purpose, or specialist agricultural cooperative
senmonren, or senmon rengōkai - specialist agricultural cooperative federation
Shakai Kakushintō - Social Reform Party (led by Hirano Rikizō)
shichōson nōkyō - city, town and village agricultural cooperatives
Shinbunren, or Zenkoku Shinbun Nōkyō Rengōkai - National Newspaper Nokyo Federation
shinren - trust (Nokyo) federations
Shufuren - Housewives' Federation
sōgō nōkyō - general- (or multi-) purpose, or generalist agricultural cooperative
Sōgo Nōsei Chōsakai - Comprehensive Agricultural Policy Investigation Committee (LDP - PARC)
Sōhyō - General Council of Japanese Trade Unions
taikai - national (Nokyo) convention
taisaku honbu - policy headquarters (of the Nokyo central unions)
tankyō, or tanki nōkyō - unit agricultural cooperative, or unit co-op
undo genri - principles of action
Zenchū, or Zenkoku Nōgyō Kyōdō Kumiai Chūkai - National Central Union of Agricultural Cooperatives (or, the National Central Union, or the Central Union)
Zenchikuren, or Zenkoku Chūkusan Nōkyō Rengōkai - National Livestock Nokyo Federation
Zenhanren, or Zenkoku Hanbai Nōkyō Rengōkai - National Marketing Nokyo Federation (dissolved in 1972)
Zenkoku Nōgyō Kaigisho - National Chamber of Agriculture
zenkokuren, or zenkoku rengōkai - national federation (of agricultural cooperatives)
Zenkōren, or Zenkoku Kōbai Nōkyō Rengōkai - National Purchasing Nokyo Federation (dissolved in 1972)
Zenkōren, or Zenkoku Kōsei Nōkyō Rengōkai - National Welfare Nokyo Federation
Zenkyōren, or Zenkoku Kyōsei Nōkyō Rengōkai - National Mutual Aid Nokyo Federation
Zennōhinō, or Zenmihon Nōmin Kumiai Rengōkai - All-Japan Federation of Farmers' Unions (JSP)
Zennō, or Zenkoku Nōmin Dōmei - National Farmers' League (DSP)
Zennō, or Zenkoku Nōgyō Kyōdō Kumiai Rengōkai - the National Federation of Agricultural Cooperatives
Zennōfukyō, or Zenkoku Nōkyō Fujin Soshiki Kyōgikai - National Nokyo Women's Organisation Council
Zennōkyō, or Zenkoku Nōgyō Kyōdō Kumiai Kyōgikai - the National Nokyo Council
Zennōren, or Zenkoku Nōmin Renmei - National Farmers' Federation
Zennōseiren, or Zenkoku Nōmin Seiji Renmei - National Farmers' Political League
Zennōseiren, or Zenkoku Nōsei Seinen Renmei - National Rural Youth League (prefectural bodies were the rural youth leagues - nōsei renmei)
Zennōsōren, or Zenkoku Nōmin Sōrenmei - National Farmers' General Federation
Zenrakuren, or Zenkoku Rakunō Nōkyō Rengōkai - National Dairy Nokyo Federation
Zenseikyō, or Zenkoku Nōkyō Seinen Soshiki Kyōgikai - National Nokyo Youth Organisation Council
Zenshiren, or Zenkoku Shidō Nōkyō Rengōkai - National Guidance Nokyo Federation (forerunner of Zenchū)

Zenyōren, or Zenkoku Yōten Nōkyō Rengōkai - National Silk Nokyo Federation
The following abbreviations appear in the text:

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>APPL</td>
<td>Agricultural Policy Promotion Diet Members' League, or Agricultural Policy Promotion League</td>
</tr>
<tr>
<td>APRA</td>
<td>Agricultural Policy Research Association</td>
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<td>CAP</td>
<td>Comprehensive Agricultural Policy</td>
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<td>CBP</td>
<td>Comprehensive Budget Principle</td>
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<td>CLA</td>
<td>Central Livestock Association</td>
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<tr>
<td>DSP</td>
<td>Democratic Socialist Party</td>
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<td>EPA</td>
<td>Economic Planning Agency</td>
</tr>
<tr>
<td>FC</td>
<td>Food Control</td>
</tr>
<tr>
<td>FCSA</td>
<td>Food Control Special Account</td>
</tr>
<tr>
<td>FPL</td>
<td>Fruit Farming Promotion Diet Members' League, or Fruit Promotion League</td>
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<td>JCP</td>
<td>Japan Communist Party</td>
</tr>
<tr>
<td>JSP</td>
<td>Japan Socialist Party</td>
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<td>JTU</td>
<td>Japan Teachers' Union</td>
</tr>
<tr>
<td>LDP</td>
<td>Liberal Democratic Party</td>
</tr>
<tr>
<td>LIPC, or LIP Corp.</td>
<td>Livestock Industry Promotion Corporation</td>
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<td>LIPC, or LIP Council</td>
<td>Livestock Industry Promotion Council</td>
</tr>
<tr>
<td>MAF</td>
<td>Ministry of Agriculture and Forestry (in July 1978, it became MAFF - Ministry of Agriculture, Forestry and Fisheries)</td>
</tr>
<tr>
<td>MITI</td>
<td>Ministry of International Trade and Industry</td>
</tr>
<tr>
<td>MOF</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>NBA</td>
<td>National Beef Association</td>
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<tr>
<td>PARC</td>
<td>Policy Affairs Research Council (LDP)</td>
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<tr>
<td>RPAC</td>
<td>Rice Price Advisory Council</td>
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PREFACE

At the time this thesis was being written lively and increasing interest was evident among Australian government officials, agricultural economists and leaders of farm groups in how agricultural organisation in Japan influences the formation of farm policy and trade in food and livestock producers between Japan and Australia. This interest stemmed from a growing appreciation of the importance of the 'political factor' shaping government decisions on access to the Japanese market. Despite awareness of the role of politics in Japanese agriculture policy-making, however, there was little detailed information on the composition of the farm lobby and its machinery for exercising power. One of the main objectives of this thesis therefore, has been to identify the linkages between the major farm pressure group in Japan, Nokyo, and the Japanese government.

Nokyo is an acronym for nōgyō kyōdō kumiai, which translates literally into English as 'agricultural cooperative union', or 'agricultural cooperative'. It has been variously translated in other English language materials as 'agricultural cooperative association' (the dictionary translation for 'kumiai' is either 'union' or 'association') or 'agricultural cooperative society'. The terminology preferred in this study is the fuller and more literal one of 'agricultural cooperative union' (particularly where it occurs in titles of publications translated from the Japanese), or its shortened equivalent, 'agricultural cooperative'. Used in this sense, 'nōgyō kyōdō kumiai', or 'nōkyō' is a generic term which refers to a class of organisation, the 'agricultural
cooperative'. On the other hand, 'Nokyo' with a capital 'N' is the name or label given to one specific grouping, the Agricultural Cooperative organisation. In this form, Nokyo is a comprehensive term standing for a collection of interrelated groups, all of which are agricultural cooperatives (nōkyō) in the generic sense, but also components of Nokyo as a whole. Various translations of Nokyo have been used in English: the Agricultural Cooperative Association, the National Association of Agricultural Cooperatives, the Agricultural Cooperative Society, or the Union of Agricultural Cooperatives.

With these distinctions in mind, nōkyō is used in the thesis in its Japanese form to denote an agricultural cooperative unit within Nokyo, the overall organisation. The title 'Nokyo' in contrast, is employed as an English word, except where it appears in titles of Japanese publications and Japanese phrases. The term Nokyo has acquired common usage in Japan since the formation of the organisation in 1947. Its meaning is well understood. 'Socialist' on the other hand needs some clarification in the Japanese context. As a descriptive term, 'Socialist' is applied in this thesis only to the Japan Socialist Party (including the Right Socialist Party and Left Socialist Party of the period 1951-1955). On the other hand, 'socialist' is used in a specific sense to embrace the Japan Socialist Party and the Democratic Socialist Party where these are referred to jointly.

My interest in Nokyo began in mid-1973 after six months initial study of pressure group participation in the Rice Price Advisory Council. At the time I was Mombushō Scholar and Foreign Research Fellow at the Institute of Social Sciences, University of Tokyo. I met Dr Michael Donnelly also at the Institute who had just completed a lengthy period of research on Japan's politics of rice. He suggested that in order to
avoid duplication of his work, I should attack the problem of interest representation in the farm sector from the point of view of Nokyo, which would provide a rewarding and varied alternative area of investigation. A preliminary survey of the field revealed that agricultural organisation had not yet been covered by Western political scientists in any of the major pressure group studies on Japan. Clearly, the continuing nexus between politics and agriculture was little understood outside Japan.

There followed an intense period of research extending over the next 18 months in which I concentrated my investigations on Nokyo's activities at the central government level and its relationship with political parties, particularly the Liberal Democratic Party. I also conducted field work at the local levels in Iwate, Saitama and Kanagawa Prefectures.

This period of research in Japan ended in November 1974. In early 1975 I took up a Ph.D. Scholarship at the Australian National University. After two years in Australia I was able to return to Japan for two months to conduct a questionnaire survey of Nokyo's Diet supporters in the Agricultural Policy Research Association (Nosei Kenkyūkai). The visit was timed to coincide with the December 1976 House of Representatives' elections, in which I closely followed the campaigns and electoral fortunes of a number of key farm politicians.

In the seven years since I began working on Nokyo, I have benefited from the advice, support and personal kindness of friends and colleagues in Australia, New Zealand and Japan. In the first instance I am indebted to the Japanese Ministry of Education who provided the initial opportunity for me to study in Japan as a foreign scholar from New Zealand. My subsequent period of study and field work have been financed by the Australian National University.
At the personal level I am conscious of the tremendous debt I owe to my Australian supervisor Arthur Stockwin, who combined penetrating academic analysis with patience (while I produced two sons) and consistent understanding. Many others have contributed to the completion of this work at different times and in different places. Professor Hayashi Shigeru my first supervisor at the Institute of Social Sciences, University of Tokyo, first suggested that agricultural politics might provide a rewarding subject for investigation. Professor Takeshi Ishida took over from Professor Hayashi on his retirement as my supervising professor. I was very fortunate in having the opportunity of working with him on a joint chapter on Nokyo¹ from which I gained my first insights into the character of the agricultural cooperative organisation. Professor Ishida's professional support has continued far beyond my period of attachment to the Institute of Social Sciences. Professor Iwao Kobori also of the University of Tokyo (Department of Geography) gave me the benefit of extensive local contacts in the Japanese countryside for work in village cooperatives. To my hosts in Maesawa, Iwate Prefecture, and to the farmers and many cooperative officials in surrounding districts, I express my gratitude for the chance to observe farmers and Nokyo at first hand. My Tokyo friends, Hosoe-san of the Nosei Kenkyūkai who spent long hours explaining the intricacies of Nokyo's political connections with Diet members, and Mitsuko Oguma who accompanied me on my preliminary ventures into the world of Nokyo also provided invaluable assistance.

¹ For Peter Drysdale and Hironobu Kitaoji (eds.), Australia and Japan: Two Societies and Their Interaction, Canberra, ANU Press, forthcoming.
In Canberra I would especially like to mention Eric Saxon and Ivan Roberts of the Bureau of Agricultural Economics, Department of Primary Industry, who offered many insights into the economic determinants of Japanese farm policy and who willingly gave their time to read and comment on thesis drafts.

To all those individuals whom I interviewed in Japan amongst Diet politicians, party officials, Ministry of Agriculture and Forestry bureaucrats, agricultural journalists, academic researchers, executive and staff members of Nokyo and other agricultural organisations, and to many Japanese farmers, I am indebted for revealing the rich detail of the subject matter of this thesis. It has continued to fascinate the writer throughout seven years of research and writing.

Finally, to the members of the Australia-Japan Economic Relations Research Project who dedicated long and tedious hours to proof-reading and typing, and to the Research Director of the Project, Dr Peter Drysdale, I express my thanks.

Aurelia George
May, 1980
INTRODUCTION

Japan's farmers are a well mobilised and vocal political force. This is in no small part due to the activities of Nokyo, the agricultural cooperative organisation which dominates the political and economic life of the countryside.

By the standards of farm organisations in other democratic systems, Nokyo is an extraordinary grouping. A coincidence of historical, sociological and economic factors has resulted in almost universal membership. Nokyo incorporates practically the entire agricultural population within its organisational system. In a nation of industries and cities, it is the largest single voluntary association. In spite of immense changes in the rural environment and farm society, the level of agricultural cooperative membership has remained remarkably stable, and Nokyo's activities have continued to prosper and expand in scope. In range this is all-encompassing, extending from basic farm-related functions such as the marketing of agricultural produce and supply of farm inputs and credit, to every conceivable type of social, cultural, medical and consumer service. The dimensions of its economic operations rank Nokyo on a par with some of the best known Japanese business conglomerates. Although this fact has received increasing publicity during the 1970s when Nokyo achieved giant enterprise status, direct comparison with business groups is made difficult by Nokyo's cooperative and statutory origins. Nokyo is not a profit-making institution, nor is it structured like a large corporation with uni-directional command flows from the centre. Nokyo is a collection of predominantly independent units, each an agricultural cooperative in itself, with well defined geographic and functional areas of responsibility.
Nokyo can best be understood as incorporating a range of organizational types. It is most fundamentally a farmers' cooperative, but comparative references to other Japanese cooperative-type bodies such as those in the forestry, fishing and consumer sectors (or even to farm cooperatives operating in other Western capitalist democracies), provide an indication only of core Nokyo ideology and functions. In diversity of operations and scale of enterprise, Nokyo overshadows these other groups in sheer size and scope of activity. In this sense it is more like a *keiretsu*, an enterprise network of interlocking financial and economic interests which also monopolises one sector of the nation's economy. At the same time, it seeks to represent the interests of this sector to government. As spokesman for the farmers, Nokyo is more like *Keidanren*, a peak organisation of agriculturalists (as opposed to industrialists). The thesis focusses on this role: Nokyo as a pressure group, and the strategies it employs to influence policy-makers on matters relating to the farmers and the cooperatives.

A number of pressure group studies of Japanese organisations have been written by Western political scientists over the past two decades. Groups representing Japan's doctors, teachers, big business interests, housewives, repatriates and landlords, in addition to labour unions and the peace and citizens' movements, have all been examined in greater or lesser detail. As yet, however, no major study in English has appeared on the politics of Japan's mammoth farm organisation. References to Nokyo in those works in which they appear tend to be secondary rather

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1 A masters' thesis was written on Nokyo by Gilbert C. George (no relation to the present writer) entitled 'Japan's Post-War Agricultural Cooperative Movement', Hitotsubashi University, Tokyo, 1976. The emphasis of his work is on economic aspects of Nokyo's activities.
than central to the subject matter. Perhaps one of the main reasons for
this is the work already completed on Nokyo in the 1950s and early
'sixties by a Japanese specialist in comparative politics, Ishida Takeshi.
Ishida was one of the chief academic proponents of the tripartite power
elite model. According to this notion, Japan's government and politics
were dominated by a ruling alliance of Liberal Democratic Party poli-
ticians, the national bureaucracy and influential interest groups (chiefly
big business organisations). The model dichotomised Japanese interest
groups into economically and politically strong organisations as repre-
sented by big business, and economically and politically weak organis­
atons (in practice all the rest). Nokyo fitted into the model as one of

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1 Ronald P. Dore included a detailed discussion on the organisation
and activities of the Japanese agricultural cooperatives in his *Land
Reform in Japan*, London, Oxford University Press, 1966, especially
pp.277-279. Although his analysis was restricted to the period of the
early 1950s, it is an indication of the value of his work and of the
unchanging nature of core Nokyo activities, that many of his conclusions
relating to the agricultural cooperatives still apply more than two
decades later.

The writings of an American political scientist, Michael W. Donnelly
on Japan's politics of rice have encompassed Nokyo's political and
economic roles, both in general, and in relation to this key agricultural
commodity. References to Nokyo can be found in three works: Donnelly's
Rice Economy*, Columbia University, 1978; 'Politics and Economic
Constraints in Japan's Rice Price Policies', Monograph, n.d.; and 'Setting
the Price of Rice: A Study in Political Decisionmaking', in T.J. Pempel
(ed.), *Policymaking in Contemporary Japan*, Ithaca and London, Cornell

A chapter contributed by Haruhiro Fukui on 'The Japanese Farmer and
Politics', to Isaiah Frank (ed.), *The Japanese Economy in International
Perspective*, Baltimore and London: Johns Hopkins University Press, 1975,
also considers political factors operating in the formation of Japanese
agricultural policy including the role of Nokyo.

More recent analysis on Nokyo itself has been done by Hideo Sato on
'The Structure of Nokyo and Its Implications as a Non-Rice Lobby: Case
of Anti-Import Campaigns', Department of Political Science, Yale
University, August, 1979. According to the author himself, however, this
work is as yet in the preparatory stage.
the less influential interest groups because of its 'economic and financial weakness'.¹ In Ishida's argument, the strategies of voluntary organisations were dictated by their ranking in the hierarchy of the power elite. Big business exercise of power was essentially covert, but at the same time, extremely effective. For other groups including Nokyo, mass lobbying and noisy rhetoric was necessary in order to make their claims heard and to demonstrate potential voting capacities. Furthermore, 'while relatively small and weak pressure groups were dependent on bureaucrats for their access to government funds and various other favors, the larger and more powerful employer groups manipulated and used almost at will, and could if necessary negotiate directly with, the leadership of the ruling class'.² Because it was economically weak, Nokyo's need for subsidies from government was greater; consequently its relationship with official policy-makers (particularly those in the Ministry of Agriculture and Forestry and the government party) was as a subordinate and dependent grouping in constant defence of its own interests and continually petitioning for increased subsidies. This need compromised its organisational independence and limited its strategic alternatives as an interest group. Continuing financial support from government was an on-going incentive for compliance with government measures.

Although Ishida is not systematically taken to task in the thesis, exposition of Nokyo's organisational resources and its economic and political activity levels contains an implicit rejection of Ishida's viewpoint. His argument is challenged on two basic grounds: Nokyo's

establishment of an independent economic power base subsequent to Ishida's time of writing brings into question the fundamental premise of Nokyo's economic and financial weakness, its relative dependence on subsidies for economic survival, and its consequent categorisation as one of the 'weaker' interest groups. Historical developments have progressively invalidated this thesis. Even more significantly, however, the criterion of economic power ranking as a means of classifying interest groups needs re-examination. It assumes economic power to be the sole measure of political influence. It is predicated on the narrow conception of government policy as the predominant reflection of Japanese big business interests. Where sectoral interests conflict, big business interests hold sway. Not only does this notion require empirical validation, particularly in those policy spheres where it is not immediately and obviously relevant such as in agriculture, but it does not give sufficient emphasis to purely political ingredients in an organisational power base. It is a major contention of the thesis that the primary source of Nokyo's influence is political and not economic, and that this factor holds irrespective of its economic power. This argument rests on several basic elements. Nokyo's membership attributes are such that it incorporates the entire agricultural electorate within its organisational boundaries. At the same time, certain entrenched features of the Japanese electoral system accord disproportionate weight to voters in rural and semi-rural constituencies. These factors combine with particular voting patterns in these areas to make the political support of Japan's farmers of critical importance to the ruling Liberal Democratic Party. Nokyo's relationship with the government party and its rural representatives in particular thus assumes vital significance in the evaluation of agricultural cooperative political strength. The much-vaunted 'political factor' in Japanese agriculture incorporates
this combination of elements. Although recognised by Ishida, it did not alter his basic conclusions. The following thesis is an extended explanation of the political determinants of Japanese agricultural policy with special reference to the role of the agricultural cooperatives, the nature of their political connections to policy-makers, the character of Nokyo's electoral and policy involvement, and the various strategies by which it seeks to exercise influence.

The approach to the subject matter is primarily analytical and explanatory. The application of excessively broad theoretical frameworks in the form of 'organisation models' or 'organisation sets' is rejected not on grounds of cultural particularism but for more fundamental reasons. Western organisational theory - Mancur Olson's 'The Logic of Collective Action: Public Groups and the Theory of Groups' and an adaptation by W.M. Evan of R.K. Merton's intra-organisational model - have both been applied to Nokyo with the object of illuminating different aspects of its internal organisational connections and its input-output relationships with the external environment. Both these frameworks highlighted certain facets of Nokyo as a functioning organisation. This thesis aims above all, however, to treat Nokyo as a situation sui generis, to evaluate it according to its own logic. Furthermore, selection of an approach which is strongly empirical and descriptive rather than abstract and theoretical appears to be indicated by the extreme complexity of the structure and activities of the agricultural cooperatives and the inherent difficulties of sorting out the facts of the interrelationships linking the multitude of groupings which operate under the Nokyo umbrella. Nokyo is an amalgam

1 See Sato, op. cit., pp.5-7 et passim.
2 See George, op. cit., especially pp.34-58.
of diverse organisational features: it functions at one and the same time as a self-help cooperative, business enterprise, voluntary association of farmers, political support group, electoral and campaign organisation, administrative agency, technical advisory group and agricultural manager. In more concrete terms, it is a collection of over 10,000 individual groupings which are independent in organisational set-up and internal decision-making structures, but interdependent in flow of goods and services.

A further analytical difficulty facing the researcher on Nokyo is the need to distinguish between agricultural cooperative activity which is formalised, legally-sanctioned and explicit, and that which is of more questionable legitimacy, sometimes covert, and certainly functionally derivative in the sense of being an extension of mainstream Nokyo functions. This problem is of particular relevance to the subject matter of the thesis: Nokyo's political activities, which are more oriented towards the latter category.

Part I of the thesis (Chapters 1 and 2) is concerned with Nokyo and its organisation. Chapter 1 seeks to elucidate the formal structure, functional characteristics and membership composition of the agricultural cooperatives. It surveys the scope of agricultural cooperative activity in its entirety with a view to establishing its fundamental organisational identity. Chapter 2 examines Nokyo's central policy functions, its role as spokesman for the farmer and agricultural cooperatives, and the ways in which it conducts policy advisory activities. It also measures the quality of democracy within the organisation, particularly in relation to agricultural cooperative decision-making procedures and intra-organisational linkages. It points to the development of a number of internal cleavages within Nokyo which have raised the spectre of
inter-group competition and posed a challenge to the national leadership in terms of maintaining overall unity and a common definition of agricultural 'interests'.

Part II (Chapters 3 and 4) deals with Nokyo and elections. Chapter 3 is a historical analysis of Nokyo's official Diet representation between 1949 and 1977 focussing in particular on the extent of conservative party affiliation. It includes a discussion of the origins and experience of postwar Japanese farmers' parties and Nokyo-sponsored political groups. Chapter 4 examines types of agricultural cooperative vote mobilisation and electoral participation, and the range of political connections between Nokyo and Diet members. The criteria on which Nokyo bases its political support are derived from this study, as well as an indication of the areas where it operates most effectively as an electoral support organisation.

Chapters 5 and 6 form Part III of the thesis. The subject is Nokyo and policy issues. No assessment of Nokyo would be complete without a discussion of its involvement in the administrative operations of the Food Control system governing the rice trade in Japan. Of all agricultural items produced by the Japanese farmer, rice is the political commodity par excellence. It is also an integral part of Nokyo's economic and policy representation activities. The extent of agricultural cooperative dependence on direct and indirect financial benefits gained from rice collection and handling has traditionally provided the strongest evidence for the Ishida thesis. Chapter 6 takes up the issue of agricultural trade liberalisation centring around livestock and fruit products. The structure of the agricultural cooperative anti-liberalisation lobby is analysed in detail, together with a historical overview of developments and policy shifts in the liberalisation dispute. One of the recurring themes in this discussion
is the rising strength of specialist, non-rice farming interests in Japan, and the extent to which specialist Nokyo organisations have moved into the political arena in defence of their own cause. A final section considers political factors in the resurgence of self-sufficiency policies in the agricultural sector.
PART I

NOKYO AND ITS ORGANISATION
CHAPTER 1

NOKYO: THE PRESSURE GROUP

This chapter seeks to establish Nokyo's organisational identity: to determine the legal basis for its activities as an interest group, and to categorise its multitudinous functions into a series of organisational aspects - economic, cooperative, administrative, and political. These are interpreted in the light of Nokyo's special relationship with government, particularly its functioning within the agricultural and forestry administrative system, and also its own economic and political power base. This raises the question of Nokyo's organisational independence: the manner in which it combines the task of representing farm interests with its duties as agent of government in policy administration. Organisational alternatives to Nokyo as farm spokesman are briefly canvassed, and structural comparisons made with other Japanese interest groups.

Although Nokyo in its democratic composition and complexity of business involvement is very much a postwar phenomenon, the contribution of history to its current organisational form cannot be dismissed. A survey of the origins and subsequent development of Japanese agricultural producer groups in the prewar and wartime period provides useful insights into the linkages between Nokyo and its organisational antecedents. This serves as background to the discussion of Nokyo's present membership structure and functional divisions.

Perhaps the most striking contrast between Nokyo of the 1970s and Nokyo as it was re-created after the war, is its emergence as a giant
enterprise and its extension into economic categories outside its statutory guidelines. The outstanding growth areas in Nokyo's business activities have been in finance, insurance, and industry. This highlights yet another fundamental contradiction in agricultural cooperative organisation: the conflict between Nokyo's role as a cooperative body operating for the benefit of farmers, and as a commercial, profit-making enterprise, working in its own interests.

The Popular Image of Nokyo

The consensus of opinion on Japan's agricultural cooperatives is that collectively, they constitute one of the nation's most powerful organisations, and incorporate some of the most distinctive features of Japanese interest groups (*rieki dantai*). Nokyo has been selected by one theorist as the 'archetype' or 'model' for an explanation of Japanese interest group behaviour.\(^1\) The popular verdict of Nokyo is not fundamentally, very different. It shares the label of 'pressure group' (*atsuryoku dantai*) with other prominent national organisations such as the Japan Medical Association (*Nihon Ishikai*), the General Council of Japanese Trade Unions (*Sōhyō*), and the Housewives' Federation (*Shufuren*). Other references to Nokyo such as the 'farmers' political group' (*nōmin no seiji dantai*) or 'the farmers' *Sōhyō*\(^2\) are also in wide currency.

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One factor contributes above all others to this public image of Nokyo: its highly publicised leadership of the annual farmers' campaign to raise the producer rice price (beika undo). Popular estimates of Nokyo's influence as a pressure group are based largely on the size of the budgetary deficits which the Japanese government is prepared to countenance in order to subsidise rice producers, and the inflated prices consumers have to pay for their rice. Subsidies and income supports have made Japanese farmers such efficient rice producers that one of the most consistent problems facing agricultural policy-makers has been the disposal of a rice surplus.

Nokyo's rice price campaign receives extensive coverage in newspapers and has all the trappings of an elaborately 'staged' production for the benefit of public and politician alike, in addition to its own rank and file. Its operations in mobilising 'legions' of the nation's farmers to 'invade' and 'occupy' government offices, to 'stand guard' and 'launch skirmishes' outside Rice Price Advisory Council hearings, and to 'surround' the Diet when farmers present petitions to Diet members, have been likened to those of the prewar Imperial Army.

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1 This subject is examined in more detail in Chapter 5.


The 'inside' or official image of Nokyo is, however, vastly different from this outside or 'public' view. Agricultural cooperative executives and employees go out of their way to disassociate themselves from the label 'pressure group' and hasten to redress the image of their organisation as a political entity. The reluctance of the 'Nokyo man' to accept the popular portrayal of his organisation as a pressure group stems not only from cultural antipathy to the concept of a group selfishly exercising its political muscle, but also from the emphasis given in Nokyo's covering legislation to economic activities.

Agricultural Cooperative Union Law

Nokyo was established by legislation brought into effect in December 1947. Article 10 of Agricultural Cooperative Union Law (Nogyō Kyōdo Kumiiaihō, or Nōkyōhō) itemises the 'business' (Jigyo) which agricultural cooperatives or federations of agricultural cooperatives may undertake, all or in part:

(1) Supplying the necessary funds for members' business or livelihood (credit business - shinyō jigyō);

(2) Receiving members' savings or fixed deposits;

(3) Supplying the necessary goods for members' business or livelihood (purchasing business - kōbai jigyō);

(3)-2 Installation of the necessary joint-use facilities for members' business or livelihood (excluding medical facilities);¹

¹ These joint-use facilities (kyōdo ryō shisetsu) include rice mills, rice centres, country elevators, high speed sprayers, vegetable and fruit markets, breeding facilities, egg selecting facilities, joint pastures, milk collection facilities, cooler stations, cold storage facilities, unpacked feed collecting stations and agricultural machinery service stations.
(4) Facilities for increasing farm labour efficiency or for promoting cooperation in farming;

(5) Development improvement or management of agricultural lands, sale, lease or exchange of agricultural lands, and installation or management of agricultural irrigation facilities;

(6) Transportation, processing, storage, or marketing of goods produced by members;

(7) Facilities for rural industries;

(8) Facilities for mutual aid (insurance business - kyōsai jigyō);

(9) Facilities for medical use (hospitals, clinics, etc.);

(10) Facilities for improving rural life and culture, or education for achieving improvement in management and techniques of members' farming (guidance and extension services - shidō jigyō);

(11) Conclusion of collective agreements for improving the economic status of members;

(12) Any other business incidental to the foregoing items;

Paragraph 2 - Undertaking the business of agricultural management on trust from members (agricultural production business - einō danōki¹);

¹ These are examined in more detail in Chapter 6.
Paragraph 3 - Sale or lease of agricultural lands or grasslands on trust from members;

Paragraph 5 - Sale of converted-use agricultural lands and the construction of residences or other facilities on these lands (real estate business);

Paragraph 7 - Supplying credit to local public organisations, banks, or other banking institutions;

Paragraph 10 - Discounting of bills for the benefit of members and undertaking domestic exchange transactions (restricted to federations of agricultural cooperatives only). ¹

The above items were not all contained in the original Nökyöhö passed in 1947. They represent the sum total of activities listed in the first law, plus a number of amendments made in subsequent years permitting the agricultural cooperatives to conduct additional business.² In their entirety, they cover a wide range of financial, management, technical, business, social, educational and cultural activities relating to agriculture and the farmers' lives. There is no explicit reference to political functions. The functions listed in Article 10 belong in a category which could be broadly described as

¹ This listing covers the items of cooperative business set out in Article 10 of 'Nögyö Kyôdô Kumiaihö' (Agricultural Cooperative Union Law), in Nôrinshô Kanshû, Nögyö Roppô (Ministry of Agriculture and Forestry Editorial Supervision, A Compendium of Agricultural Laws), Tokyo, Gakuyô Shobö, 1976, pp.113-114. Under other laws, Nokyo also conducts agricultural warehousing, post office and national health insurance business, and acquisition of prior rights and mortgages over agricultural movables. See Aono, op. cit., p.8.

² Article 10 has been amended six times since 1947: in 1950, 1951, 1954, 1962, 1970 and 1972. The principal changes incorporated in these amendments have been the addition of Paragraphs 2-12.
'economic'. For this reason, Nokyo spokesmen who stress the 'economic' character of their organisation are substantially and formally correct. At the same time, however, the inclusion of Item (1$) (see above), as a 'miscellaneous' category, allows scope for an unspecified range of activities which can be made justifiable by the tenuous link of being 'incidental' to those which precede it. Agricultural cooperatives and federations of agricultural cooperatives could justify 'political' activities under this heading.

A later Chapter of the Nokyōhō does, however, refer to a special type of non-economic agricultural cooperative: the central union (chūōkai). There is one in each prefecture: a prefectural central union (ken chūōkai, or kenchū); and one at the apex of the entire Nokyo organisation: the National Central Union of Agricultural Cooperatives (Zenkoku Nōgyō Kyōdō Kumiai Chūōkai, or Zenchū).

Legislation establishing the central unions was not part of the 1947 Nokyo Law. They were created by an important amendment to the law in June 1954, which aimed to correct organisational and financial defects in an existing system of national and prefectural guidance federations (shidōren), and to strengthen the agricultural cooperative movement generally.

Article 73(9) of Nokyōhō lays down that 'A central union may make proposals to administrative authorities on matters concerning the cooperatives'. This Article encapsulates the 'agricultural policy' or 'agricultural administration activities' (nōsei katsudo) of the central

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1 This organisation is also referred to as 'The Central Union of Agricultural Cooperatives', without the insertion of 'National'.

2 'Nōgyō Kyōdō Kumiaihō', op. cit., p.126.
unions. It is supplemented by an additional section of the Law which also indirectly subsumes activities which could be considered relevant to an interest group function. Item (6) of Article 73(9) states that each central union shall conduct 'any other matters required for attaining the object of a central union',¹ which in Article 73(2) is defined as 'securing the sound development of the cooperatives'.² The latter provision gives the central unions fairly wide scope for promotional activities on behalf of agricultural cooperatives and their members.

In a sense, both the popular view of Nokyo and the official view of Nokyo are therefore correct. Patently, economic functions represent the substance of the business of agricultural cooperatives and federations of agricultural cooperatives, which are accurately labeled 'economic groups' (keisai dantai). This is an equally good summary description of the total Nokyo organisation in formal-legal terms because of the overwhelming importance given to economic functions in the Nōkyōhō. Nevertheless, 'agricultural policy activities' do receive official sanction in the section of the law pertaining to the business of the central unions. Possibilities also exist for a fairly wide margin between the formal boundaries of agricultural cooperative activity and what Nokyo actually does in practice. It is customary for Japanese organisations to adopt a wide range of informal functions outside the specific objectives and original purposes for which they were founded.³

¹ Ibid.
² Ibid.
³ This view is discussed in Ishida, 'The Development of Interest Groups and the Pattern of Political Modernization in Japan', op. cit., pp.331-332.
These activities are legitimised by their value in developing the
total commitment, loyalty and in-group solidarity of the membership.
This leads to extremely broad spheres of activity encouraged by the
sole rationale that they enhance the group itself and therefore advance
its interests. Extra-organisational functions range over a wide
variety of areas including political and electoral activities. In a
curiously contradictory fashion, political functions undertaken in
this light are tacitly legitimised by Japanese social and cultural
norms, even though specific instances of pressure group activity are
not. Many of the electoral activities of the cooperatives are sanctioned
on these grounds: as part of a legitimate extension of cooperative
functions. At the same time, blatant exercise of Nokyo's mass power
during the annual rice price campaign is considered a self-interested
demonstration of group power regardless of the public good.

A narrowly legalistic view of Nokyo's functions is naturally
promulgated by many of its internal management who devote much attention
to interpreting and accounting to the Nōkyōhō, and who are obliged to
present an 'official' view to the outside world. This does not make the
name tag 'pressure group' any less appropriate. It merely reveals that
an organisation, although not formally established as a pressure group,
can nevertheless, behave like one. Moreover, the fact that different
labels can be pinned on the same group is also an indication that one
organisation can have multiple roles, some more legally sanctioned than
others.
Nokyo's Multiple Roles

The metaphor of the 'face' has been one very often applied by Japanese observers to Nokyo as a convenient analytical framework to assist them in categorising the agricultural cooperatives' wide-ranging functions.¹

There are variations in these analyses, but they all reach essentially the same conclusion: that the multi-faceted aspects of Nokyo's activities contain a number of fundamental contradictions. One writer sees Nokyo above all as 'an organisation of farmers' (nōmin no soshiki)² or, (with a slight variation in terminology), as 'an organised body of farmers' (nōmin no soshikitai).³ Although this may appear too obvious and simplistic to deserve special comment, certain behavioural imperatives or principles of action (unō genri) flow from it which are intrinsic to Nokyo ideology.⁴ The first is the cooperative directive: Nokyo is an organisation 'of farmers and for farmers'.⁵ It provides the means by which farmers can achieve improvement in their economic position and a rise in their status through mutual self-help.

¹ This approach was originally developed by Ishikawa Hideo, in 'Nōkyō no Mitsu no Kao' (The Three Faces of Nokyo), in Usui Yoshimi (ed.), Kanryō, Seito, Atsuryoku Dantai (Bureaucracy, Political Parties, Pressure Groups), Gendai Kyōdō Zenshū, Vol.21, Tokyo, Chikuma Shobō, 1956, pp.247-255. It was found no less appropriate by a contemporary economic analyst of the 1970s, Aono Bunsaku, op. cit., pp.9-11. These works were supplemented by yet another comprehensive survey which sought to reveal 'the unpainted face of Nokyo'. See Onodera Yoshiyuki, Jonboo Nōkyō no Sugao (The Unpainted Face of Jumbo Nokyo), Tokyo, Jūtaku Shinpōsha, 1970.

² Aono, op. cit., p.10.


⁴ Aono, op. cit., p.11.

⁵ Ibid., p.26.
This philosophy is embodied in the slogan: 'One man for 10,000 and 10,000 for one man.' Nokyo's first principle of action is thus the notion of serving the interests of cooperative union members first. In theory, the economic benefits of cooperative action should flow back to the farmer whose interests are paramount and must not be sacrificed to the dictates of any other principles.

And yet, as the argument goes, Nokyo performs this service for the farmers primarily through economic enterprise. This constitutes the second fundamental aspect of the agricultural cooperative organisation: Nokyo as a body for economic enterprise (keizai jigyōtai toshite no Nōkyō). If one takes the principle of economic enterprise to its logical conclusion, however, there are possibilities for direct conflict with the first principle of cooperativism. If Nokyo bases its activities on economic principles (keizai ronri), cooperatives are required to conduct their activities as efficient and viable economic units. This means operating surpluses. Profit-making, however, is regarded as totally inimical to the concept of mutual self-help as written into Nokyo Law. Article 8 sets out the 'object of business' of an agricultural cooperative as rendering 'maximum services to its cooperative members and member cooperatives...and it shall not be allowed to do its business for profit-making purposes.' In agricultural cooperative ideology,

1 Ibid., p.5. See also the discussion in Arai Yoshio, 'Kyōdō Kumiai Genten Rongi no Yukue' (Where the Debate Stands on the Fundamentals of Cooperative Unionism), Nōrin Keizai, June 28, 1973, pp.2-6. The slogan itself is one of the mottos of the F.W. Raiffeisen cooperatives, which together with the Rochdale cooperatives, provided the models for Nokyo's earliest predecessors, the producers' cooperatives (sangyō kumiai) established in Japan in 1900.


3 Ibid., p.11.

4 'Nōgyō Kyōdō Kumiaihō', op. cit., p.113.
commercialism is thus regarded as being diametrically opposed to cooperative principles. And yet if the agricultural cooperatives consciously ignore the profit motive, they may hinder the development and success of their economic operations. In other words, Nokyo's first two organisational principles lead to inevitable conflict in management practice.

The third principle of action relates to Nokyo's interest group role: its political 'face'. This derives in the first instance from its agricultural policy function incorporated in Article 73(9) of Nokyo Law. In one estimation, 'Nokyo becomes a pressure group through its agricultural policy activities'.

Nokyo's political role is qualified in several respects, however. It is not strictly speaking, a 'political group' (seiji dantai) in the specific legal sense in which this term is used in the Japanese. This applies to groups registered as such under the Political Funds Regulation Law (Seiji Shikin Kiseiho), which requires organisations of this type to submit reports on their officially recognised function (political funding) to the Electoral Management Commission of the Local Autonomy Ministry.

Secondly, the official doctrine of the Nokyo organisation as asserted by successive leaders of Zenchū is that Nokyo espouses a position of 'political neutrality' (seijiteki chūritsu).  

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1 Ishikawa, op. cit., p.249. This argument is supported by Aono who maintained that Nokyo's function in relation to agricultural policy gave it a 'political group aspect' (seijiteki dantai). Op. cit., p.10.

2 Aono, op. cit., p.10. The rejection of the label 'political' by the Nokyo leadership also stems from its common equation with 'ideological'. Nokyo prides itself on being a 'non-ideological' organisation with a strong economic slant, in contrast to the 'political' and 'ideological' basis of such groups as the farmers' unions and trade unions.
An equivalent notion is the concept of 'equidistance' from all political parties.¹

The most fundamental qualification of Nokyo the pressure group derives from the emphasis given to its cooperative and economic goals in Nokyo Law. Political functions are relegated to a subsidiary position in the rank-ordering of agricultural cooperative objectives. This becomes relevant in the event of conflict amongst Nokyo's three principles of action, principally when the dictates of interest group strategy jeopardise Nokyo's economic operations. Possibilities for such conflict arise out of the existence of yet another 'face' identifiable in agricultural cooperative activity: Nokyo as a subsidiary organ of government in agricultural and forestry administration.²

Nokyo's policy-related function is a dual one: it acts as agent for the farmers in the presentation of proposals to 'administrative authorities', and as agent for the administration in the implementation of agricultural policies. In this respect, it operates very much like a semi-administrative arm of government. Accompanying this function, the cooperatives have consistently benefited from a wide range of subsidies and financial assistance from government, both directly and indirectly.

This ancilliary role as administrative agent has been notably encouraged by the dominant element of planning in Japanese agriculture. In order to achieve its stated objectives of income parity for the farm population and maximum possible self-sufficiency in food, the government

¹ See the interview with Miyawaki Asao, Zenchū Chairman (1974) in the Sankei Shinbun, June 5, 1974.
² This 'face' was originally identified by Ishikawa, *op. cit.*, pp.249-251.
has created a complex system of agricultural incentives, State subsidies, and price supports for farm products.

A number of agricultural laws integrate Nokyo into the functioning of agricultural and forestry administration and provide substantial financial fringe benefits for doing so. These include the Agricultural Basic Law of 1961 (Nōgyō Kihonhō), the Food Control Law, the Law Relating to Price Stabilisation for Livestock Products, the Feed Demand and Supply Stabilisation Law, and so on. Government-subsidised long-term low interest loans are provided to the farmers through the cooperatives, and funds are also made available to the cooperatives through the Agriculture Forestry and Fisheries Finance Corporation.

In many areas of agricultural administration, Nokyo is thus used as an institutionalised mechanism for dispensing subsidies and channelling financial assistance to the farmer. As such, the agricultural cooperatives have achieved the role of 'peripheral agencies' of government economic policies. The way in which Nokyo has been inextricably interwoven into the whole fabric of agricultural administration and policy execution in Japan has been described by Ishida in terms of the 'governmentalization' of interest groups, a particular type of institutionalization.

1 This provides for direct assistance to the agricultural cooperatives for the development and improvement of cooperative marketing, purchasing, production and other facilities.
2 The provisions of this law relating to Nokyo are discussed in Chapter 5.
3 This law is examined in detail in Chapter 6.
encountered in Japan. In this process the specific purposes of interest groups become fused with governmental purposes . . . .\(^1\)

For this reason, he challenges the whole notion that the agricultural cooperative organisation is a genuine interest group. He points out that organisations which are not completely independent of government naturally make concessions to the government bureaucracy. On these grounds it is difficult to decide whether they really belong in the category of voluntary associations or semi-governmental organisations. In Nokyo's case, he sees a primary clash of objectives between the interest group 'face' of Nokyo and its other roles. 'The function of interest representation on the part of agricultural cooperative unions . . . cannot threaten that of the economic enterprises which the farmers undertake through them . . . nor can they resort to any methods which would contradict the intentions of the government and therefore might result in the reduction of government subsidies.'\(^2\)

According to this argument, the guiding principle of all Nokyo's action is therefore, the need to maintain the flow of government funding into and through the organisation. This is the yardstick against which all agricultural cooperative strategies are measured. The natural consequence of government financial support is some loss of organisational independence, which Ishida maintains, Nokyo abrogated very early on in its postwar history when financial and general economic difficulties of many local cooperatives in the early 'fifties forced them to consider the question of reorganisation.\(^3\) In order to rehabilitate themselves

\(^1\) See 'The Development of Interest Groups and the Pattern of Political Modernization in Japan', op. cit., p.297.

\(^2\) Interest Groups in Japan, op.cit., p.68.

\(^3\) Ibid., p.67.
financially, the cooperatives made a direct request for governmental assistance to the Ministry of Agriculture and Forestry (MAF) which responded with a 'Reconstruction and Consolidation' (Saiken Seibi) program. This represented the first major intra-organisational crisis which Nokyo had to face. It was resolved in a series of laws pertaining to 'Agriculture, Forestry and Fishery Cooperative Unions' Reconstruction and Consolidation' (Nōringyo Kyōdō Kumiai Saiken Seibi) passed in 1951, 1 1953 and 1956 (with minor variations in title), which provided for direct government assistance in the form of financial grants and technical advice to cooperatives designated as 'non-flourishing'.

The second major set of structural alterations to the Nokyo system undertaken with governmental support was the program of amalgamation (gappei) of agricultural cooperatives. It began in 1961 with the passage of the Nokyo Amalgamation Assistance Law (Nōkyō Gappei Jōseihō), and was advanced in a series of amendments to the law in 1966, 1970 and 1972. It has resulted in great reductions in the number of local agricultural cooperatives and is still in progress.

Thus, in addition to the indirect financial support Nokyo has received as an adjunct to the agricultural and forestry administration, it has been a direct beneficiary of government subsidies made specifically to the cooperatives. The quantity of assistance rose from 13.4

1 In the first year of operation of this law, the government provided subsidies to the cooperatives of 800 million yen, and one billion yen in the second. 2,480 cooperatives and 142 federations benefited from this assistance. See Shirō Morita, The Development of Agricultural Cooperative Associations in Japan, Tokyo, Japan FAO Association, 1960, p. 86.

billion yen in 1968 to 38.1 billion yen in 1974.\(^1\)

The negative effects of this dependence on government subsidies on Nokyo's strategies as an interest group, however, are somewhat counterbalanced by the lack of any other organisational alternative for the Japanese farmers.

Organisational Alternatives to Nokyo

There are two other main sets of agricultural organisation in Japan which could claim a general representational role on behalf of the farmers: local agricultural committees (nōgyō iinkai) and prefectural agricultural councils (ken nōgyō kaigi) attached to the National Chamber of Agriculture (Zenkoku Nōgyō Kaigisho); and the farmers' unions (nōmin kumiai). Neither presents a serious challenge to Nokyo as farm spokesman.

Early rivalry for the leadership of the farm sector between Nokyo and the agricultural committee system was resolved in Nokyo's favour by 1957.\(^2\) Unlike the cooperatives, the National Chamber of Agriculture and its lower level organs have no independent financial and mass membership base. They were created as semi-public organisations by the Agricultural Committees Law (nōgyō Iinkaihō) of 1951, (which was amended in 1954 and 1957 involving some measure of structural change). They are

\(^1\) Norinshō, Nōrin Keizai Kyoku, Nōgyō Kyōdō Kumiaika (ed.), Sōgō Nōkyō Tōkeihyō (Ministry of Agriculture and Forestry, Agriculture and Forestry Economics Bureau, Agricultural Cooperative Union Section, A Statistical Table of General-Purpose Agricultural Cooperatives), 1971, p.163, and 1974, p.178. Although it is not specifically stated, these amounts were probably allocated for the amalgamation program. The figures from the above source are much lower than those listed in a breakdown of MAF budget appropriations in E.A. Saxon, Recent Developments in Food Consumption and Farm Production in Japan, Occasional Paper No.43, Bureau of Agricultural Economics, Canberra, 1978, p.76. Here, the allocations to 'agricultural co-ops and other' recorded a growth from 17.9 billion yen in 1960 to 152.6 billion yen in 1976.

\(^2\) The content of the jurisdictional dispute between Nokyo and the agricultural committee system is discussed in Dore, op. cit., pp.425-431.
dependent to a large extent on subsidies donated by central and prefectural governments for their functioning.

Membership of local agricultural committees, prefectural agricultural councils and the National Chamber of Agriculture is shared between 'institutional' and 'individual' members, including representatives from the agricultural cooperatives, with only an indirect representation system and 'limited elections by farm members'.

As a result of its organisational setup, the agricultural committee system has emerged as an instrumentality in the propagation and dissemination of government agricultural policies. Prefectural agricultural councils officially function as auxiliary administrative

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1 The membership structure of the agricultural committee system is as follows: 3,367 (as of 1969) local agricultural committees with an average of 70 members each, except for Hokkaidō with 216 members. These members are made up of between 10 and 40 elected farmer members (with an average of 15 per agricultural committee), and an average of six appointed members - (a) one director each from local agricultural cooperatives, and (b) agricultural mutual aid associations, and (c) five or less persons of learning and experience (gakushiki keikensha): 47 prefectural agricultural councils (one per prefecture) with one nominated member from each local agricultural committee, and an average of 16 members - (a) one representative each from the Prefectural Central Union of Agricultural Cooperatives, and the (b) Prefectural Federation of Agricultural Mutual Aid Associations, and (c) a few representatives of prefectural agricultural cooperative federations, (d) organisations carrying out agricultural improvement and development, and (e) persons of learning and experience; and one National Chamber of Agriculture with (a) an affiliated organisational membership of 47 prefectural agricultural councils (b) nine members from Zenōhū and national agricultural cooperative federations, (c) 11 members from organisations carrying out agricultural improvement and development, and (d) 10 persons of learning and experience. The executive structure of the National Chamber of Agriculture is made up of 14 directors from prefectural agricultural councils, national agricultural cooperative organisations and persons of learning and experience, plus two auditors. These details were obtained from The National Chamber of Agriculture, Organization and Activities of the National and Prefectural Chambers of Agriculture and Local Agricultural Committees in Japan, Tokyo, 1969, pp.7-9.

organs and advisory bodies to prefectural governors. Local agricultural committees in turn are 'held responsible for administrative work as prescribed by the relevant Laws including the Agricultural Land Law, the Agricultural Land Improvement Law, and the Law Concerning the Infrastructural Reorganisation for Agricultural Development in Designated Areas. The table of functions for the local agricultural committees as set out in their governing legislation heavily emphasises their policy assistance, administrative and research functions, with only one Article referring to the task of making 'known to the public, as well as to administrative agencies, through recommendations and submission of reports at their inquiries, the views and opinions of the farmers on themselves and agriculture in general'. Needless to say, the agricultural committee system is generally held to be a conservative semi-official organisation, with powers limited to those of suggestion and advice.

The ideologically-based farmers' unions are at the opposite end of the organisational and political spectrum from the agricultural committee system. The largest farmers' union organisation, the All-Japan Federation of Farmers' Unions (Zennihon Nōmin Kumiai Rengōkai, or Zennō) is attached to the Japan Socialist Party (JSP) and a smaller group, the National Farmers' League (Zenkoku Nōmin Dōmei, or Zennō) is affiliated to the Democratic Socialist Party (DSP). As organisational

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1 See 'Organization and Activities of the National and Prefectural Chambers of Agriculture and Local Agricultural Committees in Japan, op. cit., p.9, where these functions are set out in detail.
2 Ibid.
3 Ibid., p.11.
offshoots of Parliamentary socialist parties, their membership is based on political and ideological motivation.

The revival of the farmers' union movement in 1946 pre-dated the reorganisation of the agricultural cooperative system but its early demise after the completion of land reform (its principal policy objective), considerably reduced its chances of taking the leadership position amongst agricultural spokesmen groups. Membership numbers declined dramatically after 1947, and in many agricultural prefectures, farmers' union organisations became moribund. Their allegiance to opposition socialist parties not only effectively excluded them from a position of influence over government agricultural policy, but placed them in a minority position amongst farm voters.

The Political Source of Nokyo's Power

The principal ingredient in the political power of the agricultural cooperatives is the endemic conservatism of the Japanese countryside in combination with the over-representation of rural and semi-rural districts in the electoral system, which magnifies the political significance of the farm vote. The need to retain this vital sector of the electorate under its wing has forced the ruling Liberal Democratic Party (LDP), in power since 1955, and also the conservative government parties which preceded it, to be responsive to the economic needs of farm voters. This has elevated political factors into the position of prime determinants of agricultural policy. These factors have worked to enhance the political influence of Nokyo in the light of its incorporation of a crucial section of conservative government supporters within its membership. The actions and motivations of rural Diet members are very much influenced by their belief that 'If one should lose
the sympathy and support of the agricultural cooperative unions, one would be sure to lose the elections'.

In addition to the 'residual' electoral significance of the farm vote, there is substantial evidence that Nokyo itself plays an active role as electioneering agent, actually mobilising votes for and against political candidates. One of the reasons for this lies in the nature of Japanese party organisation, particularly in the case of the LDP, JSP and DSP. As Ishida pointed out, interest groups are in a position to influence Japanese political parties because parties lack mass organisations. This enables organised groups to supply parties with financial support missing as a result of a lack of membership fees and contributions from party members, (he identified big business as a primary source of this support), or if an organisation has many members (theoretically it need not be either/or), it can supply votes. 'Such groups can also serve as a source of active campaign workers'.

Ishida constructed the latter category of group-supplied voting support on the basis of Nokyo's organisational attributes, and the kind of political resources it could mobilise in its relationship with the government party.

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1 Ishikawa, *op. cit.*, p.252.
2 Ishida, 'The Development of Interest Groups and the Pattern of Political Modernization in Japan', *op. cit.*, p.300.
These political and electoral ingredients form the basis of Nokyo's power as an interest group. Although Nokyo plays the role of petitioner in its relationship with the MAF, displaying many of the characteristics of a semi-administrative organisation, it is in a much stronger position in relation to the government party because of its stronger political and electoral standing. In other words, Nokyo's subordination to the bureaucracy is counterbalanced by the LDP's dependence on the farm vote and Nokyo's role in mobilising this vote. The analytical distinction between 'the relationships between interest groups and political parties and between interest groups and the bureaucracy' has been recognised elsewhere. Moreover, the relative strengths and weaknesses of Nokyo's respective positions vis-à-vis the government party and the bureaucracy correspond to the general power balance between the ruling party and the bureaucracy within the structure of central government. This has been summarised in the following terms: 'the relationship between . . . the government party, and the bureaucracy is characterized by the dominance of the former over the latter and it is a glaring fact that the conservative party began exercising control over the bureaucracy since the formation of the Liberal Democratic Party in 1955. Thus . . . the political party is on the offensive vis-à-vis the bureaucracy, but defensive vis-à-vis the pressure groups; . . . the pressure groups are on the offensive vis-à-vis the political party but defensive vis-à-vis the bureaucracy; and . . . the bureaucracy is on the offensive vis-à-vis the pressure groups but defensive vis-à-vis the political party.'

1 Ibid., p.299.

Nokyo's economic vulnerability and level of financial dependence on government has also undergone drastic alteration in the last two decades. In the 1950s local cooperatives sought to consolidate their economic and financial foundations with government assistance, but this government backing also laid the basis for Nokyo's spectacular expansion in later years, thus contributing to the formation of an independent agricultural cooperative economic power base. Nokyo received assistance and support from successive administrations not only to save local cooperatives from financial ruin, but under the same government protection and patronage, it was officially encouraged to move into every conceivable kind of activity in the farm sector and to extend and develop its operations in a multitude of spheres. Although it abrogated a certain measure of its organisational autonomy and consequently restricted its range of political manoeuvres as a result, these limitations were increasingly counterbalanced by the tremendous expansion in scale of its financial and economic power. This in turn made a valuable contribution to its overall political influence.¹

¹ This calls into question the standard distinction made by Ishida between types of Japanese interest groups: between economically powerful suppliers of financial support to the government party, and economically weak suppliers of votes. This latter categorisation no longer fits Nokyo. Ishida himself pointed out that conditions relating to the 'weakness of autonomy' which characterised Japanese interest groups varied 'depending on the strength of their financial bases'. See 'The Development of Interest Groups and the Pattern of Political Modernization in Japan', op. cit., p.299. Furthermore, as Nokyo has become more economically powerful, its role as a supplier of financial support to the ruling party cannot be dismissed. This is examined in more detail in Chapter 4.
Nokyo in the Pattern of Japanese Interest Groups

Nokyo's possession of an entirely separate and primary economic rationale for its existence endows it with a source of influence which is not open to purely 'associational' interest groups. One of Nokyo's particular strengths is that it is not first and foremost an interest group. This role has the status of a functional derivative: a natural extension of its primary objective to service the farm sector through cooperative economic enterprise. This fundamental characteristic is a source of organisational and functional limitations, but it also endows Nokyo with its very special character and powers as a Japanese interest group. In this respect it differs from the majority of other prominent Japanese pressure groups like the Federation of Economic Organisations (Keidanren), the Japan Medical Association, the Housewives' Federation etc. which are principally professional or 'associational' interest groups. Their specific raison d'être is 'association' for the purpose of promotion and protection of common interests. In practice, their functions may be fairly wide, but they are not 'economic groups' (keizai dantai) in the sense of conducting economic enterprise.

In terms of its legal grounding and organisational type, Nokyo is more akin to other 'cooperative union' organisations operating in Japan. Prime examples of these are the livelihood (consumer) cooperative organisations and the forestry and fishery cooperatives. The latter service primary industry sectors through cooperative economic services in much the same manner as Nokyo with secondary status given to a representational function.

Unlike associational interest groups, Nokyo also has a specific legal identity and is governed closely by the statutory provisions of the law which set it up. As a governmental creation, it is not the
product of the voluntary initiative of a group of founding members. Most other Japanese pressure groups in contrast, drew up their own organisational constitutions, charters or articles of association and bylaws. In Nokyo's case, the content of these are specified by law. Each individual cooperative has its own articles of incorporation (teikan) and bylaws (kiyaku), but their provisions are specified by Section Four of the Nōkyōhō pertaining to the administration of the agricultural cooperatives.

The Fundamentals of Nokyo's Organisational Structure

Nokyo in its totality constitutes a massive and highly complex grouping with a multitude of organisational offshoots. The core structure of Nokyo is referred to as the 'federated Nokyo organisation' (keitō Nōkyō soshiki), and this corresponds to the three-stage pattern of national political-administrative divisions. It forms a pyramid-shaped structure, or 'systematic three-stage system', with a base line made up of city, town and village agricultural cooperatives (shichōson nōkyō), which are local 'unit cooperatives' (tani nōkyō, or tankyō).

The members of unit cooperatives are:

(a) farmers;

(b) farmers' group corporations (nōji kumiai hōjin) undertaking farm management, and other types of corporations (hōjin) undertaking farm management;

(c) persons living in areas serviced by the cooperatives but not necessarily involved in agricultural activities;

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(d) other agricultural cooperatives;

(e) other organisations composed chiefly of farmers which aim to promote the common interests of the farmers through the cooperative system; or organisations which have farmers as their main members or capital stock contributors.

Above the unit cooperatives sit prefectural federations (ken rengōkai, or kenren) and central unions (kenohū). The members of prefectural Nokyo organisations are lower level unit cooperatives. Above the prefectural agricultural cooperative federations and central unions are the national federations (senkokuren) with the 'first among equals', the National Central Union of Agricultural Cooperatives (Zenohū) at the apex of the whole Nokyo organisation. This three-stage system of tankyō - kenren - senkokuren constitutes the organisational framework of the federated Nokyo organisation.

Within this horizontal structure, a vertical division separates generalist from specialist agricultural cooperatives. At the city, town and village level, there are two types of unit agricultural cooperatives: general-purpose or multi-purpose agricultural cooperatives (sōgō nōkyō); and specialist or single-purpose agricultural cooperatives (senmon nōkyō). The multi-purpose cooperative is exactly what its name indicates. It is a unit agricultural cooperative which simultaneously conducts the whole range of businesses and services permitted to the cooperatives. The nature of these functions was covered earlier in the listing of agricultural cooperative activities under the section 'scope of business' as set down in the Nōkyōhō, Article 10.
What this means in practice is that only multi-purpose agricultural cooperatives undertake general financial functions such as trust business in addition to their other commodity-related activities and services, effectively keeping the purse strings within the sogō nōkyō or mainstream side of the agricultural cooperative organisation. The single-purpose agricultural cooperatives on the other hand, conduct only specific commodity- or activity-related functions. Specialist livestock cooperatives for example, engage in marketing, purchasing, technical guidance and production activities, but only in relation to livestock farming. They do not handle the whole range of farm products as do the multi-purpose co-ops, which may be involved in all aspects of business in connection with rice, vegetable, fruit and milk production in one area.

Nokyo's Organisational Antecedents

Of all the functions and services within Nokyo's 'scope of business', the credit function - providing loans to farmers - represents historically, the most significant activity of all, and the primary rationale for the initial formation of agricultural cooperative organisations in Japan.

Nokyo is in many respects a creature of its heritage. Its most distinctive organisational and functional characteristics were derived from its historical predecessors: the 'industrial' or producer cooperatives (sangyō kumiai) 1900-1943; and the agricultural associations (nōkai) 1899-1943.

The sangyō kumiai were established by the Industrial Cooperatives Law (Sangyō Kumiaihō) of 1900. This Act was 'directly concerned with economic activity, especially interest rates and loans, for smaller
The aim of the bill was to support the extension of credit to the petty or smaller landowners, the large group of hard-pressed owner-cultivators (jisakumō), who were 'the backbone village leadership class'. The latter class came to dominate the producer cooperatives.

The history of the development of the sangyō kumiai reads like an echo from the past: functionally, structurally, and terminologically, the similarities to the present-day agricultural cooperatives are striking. Although the focus of the original producer cooperatives' bill was on creating credit cooperatives for the smaller producers, it also provided for the establishment of separate cooperatives for marketing, purchasing, processing and production (joint-use). These were organised along the familiar three-stage pattern of local city, town and village cooperatives, prefectural and national federations, and a Greater-Japan Central Union of Producer Cooperatives at the top.

From these beginnings, the number of sangyō kumiai multiplied rapidly, until by 1912, 10,455 cooperatives were operating, and 57 per cent of farm households were members. According to one writer, the

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2 Ibid., p.79.
3 In 1903, there were 870 cooperatives, and 549 of them were credit cooperatives. The Institute for the Development of Agriculture Cooperation in Asia, Agricultural Cooperative Movement in Japan, n.d., p.15.
4 The latter was established by an amendment to the law in 1909. The task of the Central Union was guidance and inspection of cooperatives, education, information, and publication activities - in other words, the core functions of Zenchū today.
5 Agricultural Cooperative Movement in Japan, op. cit., p.16.
Most important 'factor contributing to the rapid growth of the Sangyō Kumiai was the role of government in revising laws, assisting with subsidies, and allowing diversification into many activities'. These areas where the producer cooperatives actively participated were in the rice, silk, and fertiliser trades. The antecedents of the specialist cooperatives were the special-purpose cooperatives for cocoon and orange producers.

Much of the growth in producer cooperative activities occurred in the 1920s (when national federations and a Central Cooperative Bank were established), and in the 1930s, when government policy aimed at strengthening producer federations and the marketing and purchasing divisions of the cooperatives. A major structural difference between the postwar agricultural cooperatives and the prewar producer cooperatives, however, was the conduct of these non credit-related functions within separate branches of the local sangyō kumiai. In Nokyo, these activities constitute separate but internal facets of the multi-purpose agricultural cooperatives.

From an initially much more broadly based Nōkyōhō, the modern agricultural cooperatives also experienced progressive liberalisation of their activities by means of subsequent amendments to their founding legislation. These have taken Nokyo well beyond the functional boundaries of the prewar sangyō kumiai. One of the most important new


2 These additional activities were by and large, contained in the insertion of Paragraphs 2-12 in Article 10 of Nōkyōhō.
spheres of agricultural cooperative activity has been the mutual aid function, not permitted to the prewar producer cooperatives, which proved to be a vital ingredient in Nokyo's later economic expansion.\textsuperscript{1} Direct subsidies have also been a feature of Nokyo's development, financial survival, and structural reorganisation.

Nokyo's technical guidance and extension services had their organisational origins in the prewar agricultural associations (\textit{nokai}). The impetus behind the latter's establishment came from a government anxious to hasten the technological advancement of agriculture in order to improve farm production. The 1899 Agricultural Associations Law (\textit{Nokaihō}) required every local and prefectural political unit to have an agricultural society . . . to serve as agricultural extension associations for the state.\textsuperscript{2} In 1910, the Imperial Agricultural Association (\textit{Teikoku Nokai}) was set up to complete the local, prefectural and national level structure. The \textit{nokai} were semi-official organisations supported by public funds and were therefore subject to a high level of government control. The State dictated the conditions of membership: it was made compulsory for landlords and optional for other farmers giving 'large landholders \textit{de facto} domination of the Nokai',\textsuperscript{2} and appointed its leadership. The establishment of the \textit{nokai} not only facilitated a State-desired dissemination of a new farm technology, but they functioned in the

\textsuperscript{1} This is because of the mechanism whereby insurance sold by local cooperatives is reinsured in the upper federations, and reserved funds are custodied and invested by the upper organisations.

\textsuperscript{2} Havens, \textit{op. cit.}, p.74.

\textsuperscript{3} \textit{Ibid.}
broader sense as organs for instituting government agricultural policy. They also acted as 'sounding boards for the interests of landlords'. These twin aspects of Nokyo's activity: as a channel for representing farm interests and as a mechanism for assisting the implementation of State-sponsored farm policy, have their organisational antecedents in the nōkai.

During the late 1930s and early 1940s, the sangyō kumiai came under greater State direction. By 1936, all towns and villages had cooperatives, and all farmers were affiliated with them.

The government control features of the cooperatives and the nōkai were made absolute in the establishment of a new type of agricultural association (nōgyōkai) in 1943, under conditions of wartime mobilisation. They were the medium for State control of the farmer, and were given administrative duties in the collection of agricultural commodities (particularly rice), and in the distribution of production materials and farming techniques.

Structurally speaking, the nōgyōkai amalgamated under a single organisational umbrella the two prewar streams of farmers' groups in Japan. Their broad functional base was incorporated into the design of Nokyo in 1947. Like the sangyō kumiai, the modern agricultural cooperatives were strongly economically-oriented, but were also charged with purely technical advisory and policy representation and assistance functions like the nōkai. In addition, they inherited the function of the nōgyōkai in the collection of rice on behalf of the government, minus the 'control' aspects of enforced crop deliveries.

1 Ibid.
Although they were the instruments of governmental direction of farmers, the nögyökai thus represented a definite stage in the development of agricultural cooperative organisation in Japan. The formation of Nokyo in 1947 was in many respects a complete break with the past, but in others, it was an extension of an organisational continuum which also included the wartime agricultural associations.

The overall historical process of the birth and development of the agricultural cooperative movement in Japan was in reverse order to the traditional pattern of the formation of agricultural organisations in democratic societies, including farmers' cooperatives. Like the sangyö kumiai and the nökai which were creatures of the Meiji State, the modern Japanese agricultural cooperatives were government-sponsored organisations. In the Japanese case, the primary organisational initiative came from the State which passed the necessary laws governing their constitution, cooperatives were then established, and only then were cooperative members organised. Nokyo's legal heritage

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1 The word 'primary' rather than 'sole' is used here, because prototypes of cooperative organisations amongst farmers did exist prior to 1900 and the passage of government legislation. Dore pointed out that even before the close of the Tokugawa period, a number of embryonic agricultural cooperatives operated. Op. cit., pp.277-278. It was after the Meiji Restoration in 1868 which abolished the feudal landlord system and incorporated the farm sector into the money economy, however, that various farmers' groups began to flourish, such as seed exchange societies, agricultural improvement groups, silk and tea marketing cooperatives in Gumma and Shizuoka Prefectures, fertilizer purchasing associations in Gumma, and a credit cooperative association in Shizuoka. These developments took place particularly in the 1880s and 1890s. The 1900 Sangyö Kumiai aimed at regularising the operations of farmers' cooperatives and at encouraging their further development, especially in the area of credit. Moreover, the role of government in the formation and continuing development of the agricultural cooperatives in Japan is such a vital one, that it is rightly considered the prime instigator of the cooperative movement. For discussion of early cooperative organisations in Japan, see also George, op. cit., pp.3-4.

2 In Europe for example, farmers on their own voluntary initiative founded cooperatives, and only after that was there legislation recognising them. The contrast between this and the Japanese situation was pointed out by Aono, op. cit., p.16.
endowed the agricultural cooperatives with some of their most
distinctive characteristics: the simultaneous operation of a number
of farm-related economic functions and businesses drawn up according
to legislative design; and an internal cooperative organisational
framework which paralleled national political-administrative divisions
and reflected the informed rationality of policy-makers anxious to
ensure the complementarity of State-wide organisational structure.
The latter also facilitated subsidisation, communication, and super­
vision by government, and the rapid spread of a network of organis­
ations servicing agriculture throughout the entire State.

In incorporating these characteristics into its postwar design,
Nokyo has features in common with the prewar style of interest group rather
than Japan's modern interest associations. As Ishida noted in his
discussion of the emergence of interest groups in Japan: 'Almost
all of the important interest groups were approved . . . or estab­
lished . . . by law.' As a result, the 'conduct of their activities
was very often governed by the need to help spread and develop the
policies of the government, while the original function of interest
articulation was more or less suppressed'. To this extent, the
structural and functional characteristics of Nokyo, the modern-day
farm interest group, are uniquely Japanese and part of its organis­
ational heritage.

Several crucial differences exist, however, between Nokyo and its
organisational antecedents. These are, by and large, the product of
exogenous forces: the democratising reforms imposed by the Occupational
authorities.

1 'The Development of Interest Groups and the Pattern of Political
Modernization in Japan', op. cit. p. 302.
2 Ibid.
The membership of the nökai and sangyō kumiai generally paralleled certain class divisions in prewar agricultural society, at least in the first three decades of their existence. The nökai for instance, catered almost exclusively to the interests of large landholders, and the sangyō kumiai to those of the smaller landholders: the owner-cultivators (jisakunö).

The land reform process, by and large completed prior to the founding of Nokyo in December 1947, drastically reduced the number of tenant farmers and created a system of small-holding owner-cultivators, thus providing a break with the prewar agricultural class structure. It undermined the socio-economic basis of class divisions within farm society and of organisational dominance of farmers' groups by landowners. The newly established agricultural cooperatives imposed no conditions or qualifications on membership, thereby spanning the breadth of a much less stratified farm society.

Quite apart from the radical effects of land reform on agricultural organisation, a number of other revolutionary changes undertaken during the Occupation pertained to the cooperatives directly. Most of the reforms can also be subsumed under the title of 'democratisation':

According to Havens, '(t)he agricultural associations chartered under the Nökaïhō of 1899 and the producers' cooperatives authorized a year later were the two main ways the state supported larger and small landholders respectively at the beginning of the twentieth century.' They represented a government policy with a 'bias towards private-property owners in a system of small-scale farming'. Op. cit., pp.88-89. This was, however, less true of the period after 1930, when the hand of State-sponsored agricultural organisation did extend downwards to include the poorer class of farmers. It was a fixed aim of government policy in these years to provide favourable conditions for the growth of the producer cooperatives and an expansion of their membership. See Dore, op. cit., p.99. This was part of a conscious policy 'to bring all classes of the village community' into the cooperatives in order to '"make even tighter the social-collectivity aspect of the bonds between members"'. Ibid., p.293.
democratic elections of agricultural cooperative leaders; minimisation of government control; and provision for voluntary membership.

**Agricultural Cooperative Membership**

Nokyo's membership constitutes its primary organisational resource. It is outstanding in two respects: its absolute numerical size which exceeds seven million individuals, and the extremely high proportion of potential members which it incorporates. The latter can be illustrated by comparing the total farm household (nōka) membership of Nokyo against the total number of farm households in Japan over a set period.¹

Table 1.1 shows that by 1971, practically every farm household had membership in Nokyo.² This must be a singular achievement for any voluntary farm organisation in a democratic system. The issue is confused somewhat, however, by the fact that farmers (according to the Nōkyōhō), join the agricultural cooperatives as individuals. Here the membership rate in Nokyo if compared with agricultural workforce figures is not as high as the farm household membership rate.

In practice, however, the membership of one agriculturally-employed member of a farm household is sufficient to bring all the rest of the household into the cooperative fold. In other words, those not shown as individual cooperative members would in fact be part of a farm house-

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¹ This is made easy by the fact that 'farm household' is one of the basic statistical units of MAF Agricultural Census surveys as well as being one of the units which Nokyo uses to survey its own membership.

² One statistical survey reported as early as 1957 that agricultural cooperatives organised 99.5 per cent of farming families. See Norin Chō Kinkō Chōsabu, Nōgyō Kyōdō Kumiai Tōnen no Ayumi (Research Division of the Central Bank for Agriculture and Forestry, Ten Years of the Agricultural Cooperatives), Tokyo, 1957, p.35.
Table 1.1
NOKYO'S FARM HOUSEHOLD MEMBERSHIP FIGURES AND MEMBERSHIP RATE

<table>
<thead>
<tr>
<th>Selected Years</th>
<th>Number of Farm Households (A)</th>
<th>Number of Farm Household Members in Multi-purpose Agricultural Cooperatives (B)*</th>
<th>Farm Household Membership Rate of Agricultural Cooperatives (B)/(A):%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>5.99 million</td>
<td>5.45 million</td>
<td>91.0</td>
</tr>
<tr>
<td>1965</td>
<td>5.67 million</td>
<td>5.23 million</td>
<td>92.3</td>
</tr>
<tr>
<td>1968</td>
<td>5.42 million</td>
<td>5.38 million</td>
<td>99.2</td>
</tr>
<tr>
<td>1970</td>
<td>5.34 million</td>
<td>5.33 million</td>
<td>99.8</td>
</tr>
<tr>
<td>1971</td>
<td>5.26 million</td>
<td>5.30 million</td>
<td>100.8 **</td>
</tr>
<tr>
<td>1973</td>
<td>5.02 million</td>
<td>5.30 million</td>
<td>105.6 **</td>
</tr>
<tr>
<td>1975</td>
<td>4.95 million</td>
<td>5.27 million</td>
<td>106.5 **</td>
</tr>
</tbody>
</table>

* Membership in specialist cooperatives is not included because it overlaps with that of multi-purpose societies.

** This peculiar discrepancy is due to the fact that the definition of a farm household in MAF surveys and the definition of farm household members in agricultural cooperatives differs. The latter is laid down in the bylaws of each agricultural cooperative according to Agricultural Cooperative Union Law.

Source: Nōkyō Nenkan (Nokyo Yearbook), relevant years.
hold membership unit, making membership for each individual within the family unnecessary. Furthermore, the strength of kinship ties within farm families is such that the household can be rightly considered a cohesive membership unit.\(^1\) Table 1.2 shows that by and large, one farmer member per household joined Nokyo, regardless of the size of the agricultural workforce, which declined by just under 50 per cent during the period surveyed. It also shows that the proportion of Nokyo's individual farm membership climbed to 96.6 per cent of the total, while actually declining in absolute terms. In fact, both Nokyo's farm household and individual farmer membership fell marginally between 1960 and 1975, but at a slower rate than the total number of farm households and a much slower rate than the agricultural workforce.\(^2\) In view of the decline in the agricultural workforce of approximately 50 per cent between 1960 and 1975, Nokyo's farming membership was remarkably stable.

The extraordinarily high membership rate within the agricultural cooperatives is due to a constellation of factors: historical, legal, geographic, sociological and economic. Even amongst Japanese interest groups which are generally renowned for high membership rates, Nokyo 'represents an extreme case'.\(^3\)

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1  According to Dore, *op. cit.*, p.278, in the agricultural cooperative system, 'the effective members are households'.

2  In 1960 there were 11.96 million persons engaged in agriculture living in 5.99 million farm households: an average of 1.99 members in each household in the farm workforce. By 1975, there were 5.96 persons engaged in agriculture living in 4.95 farm households: an average of 1.2 members in each household in the farm workforce. This pattern conforms to the increasing trend amongst farm household members to seek off-farm work, with the remainder constituting the core Nokyo membership. Even amongst those not engaged in farming, there are considerable economic incentives for the use of Nokyo facilities, and the relevance of these for non-farmers is enhanced by the number of non-agriculture-related financial, business and consumer functions that the agricultural cooperatives perform.

3  Ishida, 'The Development of Interest Groups and the Pattern of Political Modernization in Japan', *op. cit.*, p.332.
Table 1.2

NOKYO'S INDIVIDUAL FARMER MEMBERSHIP FIGURES AND MEMBERSHIP RATE

<table>
<thead>
<tr>
<th>Selected Years</th>
<th>Number of Persons Engaged in Agriculture (A)</th>
<th>Number of Individual Farmer Members of Multi-purpose Cooperatives (B)</th>
<th>Membership Rate (B)/(A):%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>11.96 million</td>
<td>6.15 million</td>
<td>51.7</td>
</tr>
<tr>
<td>1965</td>
<td>9.81 million</td>
<td>5.83 million</td>
<td>59.4</td>
</tr>
<tr>
<td>1970</td>
<td>8.11 million</td>
<td>5.87 million</td>
<td>72.3</td>
</tr>
<tr>
<td>1971</td>
<td>7.33 million</td>
<td>5.88 million</td>
<td>80.2</td>
</tr>
<tr>
<td>1973</td>
<td>6.24 million</td>
<td>5.81 million</td>
<td>93.1</td>
</tr>
<tr>
<td>1974</td>
<td>6.04 million</td>
<td>5.78 million</td>
<td>95.6</td>
</tr>
<tr>
<td>1975</td>
<td>5.96 million</td>
<td>5.76 million</td>
<td>96.6</td>
</tr>
</tbody>
</table>

One of the more immediately obvious reasons for this was the imposition of compulsory membership on the nōgyōkai by the wartime administration. This set a strong precedent for 100 per cent membership. Although Nokyo was reconstituted as a voluntary organisation, it inherited the membership structure of the agricultural associations. Many nōgyōkai leaders were prohibited from holding positions of authority in the agricultural cooperatives because of the purge of public officials instituted by the Occupation authorities, but this did not affect that transference of membership from one group to the other. Nokyo replaced the nōgyōkai in each village, occupying the same set of buildings and facilities. The significance of this was not simply a matter of taking down one set of signs and putting up another. In spite of 'democratisation', Nokyo broadly took on the membership, structural and functional characteristics of the nōgyōkai. Although legal enforcement of high membership rates had been abolished, sociological factors which had provided a favourable environment for the growth of formal cooperative organisation remained.

1 This wartime government policy was less of a radical new 'control' measure than has sometimes been supposed. Under government encouragement, the producer cooperatives had gradually been absorbing greater numbers of the poorer tenant farmers into an expanded range of activities. Moreover, as Dore also noted, in prewar farm society, there were limits to the development of strictly class-based agricultural organisations: from the landowner-dominated, government-sanctioned nōkai and sangyō kumiai on the one hand, to the tenant-led farmers' unions on the other. 'In most villages ... there was ... a slow gradation - from the tenant-cultivator of a small amount of land ... to the large landlord who derived most of his income from rents.' Op. cit., p.79. Secondly, the geographic concentration of rural society into individual hamlets created closely-knit farm communities. These often tied landowner and tenant together in a shared community of interest which transcended class-based divisions. True, this social structure was hierarchical, with rich landlords at the top and lowly tenants at the bottom, but the overwhelming force within rural communities was hamlet solidarity.
These sociological factors reinforcing the extremely high membership rate in Nokyo are largely associated with the regional focus of the cooperatives, the geographic solidarity of the hamlet system in Japan on which the nōkai, sangyō kunriai, nōgyōkai and nōkyō were based, and the traditions of cooperative activity operating within the hamlet system. According to Ishida, 'The postwar agricultural cooperatives . . . inherited the prewar tendency of relying not on their consciousness of special interest but on geographic solidarity . . . . The hamlet remained the natural basic unit of rural life regulating the entire existence of the farmer. The organisational structure of the new agricultural cooperatives was therefore little different from that of the prewar rural associations, despite the fact that Occupation legislation aimed at making them strictly voluntary.'\(^1\) The members of each cooperative thus shared in a strong tradition of localism and sense of community, based on strong personal relationships built up through frequent face-to-face encounters and kinship ties within restricted geographic areas. The agricultural cooperatives were the formal organisational expression of a natural and spontaneous group solidarity 'shared by those living and working in the same place'.\(^2\)

Although the boundaries of city, town and village cooperatives expanded after 1960 in the amalgamation program, the aim of the agricultural cooperatives was still to service particular localities. In

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\(^1\) 'The Development of Interest Groups and the Pattern of Political Modernization in Japan', \textit{op. cit.}, p.321.

\(^2\) Ishida, \textit{Interest Groups in Japan}, \textit{op. cit.}, p.70. Dore also wrote: 'Japan is traditionally a co-operating rather than an individualistic society - the multiplicity of forms of co-operation found in the Tokugawa village are proof of this . . . . Traditional forms of co-operation were built into small face-to-face groups.' \textit{Op. cit.}, p.292.
essence, they remained regional groupings, bringing together farmers and residents living within distinct areas. Those who may join an agricultural cooperative are those who have an address in the area which it services. This gives each nōkyō fundamentally 'the character of a regional cooperative union'.

Considerable legal pressure for joining the agricultural cooperatives was provided by the provisions of the Food Control Law which required that farmers sell their rice to the government through officially designated rice collection agents. Almost all of these were agricultural cooperatives. An extremely high proportion of Japanese farmers were also rice producers.

This legal influence on Nokyo's membership rate was supplemented by incentives more purely economic. It would grossly inconvenience any farmer to conduct his work activities and household economy outside the agricultural cooperative system. Local cooperatives and their branches are not only ubiquitous in the Japanese countryside, but provide all the services an agricultural producer might logically require. Moreover, the generous interpretation of Agricultural Cooperative Union Law by successive agricultural administrators and the scope for the development of Nokyo-funded business outside the nōkyōhō, have meant that the

1 Onodera, op. cit., p.71.

2 The impact of social norms within the hamlet system was also felt in the area of rice marketing which was very much influenced by village and hamlet solidarity. Even in the late 'sixties it was reported that a farmer was condemned by his fellow villagers for wanting to go outside the agricultural cooperative system to sell his rice. Takeshi Ishida and Aurelia D. George, 'Nokyo: The Farmers' Representative', in Peter Drysdale and Hironobu Kitaoji (eds), Japan and Australia: Two Societies and Their Interaction, Canberra, ANU Press, forthcoming.
Agricultural cooperatives have been able to move into economic and social functions relevant to the farmer (and other local residents) practically 'from the cradle to the grave'.\(^1\) Furthermore, in terms of agricultural cooperative philosophy, Nokyo is an agent of protection which, given the farmers' keen awareness of their own economic vulnerability, has considerable emotional as well as economic appeal.

With its membership spanning practically the entire farm sector, Nokyo constitutes the largest voluntary organisation in Japan.\(^2\) It can boast over five million individual farmer members (who are the 'regular' members of the cooperatives); and over 5,000 'regular' group members (farmers' group corporations and any other type of corporation undertaking farm management). In addition, it has nearly two million individual 'associate' members (individuals who live within the area under the charge of an agricultural cooperative and who are entitled to use its facilities)\(^4\), and almost 50,000 'associate' group members.\(^5\)

It is in the area of associate membership that Nokyo has made its most spectacular increases in recent years. These have more than offset the decline in its farming membership, while simultaneously serving to expand its financial and business functions not directly related to farming.

Trends in associate membership are reviewed in the following table:

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2. Its nearest rival, Sōhyō, has approximately four million members.
3. Only farmers (as defined by a cooperative's bylaws) may be 'regular' individual members (*seikumiaiin*) of a cooperative.
5. 'Associate' group members are other cooperatives, or groups composed chiefly of farmers.
Table 1.3

INCREASES IN AGRICULTURAL COOPERATIVE ASSOCIATE MEMBERSHIP
1965-1975

<table>
<thead>
<tr>
<th>Year</th>
<th>Associate Membership Numbers</th>
<th>Annual Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>871,000</td>
<td></td>
</tr>
<tr>
<td>1969</td>
<td>1,257,126</td>
<td>+ 386,126</td>
</tr>
<tr>
<td>1970</td>
<td>1,347,951</td>
<td>+ 90,825</td>
</tr>
<tr>
<td>1971</td>
<td>1,452,797</td>
<td>+ 104,846</td>
</tr>
<tr>
<td>1972</td>
<td>1,566,179</td>
<td>+ 113,382</td>
</tr>
<tr>
<td>1973</td>
<td>1,674,330</td>
<td>+ 108,151</td>
</tr>
<tr>
<td>1974</td>
<td>1,766,351</td>
<td>+ 92,021</td>
</tr>
<tr>
<td>1975</td>
<td>1,848,554</td>
<td>+ 82,203</td>
</tr>
<tr>
<td></td>
<td>Total Increase</td>
<td>977,554</td>
</tr>
</tbody>
</table>

Source: โถกโย นินเคน, relevant years.

Table 1.3 shows that in the ten years between 1965 and 1975, Nokyo increased its associate membership by almost one million, although there has been an overall slowdown in the rate of increase in recent years. This has compensated for the decline in its individual farming membership (amounting to only seven thousand - 5.83 million in 1965 as against 5.76 million in 1975), by almost 140 times.

Nokyo's total individual membership in 1975 therefore stood at 7.6 million (5.7 'regular' members and 1.8 'associate' members). In 1965, the same total of 'regular' and 'associate' individual members was 6.7 million. Far from declining, Nokyo's membership is actually increasing.
Nokyo's 7.6 million members in 1975 were organised into 11,489 agricultural cooperatives (4,942 sogō nōkyō and 6,547 senmon nōkyō).\(^1\)

Whether or not a farmer joins a multi-purpose cooperative or a specialist cooperative, or has dual membership in both is of course a matter of his own free choice. According to Nokyo membership figures, all farmers are in fact either individual members or part of a farm household membership of a sogō nōkyō. Membership of a senmon nōkyō becomes relevant only if a farmer's level of crop specialisation warrants it. Specialist farmers commonly join both types of nōkyō to take advantage of the services of each.

The Nokyo Federations

Nokyo federations exist at sub-prefectural (primarily county or gun level), prefectural, combined prefectural, and national level, with prefectural and national federations predominating. The most striking differences between the base level unit nōkyōs and the upper level Nokyo federations, is the functionally specialised character of the latter and the fact that they are essentially bureaucratic entities with an organisational rather than an individual membership. The membership of Nokyo federations is made up of agricultural cooperatives themselves: each level of cooperatives forms the membership of the set of cooperatives above it, although tankyō can also be direct members of national federations.

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1 A breakdown of the types and numbers of specialist agricultural cooperatives operating in 1975 was as follows: General service - 256, silk - 1,646, livestock - 584, dairy - 683, poultry - 272, pasture management - 919, horticultural - 583, rural industry - 254, settlers' (reclamation) - 830, agricultural broadcasting - 134, and others - 386. Nōkyō Nenkan, 1977, p.100.
Whereas multi-purpose tankyō may conduct a number of services and businesses simultaneously, their upper level federations are specialised according to the four main economic functions which the sogō nokyō perform. This difference does not pertain to the specialist federations, which are, like their unit cooperatives, organised along single commodity or 'activity' lines.

The trust (shinyō) function of the multi-purpose cooperatives is represented at prefectural level by the prefectural credit Nokyo federations (ken shinyō Nōkyō rengōkai, shinren or shinmōren); the mutual aid (insurance) function by the prefectural mutual aid Nokyo federations (ken kyōsai Nōkyō rengōkai, or kyōsairen); the marketing and purchasing functions by the prefectural Nokyo economic federations (ken keizai Nōkyō rengōkai, or keizairen); and the welfare function by the prefectural welfare Nokyo federations (ken kōsei Nōkyō rengōkai, or kōseiren). The membership of these four types of prefectural Nokyo federations is predominantly made up of multi-purpose primary cooperatives. By law, they are not permitted to conduct activities relating to more than one type of business. Above the specialist tankyō sit prefectural silk Nokyo federations, livestock federations, dairy federations, poultry federations, horticultural federations, rural industry federations, settlers' federations, agricultural broadcasting federations and so on.

All multi-purpose cooperatives and their prefectural federations, and specialist cooperatives and their prefectural federations within each prefecture, are united into a prefectural central union of agricultural

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1 These two functions were amalgamated in 1972. Prior to that they were performed by prefectural purchasing Nokyo federations (ken kōbai Nōkyō rengōkai, or kōbairen) and prefectural marketing Nokyo federations (ken hanbai Nōkyō rengōkai, or hanbairen).
cooperatives (kenchū). These serve as the central guidance, liaison, adjustment and representative bodies for all the agricultural cooperatives within a prefecture.

Prefectural Nokyo federations are in turn, organised into the 'big four' national Nokyo organisations: the National Federation of Agricultural Cooperatives (Zenkoku Nōgyō Kyōdō Kumiai Rengōkai, or Zennō), which is the national body for the prefectural Nokyo economic federations; the National Mutual Aid Nokyo Federation (Zenkoku Kyōsai Nōkyō Rengōkai, or Zenkyören); the National Welfare Nokyo Federation (Zenkoku Kōsei Nōkyō Rengōkai, or Zenkōren); and the Central (Cooperative)¹ Bank for Agriculture and Forestry (Nōrin Chūō Kinkō, Chūkin, or Nōrin Chūkin), which is the national banking institution for the agricultural cooperatives.² The latter is a special juridical person (tokushu hōjin) set up according to a separate law, the Nōrin Chūō Kinkōhō. This allows for some degree of supervision from the Minister of Agriculture. The executive staff of Chūkin is dominated by retired MAF and Ministry of Finance (MOF) bureaucrats, and one of its important tasks is to act as a channel for public funds into agriculture via the cooperatives.

The national specialist Nokyo federations outnumber the mainstream general-purpose federations by a considerable margin. A National Livestock Nokyo Federation (Zenkoku Chikusan Nōkyō Rengōkai, or Zenchikuren) and a National Dairying Nokyo Federation (Zenkoku Rakunō Nōkyō Rengōkai, or Zenrakuren) are the top-level cooperatives for the livestock and

¹ Although 'Cooperative' is not incorporated in its title, it is frequently referred to as the Central Cooperative Bank because of the composition of its membership.

² It is also the national banking institution for fishery and forestry cooperatives.
dairying industries. The Japanese silk cooperatives are led by the National Silk Nokyo Federation (Zenkoku Yōten Nōkyō Rengōkai, or Zenkyören), the National Dried Cocoon Marketing Nokyo Federation (Zenkoku Kankan Hanbai Nōkyō Rengōkai), the Japan Raw Silk Thread Marketing Nokyo Federation (Nihon Kiito Hanbai Nōkyō Rengōkai), and the Japan Associated Silk Manufacture Nokyo Federation (Nihon Kumiai Seishi Nōkyō Rengōkai); the poultry and egg industries by the Japan Poultry Nokyo Federation (Nihon Yökei Nōkyō Rengōkai, or Niyören), and the National Egg Marketing Nokyo Federation (Zenkoku Keiran Hanbai Nōkyō Rengōkai, or Zenkeiren); the fruit and vegetable industries by the Japan Horticultural Nokyo Federation (Nihon Engei Nōkyō Rengōkai, or Nichienren), the Japan Fruit Juice Nokyo Federation ((Nihon Kajü Nōkyō Rengōkai, or Kajuren), the Japan Carrot Marketing Nokyo Federation (Nihon Ninjin Hanbai Nōkyō Rengōkai), and the Japan Mushroom Nokyo Federation (Nihon Shiitake Nōkyō Rengōkai); the hop industry by the National Hop Nokyo Federation (Zenkoku Hoppu Nōkyō Rengōkai), and the reclamation and colonisation industries by the National Settlers'Nokyo Federation (Zenkoku Kaitaku Nōkyō Rengōkai, or Kaitakuren), and the National Colonisation Nokyo Federation (Zenkoku Takushoku Nōkyō Rengōkai). Nokyo's cultural and welfare activities are represented nationally by the Japan Culture and Welfare Nokyo Federation (Zenkoku Bunka Kösei Nōkyō Rengōkai) and its information industry by the National Newspaper and Information Nokyo Federation (Zenkoku Shinbun Nōkyō Rengōkai, or Shinbunren). A clarification of this complex organisational structure is contained in Figure 1.1.

Altogether Nokyo had 846 federations both prefectural and national, in 1975.¹ The national Nokyo glamour organisations are Zennō, Zenkyören

Figure 1.1

ORGANISATIONAL CHART OF THE FEDERATED NOKYO ORGANISATION

Prefectural Economic Nokyo Federations

Prefectural Mutual Aid Nokyo Federations

Prefectural Trust Nokyo Federations

Prefectural Welfare Nokyo Federations

Prefectural Specialist Nokyo Federations

Zennō

Zenkyōren

Nōrin Chūkin

Zenkōren

National Specialist Nokyo Federations

Ie no Hikari Kyōkai

Shinbunren

and Chūkin, with financial and business operations running into astronomical figures. Their expansion in the 1960s and 1970s was spectacular, earning Nokyo fame and fortune as a 'giant enterprise' organisation which has been likened to a 'mammoth agricultural zaibatsu'. On economic grounds alone Nokyo is one of Japan's most powerful organisations, the equivalent in size of Mitsubishi, Mitsui or Sumitomo companies. Its marketing and purchasing arm, Zenmō, has been critically appraised for operating like a general trading company (sōgō shōsha). Its combined marketing and purchasing business turnover totalled 5,200 billion yen in 1976. Nokyo's big business trading side is, however, outshone by the value of its insurance contracts. In 1976, these exceeded 99,800 billion yen. Nokyo ranks second to Japan Life Insurance (Nihon Seimei) in terms of life insurance contracts in addition to being a top-class general insurance company.

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1 Nishimoto, op. cit., p.321. Strictly speaking, Nokyo is less like a zaibatsu (defined by Ishida as 'monopolistic cliques based upon extended family relations' in 'The Development of Interest Groups and the Pattern of Political Modernization in Japan', op. cit., p.296) than a modern keiretsu (enterprise grouping) which consists of a major trading bank surrounded by a number of large industrial firms. Nokyo has none of the family interlinkages of the zaibatsu system.


4 Ibid., p.209.

5 The growth of Nokyo's insurance business was particularly important for the development of the agricultural cooperatives, because of the boost it gave to Nokyo's internally generated funds, which greatly assisted one of the acute shortages of the co-ops in the 1950s: their lack of working capital. In 1976, the Nokyo insurance business channelled 16 per cent of its financial assets (516 billion yen) into deposits of the federated Nokyo organisation. Ibid., p.215.
On the banking side, Nokyo's achievement has been equally spectacular. Its trust business section recorded deposits of 17,300 billion yen in 1976.¹ This sum equals the combined deposits of two top-ranking city banks.

Among its other businesses Nokyo can number 118 hospitals and 32 clinics, and on the publicity and information side, it publishes newspapers and weekly magazines, and runs its own publishing house, the 'Light in the Home Association' (Ie no Hikari Kyōkai). In its cultural and educational activities it produces TV and radio programs and manages schools for the research and training of Nokyo staff members.

Through these business operations, Nokyo has built an enormously powerful independent economic base. This has had substantial spin-off in terms of its general organisational influence, and goes some way towards counterbalancing its financial dependence on central government. In spite of the considerable financial difficulties suffered by many local cooperatives in the 'fifties, agricultural cooperative amalgamation contributed greatly to increased management efficiency of the tankyō and also the strengthening of their business operations. (It reduced the number of multi-purpose societies to one third of their 1960 figure by 1976.) By the early 'seventies, over 98 per cent of all multi-purpose cooperatives were recording profits, and for the 1975/76 year, the average amount of profit per multi-purpose agricultural cooperative was 19.6 million yen. The profits of prefectural and national Nokyo federations were naturally even more spectacular. Zenno alone recorded a profit of over two million yen in 1976.

¹ Ibid., p.193.
The strength of the agricultural cooperatives in Japan, however, lies not only in the efficiency of their management, but in the degree of utilisation or support they receive from their membership. This can be measured in terms of the utilisation rates for cooperative services. These have been steadily increasing. Table 1.4 sets out the utilisation rates (by commodity) of Nokyo marketing and purchasing services.

The most outstanding growth rates in Nokyo business, however, have been recorded in the trust and mutual aid area, especially the latter. In the business figures for multi-purpose cooperatives, the value of insurance contracts is equivalent to all the other primary economic activities (i.e. marketing, purchasing, loans and savings) put together.¹

What the spectacular success of Nokyo's purely financial categories of business (i.e. its trust and insurance branches) reveal, is the adaptability of the agricultural cooperative organisation as a whole to the immense social and economic changes that have taken place in the farm sector and rural environment since 1960, particularly as a result of urbanisation and the diversification of farm household occupations with the growth in part-time farming. This adaptability has been enhanced by certain in-built structural aspects of Nokyo, especially the organisation's capacity for absorbing non-farming 'associate' members, which has enabled it to maintain its economic viability in areas which are rapidly urbanising. It has been able to profit directly from the contraction in the farm sector by receiving massive injections of capital in the form of savings deposits from farmers who have sold their lands. In other ways, Nokyo's

¹ In 1974 for example, these were as follows: long-term insurance - 23,452 billion yen; balance of savings - 10,411 billion yen; balance of loans - 5,162 billion yen; marketing business - 3,017 billion yen, and purchasing business - 2,053 billion yen.
<table>
<thead>
<tr>
<th>Commodity Marketed</th>
<th>Utilisation Rate:%</th>
<th>Commodity Purchased Rate:%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government rice</td>
<td>96.7</td>
<td>72.4</td>
</tr>
<tr>
<td>Free traded rice</td>
<td>82.9</td>
<td>85.0</td>
</tr>
<tr>
<td>Wheat</td>
<td>91.3</td>
<td>85.4</td>
</tr>
<tr>
<td>Other cereals, soya beans</td>
<td>60.4</td>
<td>81.8</td>
</tr>
<tr>
<td>Vegetables</td>
<td>66.0</td>
<td>83.2</td>
</tr>
<tr>
<td>Fruit</td>
<td>75.6</td>
<td>55.4</td>
</tr>
<tr>
<td>Tea</td>
<td>64.0</td>
<td>48.3</td>
</tr>
<tr>
<td>Straw products</td>
<td>79.5</td>
<td>27.6</td>
</tr>
<tr>
<td>Raw milk</td>
<td>87.6</td>
<td>13.3</td>
</tr>
<tr>
<td>Chickens</td>
<td>54.7</td>
<td>21.2</td>
</tr>
<tr>
<td>Broilers</td>
<td>65.3</td>
<td></td>
</tr>
<tr>
<td>Beef</td>
<td>69.9</td>
<td></td>
</tr>
</tbody>
</table>

Average: 75.3

capacity to change with its environment has resulted from functional adaptation or expansion: amendments to the Nokyo Law have allowed Nokyo to move into such activities as the land sales and real estate business.

Perhaps the greatest developments, however, have taken place in terms of the growth of Nokyo's mammoth 'extended' organisation.

Nokyo's 'Extended' Organisation

A sizeable proportion of the surplus funds generated by Nokyo's burgeoning insurance and trust business has been channelled into a massive 'extended organisation' (gaien soshiki). This is not part of the mainstream federated Nokyo organisation.

The creation of this huge Nokyo extended organisation arose largely from the legal restrictions on the nature of cooperative business. The problem was essentially one of strategy: how to exceed these limits, and the answer that Nokyo leaders came up with was to create or 'sponsor' new business organisations which were not officially part of Nokyo but were largely funded and controlled by the agricultural cooperatives. Hence the formation of a large number of cooperative companies (kyōdō kaisha). They are also termed 'tunnel companies' or 'related companies' (kanren gaisha).

Nishimoto attributes the phraseology 'Nokyo Inc.'\(^1\) to the 'promiscuous way that Nokyo capital has spawned private companies. The reason', he says, 'that Nokyo has invested in so many firms is partly that the Nokyo Law prevents it from going directly into business for itself in several fields.'\(^2\) Nishimoto points to another need as well: 'the co-ops have grown so accustomed to government subsidies and protection under the food control

\(^2\) Ibid., p.330.
law that they cannot deal effectively in the free market or with food processing firms. It is thus impossible to escape from controlled grain into meat, dairy products, fruit, vegetables and other free trade items. Instead, Nokyo relies on private firms, which enter these areas with financial backing from the organisation.¹

Nokyo is also formally hampered by its own cooperative ideology which endorses the principle of non profit-making. This notion is antipathetic to successful company-type operations. In order to be able to chase profits and put powers of decision over business policy in the hands of full-time business executives, the creation of joint stock companies (kabushiki kaisha) was necessary. This, Nokyo accomplished so rapidly and so successfully, that it was likened to a joint-stock company itself: 'To launch business in the form of cooperative companies makes Nokyo a type of special joint-stock company'.²

Nishimoto attempted to calculate the proportion of Nokyo's funds that ended up as finance for 'related companies'. Firstly he plotted the route of the massive amount of savings and deposits through the Nokyo system. One fifth, he maintained, goes to local co-ops for 'internal financing'³ with the remaining four fifths 'deposits in prefectural-level Nokyo banks'.⁴ Half of that amount 'goes either to related industries for loans and the purchase of securities or to local co-ops for operating expenses. The other half finds its way to the central Nokyo bank. That institution ... also buys securities and lends to related

¹ Ibid.
² Aono, op. cit., p.46.
⁴ Ibid.
enterprises...\textsuperscript{1} He went on to make the point that 'loans to related industries outside the co-op system remain attractive... Not only the central bank but even the prefectural associations are expanding their external lending operations'.\textsuperscript{2} Nishimoto also uncovered evidence of a similar situation in relation to the funds derived from Nokyo's insurance business, 80 per cent of which were placed 'outside farm areas in such investment as real estate, stock and loans to agricultural industries'.\textsuperscript{3} Clearly a not inconsiderable proportion of Nokyo's financial investment has gone into its 'extended organisation': the area of 'agriculturally-related industries' and other 'associated industries'; convenient catch-all categories, which can be, and are, interpreted to include almost any kind of business venture.

The number and range of these extended business organisations attached to the Nokyo system remain for the present largely uncharted territory. It is known that they number at least 1,000 (Zennō alone had 138 in 1974);\textsuperscript{4} that their investment forms are various; and that they have been established on the initiative of all three levels of the Nokyo organisation: the tankyō,\textsuperscript{5} the prefectural federations and the national federations. One of the difficulties involved in tracing the actual

\textsuperscript{1} Ibid.
\textsuperscript{2} Ibid.
\textsuperscript{3} Ibid. In 1976 for example, 26.4 per cent of funds derived from the mutual aid business went into shares, and 51.0 per cent into loans. Nōkyō Nenkan, 1978, op. cit., p.215.
\textsuperscript{4} Yoshihara, op. cit., p.50.
\textsuperscript{5} In 1974 for instance, 2,538 Sōgō Nōkyō had shares in 5,574 companies worth 5.2 billion yen. 123 of these cooperatives owned 50 per cent or more of the shares in 136 companies worth 1.3 billion yen. See Sōgō Nōkyō Tōkeihyō, 1974, op. cit., pp.22-23.
numbers of companies connected to Nokyo, is that these cooperative companies have in turn spawned their own company offshoots or subsidiaries.¹

Perhaps the best known of all Nokyo's related companies is Unicoop Japan (Kumiai Bōeki). This company was set up in 1961 by Nokyo in concert with the fishery and forestry cooperative union organisations. It was established as a joint-stock company with initial capital of 8.6 million yen subscribed by each of four cooperative organisations: the National Central Union of Agricultural Cooperatives (Zencho), the National Purchasing Federation of Agricultural Cooperatives (Zenkōren), the National Federation of Fishery Cooperatives, and the National Federation of Forest Owners' Cooperatives, along with the 'collaboration of relevant corporations'² which each advanced the same figure as the cooperative organisations themselves.

Aono has constructed a useful typology of the operations and type of connection (financial and management) of Nokyo cooperative companies, using the 130 or so attached to Zenno.³ He comes up with five different categories of company. These are set out below.

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¹ To demonstrate the complexity of connection and construction of the cooperative companies, Aono cites the example of a 'top maker' of agricultural chemicals, Associated Chemical Industries (Kumiai Kagaku Kōgyō). This had a capital of 1.8 billion yen, and 4,974 employees. Zenno's investment share was 38 per cent, Shizuoka Prefecture Economic Nokyo Federation 4.4 per cent, and Chūkin 2.7 per cent. As Aono points out, this company had 11 subsidiaries, but the names of these companies were not recorded in his listing. He asks whether when one is looking into Nokyo's extended organisation companies, one should only take into account Kumiai Kagaku Kōgyō, or its subsidiaries as well. Op. cit., p.45. How many cooperative companies there are obviously differ according to one's criteria of selection.


Type I: 16 companies in which Zenndō has more than 50 per cent of total shares, or alternatively, a 'reasonable' or 'appropriate' level of shares, and in which Zenndō occupies a leadership position in management. This group includes such well known names as Unicoop Japan, A-Coop Line and Coop Meat.

Type II: 11 companies in which Zenndō has more than a 30 per cent share, or companies to which Zenndō has supplied finance, which conduct more than 50 per cent of their business with Zenndō, and which necessarily reflect the 'will' of Zenndō in their overall management. This group includes Japan Pharmacy, Zenndō Chicken City.

Type III: 61 companies in which Zenndō and the prefectural federations (kenren) have shares and in which a leadership position in management lies with the prefectural federations. This group includes a whole range of prefectural-based cooperative feed companies, Coop Juice, and Takasaki Ham.

Type IV: 24 companies with which Zenndō has personal connections, and in which it furnishes either leadership, or benefits from a moderate amount of preference, and which reflect Zenndō supervision to some degree. This group includes Sungrain, Central Foods, and Echo Line.

Type V: Related companies other than those listed above. This group includes Mitsubishi Chemical Industries, and Kanagawa Railways.

Although the functions of the 130 companies related to Zenndō are diverse, they can be categorised into three main areas:

1. Those engaged in business in the livestock sector are examined more fully in Chapter 6.

1. Companies which produce and process commodities which the federations supply to the unit cooperatives (purchasing business);

2. Companies which sell to consumers items produced by the farmers (part of the cooperative marketing chain);

3. Companies which provide facilities which cooperative members utilise or from which cooperative members make direct purchases (the consumer-related cooperative business).

The most significant feature of these Nokyo 'related companies' is that in spite of certain financial, managerial and personnel links with agricultural cooperative organisations, they are not farmers' groups. They operate outside the formal boundaries of the Nokyo Law and the jurisdiction of the guidance and control bodies of Nokyo: the central unions. They could not be considered part of Nokyo the pressure group, but they do have resources such as finance that can be made available for political purposes.¹

Conclusion

The burgeoning of agricultural cooperative enterprise in the form of cooperative companies demonstrates very clearly that the statutory basis of Nokyo's activities has not in practice proven an effective obstacle to its economic expansion and diversification. Where proposed business projects have existed outside the scope of the Nokyo Law, the agricultural cooperatives have invested in 'non-cooperative' organisations which have undertaken these enterprises on their behalf.

¹ This subject is explored more fully in Chapter 4.
The dimensions of Nokyo's current economic and financial operations challenges the traditional view of agricultural cooperative dependence on central government subsidies, and the constraints on its strategic alternatives as a pressure group resulting from its need to maintain the flow of financial assistance, both direct and indirect, into the organisation. To some extent, this explanation of agricultural cooperative behaviour is history-bound, based on the situation which Nokyo faced in the 1950s when many local cooperatives suffered from a chronic shortage of working capital. These problems were overtaken and largely resolved in the 1960s and 1970s, in large part owing to the Japanese economic miracle in which the agricultural cooperatives shared, and to the official encouragement and paternalistic attitude shown towards Nokyo's rapid expansion during this period by a government anxious for political, electoral, social welfare, and food security reasons, to support the development and maintenance of a prosperous farm sector.

Nokyo's incorporation into the functioning of a highly planned and administered sector of the Japanese economy may have resulted in some loss of organisational independence, but at the same time, it forced administrators to be responsive to cooperative demands on all aspects of agricultural policy, particularly in those areas in which the cooperatives are deeply involved: the operations of agricultural price support systems, government-sponsored alterations in the structure of production, the dissemination of advanced farming techniques, improvement in cooperative marketing, processing and distribution systems, and the encouragement of long-term agricultural investment.

In addition, Nokyo's outstanding membership attributes and the electoral significance of the farm vote to successive conservative governments, provided it with an independent power base outside government, and
considerably magnified its political influence. The initial search in this chapter for a legal basis for Nokyo's political activities proved to some extent a dead end. Apart from the formal provisions in Nokyo Law relating to the functions of the central unions, Nokyo's interest group role has the character of a functional derivative: the logical and inevitable extension of its economic, administrative, welfare, and guidance activities, and also its incorporation of practically the entire farm sector within its organisational boundaries.
CHAPTER 2

NOKYO'S AGRICULTURAL POLICY ACTIVITIES

Nokyo has dominated the conduct of agricultural policy activities (nōsei katsudō) in postwar Japan. In the early postwar period, however, the agricultural cooperatives shared much more of their spokesmanship role with other farm groups than is the case now. Similarly, in the last ten years, Nokyo's formal leadership organisation, Zenchu, has been faced with certain formal leadership challenges from within its own organisation, and the dominant issue of the previous two decades (rice), has given way to a number of more varied but recurrent themes in agricultural policy.

This chapter focusses on the conduct of agricultural policy activities by Nokyo. Under the title 'nōsei katsudō' are included all internal organisational procedures leading up to the formulation of demands relating to agricultural policy and their subsequent presentation to government. The first section provides a brief historical overview of the groups and major themes involved in nōsei katsudō prior to the establishment of stable government and stable organisation in 1955.

Nōsei Katsudō Prior to 1955

1946 to 1955 spanned the period 'from land reform to the reform of agriculture' (nōchō kaikaku kara nōgyō kaikaku e). It began with a situation of extreme food shortage after the war and ended with a record rice harvest in 1955. The lead in agricultural policy activities

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immediately after the war was taken by the farmers' unions. Initial organisational development and consolidation of the left wing farmers' union movement took place with the establishment of the Japan Farmers' Union (Nihon Nōmin Kumiai, or Nichinō), in February 1946. Its speedy foundation was assisted by a veteran agrarian Socialist leadership poised to resume the struggle for land reform immediately the war was over.

The farmers' unions received great organisational impetus from land reform itself. Nichinō's membership numbers underwent rapid expansion with the influx of local farmers into its ranks. By April 1946, more than 2,000 branches had been organised with over 280,000 members.\(^1\) Official endorsement of the group's activities was granted in the form of encouragement to participate in the administration of land reform via representation on the land committees (nōchi iinkai).\(^2\)

The organisational spin-off from land reform did not solely benefit the farmers' unions, and with the publicised intention of the Occupation authorities to re-establish the agricultural cooperatives and the forcible democratisation of the existing agricultural associations (nōgyōkai), there developed a heightened interest in the issue of organisational reform in the agricultural sector. The question of what legal form the proposed agricultural cooperatives should take became the subject of continuous consultation between the government led by GHQ and

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1 These figures were taken from Kyōto Daigaku Bungakubu Kokushi Kenkyū Shitsu (eds), Nihon Kindaishi Jiten (Kyōto University, Faculty of Literature, National History Research Room, A Dictionary of Modern Japanese History), Tokyo, Tōyō Keizai Shinposha, 1964, Furoku No.36.

the Ministry of Agriculture and Forestry, and various representatives of
the farmers. Local agricultural leaders, many of whom had previous
histories in the more conservative prewar agricultural organisations
such as the nokai and the sangyō kumiai, and who rejected any connection
with the left wing farmers' union movement, helped to establish a
number of voluntary farmers' groups which formed part of a pre-Nokyo
movement. The most important were the rural youth leagues (nōseiiren).
These combined to form a nationwide body, the National Rural Youth
League (Zenkoku Nōson Seinen Renmei, or Zenōseiiren).

Established in 1946, the National Rural Youth League claimed a
founding membership of 360,000, which grew to 430,000 by 1949.¹

Although it has been classed by some writers as a farmers' union
(nōmin kumiai), the Zenōseiiren had a separate and distinct organis-
ational genealogy.² It exhibited features of the more general category
of 'farmers' organisation' (nōmin soshiki).³ It had in common with the
farmers' unions their goal of land reform, abolition of the landlord
system and the modernisation of agriculture, but it differed from the
Socialists on key points of political ideology. It acknowledged a
social class standpoint but it rejected the notion of farmers as workers
for wages, preferring to equate emancipated tenants with members of the
managerial class.⁴ It had strong links with the newly democratised but

¹ These membership figures are given in Nihon Kindaishi Jiten, op. cit.,
Furoku No.36. According to Mitsukawa, op. cit., p.69, the Zenōseiiren
increased its supporters from 700,000 to one million between 1946 and
1947.

² Nihon Kindaishi Jiten, op. cit., Furoku No.36.

³ Mitsukawa, op. cit., p.69.

⁴ Ibid.
conservatively-oriented nōgyōkai and received considerable organisational support from this source. Historical ties between the two groups were also considerable. The rural youth leagues derived organisationally from the youth groups attached to the prewar cooperative movements: the Industrial Cooperatives' Youth League (Sangyō Kumiai Seinen Renmei, or Sanseiren), which later became incorporated into the wartime nōgyōkai.

Zennōseiren's organisational derivations also influenced its objectives. The establishment of a postwar edition of a producer cooperative organisation was its primary aim, and it invested this with an ideology of political independence, democratisation, and freedom from bureaucratic control.

One of the earliest agricultural policy acts of the farmers' union organisation (Nichinō) was the advocacy of an Agricultural Reconstruction Council (Nōgyō Fukkō Kaigi), established in June 1947. The farmers' unions, National Agricultural Association (Zenkoku Nōgyōkai) and the National Rural Youth League all participated in this Council. Its function was to act as an official organ for the presentation of agricultural policy demands to government. It not only exemplified the encouragement given by the Occupation authorities to the establishment of consultative and participatory groupings in which the opinions of reorganised democratic associations could be canvassed on matters vital to their membership, but also reflected the desire for mutual cooperation

1 Ibid., p.70.

2 Ibid. Its predecessor, the Industrial Cooperative Youth League, had been directly involved in the political struggle of the 1930s against the anti-cooperative movement.

3 Mitsukawa, op. cit., p.126. These three groups did not form the entire membership of the Council. The full list of participants is given in ibid.
and joint action which leaders of the entire spectrum of farmers' organisations shared at that time. The convergence of right and left wing farm groups on the Council was due to a number of factors: the main subject of debate involved questions relating to the re-establishment of the agricultural cooperative system in which it was duly recognised, all farmers had a stake and should therefore express their views. Secondly, there existed a keen awareness amongst farm leaders of the historic nature of the decisions in which they were involved, and that unprecedented times called for unprecedented action.

The radical initiatives emanating from the Occupation authorities thus contributed to the rapid growth and distinctive shape of postwar Japanese farm groups. Land reform provided the impetus for the spectacular early development of the farmers' unions,¹ and the urgent priority of a policy to increase agricultural production and to supply food to the national population, raised the additional question of the formal powers of agricultural cooperatives and their assistance in this vital task. This encouraged the formation of local farmers' groups linked to the notional idea of an agricultural cooperative system and their participation in the national debate on this issue. The postwar atmosphere of political freedom and democratisation was also conducive to demands for

¹ See Ronald P. Dore, 'The Socialist Party and the Farmers', in Allan B. Cole, George O. Totten, and Cecil H. Uyehara, Socialist Parties in Postwar Japan, New Haven and London, Yale University Press, 1966, pp.370-391, and Tadashi Fukutake, Japanese Rural Society, Ithaca and London, Cornell University Press, 1972, pp.189-201; and Itō Toshio, 'Nōkyō to Seiji Katsudō' (Nokyo and Political Activities), in Kondō Yasuo (ed.), Nōkyō Nijūgonen (Twenty Five Years of Nokyo), Tokyo, Ochanomizu Shobō, 1973, p.149. Itō makes the point that Nokyo made little or no contribution to this 'great reform of the century'. Ibid. This was due to Nokyo's fundamental composition as an organisation of all classes of farmers. The whole conception of transferring land from landlords to farmer tenants, although integrating very well with a class-based view of agricultural society (such as that of the farmers' unions), was fundamentally inimical to an organisation which encompassed all farmers' classes, farmer landlord and tenant alike.
a voluntary agricultural cooperative organisation independent of government supervision and control.

In November 1947, the Agricultural Cooperative Union Law was passed, and in November 1948, the National Guidance Nokyo Federation (Zenkoku Shido Nokyo Rengokai, or Zenshiren) was established. It not only quickly took the lead in agricultural policy activities but for the first time nosei katsudō came under the supervision of a full-time bureaucratic organisation. The strength which Nokyo increasingly mustered in this field was matched by the organisational disunity of the farmers' unions and the decline of the National Rural Youth League.

By the early 1950s, the turn-about was almost complete. An agricultural policy movement dependent on the initiative of the farmers' unions, rural youth leagues and nogyokai (abolished in 1948) had been replaced by one centring on Nokyo. The integration of the agricultural cooperatives into the Food Control system and the pressing need to increase rice production considerably assisted this process. Nokyo naturally acceded to the position of policy leader in the presentation of demands involving the acquisition of key production materials such as fertiliser, agricultural chemicals and tools etc., and issues such as the producer rice price and rice delivery quotas.

The era of organisational cooperation was also at an end. There emerged a new period of policy wrangles between groups principally over matters relating to agricultural prices. One indicator of this was the appearance of major differences between Nōkyō and Nichinō over rice price demands. The most notable aspect of the demands put forward by

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1 This is discussed in more detail in Chapter 3.
the farmers' unions was their extreme nature compared to the more moderate and realistic character of those emanating from Nokyo. (This difference is still very much in evidence today.) These policy differences stemmed from the constitutional differences between the two types of organisation. The membership of the farmers' unions derived from a select group of ideologically committed supporters of the Socialist and Communist parties. They sought to equalise 'wages' in the agricultural sector with those of modern factory workers.¹

Moreover, in contrast to Nichinō which was patently 'outside the system' in both its functioning and party connections (unlike during the period of land reform when it operated very much within it), Nokyo's Food Control-related functions constrained its actions as farmers' representative. It could not challenge the legal-administrative system of which it was a part.

Nokyo's position within the system became even more strongly entrenched after the union of the conservative parties in 1955. Until the formation of the Liberal Democratic Party, Nokyo had been in a position to exploit the antagonisms between the two rural conservative parties in its agricultural policy activities. It had used this tactic to great effect in its producer rice price demands, demonstrating the real meaning and advantages of a policy of 'political neutrality' and 'equidistance from all political parties'.² A change in these tactics

¹ In this respect they were ahead of their time. After the passage of the 1961 Basic Agricultural Law, the Food Control system did in fact become the crux of a farm incomes policy which incorporated this basic goal. The methods used for deciding the rice price during this time were, however, parity formulae which took into account such factors as costs of production and of living, but not the standard of wage levels in factories.

² See Itō, op. cit., p.150.
was made inevitable, however, by the amalgamation of the Liberals and Democrats in 1955. The restructured political environment called for a different strategy of policy action.

The salient features of the agricultural policy system laid down in 1955 became enduring. Nokyo grew increasingly reliant on the governing Liberal Democratic Party as the latter's power to dispense patronage through the national budget became more and more pervasive. The agricultural policies that emerged after 1955 were a direct product of this dependency relationship. They have been typified as 'agricultural policies dependent on the government party' (yotō izon nōsei). The reciprocal aspect of this relationship was Nokyo's emergence as a subordinate agency of the LDP at the electoral level.

The mid-'fifties were also significant for the passage of the amendment to the Nōkyōhō setting up the central union system in June 1954. Nokyo's conduct of agricultural policy activities was thus consolidated and more efficiently organised.

By 1955 the stage had been set for the development of a distinctive system of Nokyo agricultural policy activities. The remainder of the chapter examines the operations of this system in detail. The functions of the central unions are listed, particularly as they relate to Nokyo's spokesmanship role on behalf of the farmers. Aspects of the internal policy-making structure of the agricultural cooperative system are also explored. Subjects selected for closer examination include the operations of Nokyo's internal democracy: the extent to which rank and file demands


2 This subject is examined more closely in Chapters 3 and 4.
are relayed to government and the channels within the agricultural cooperative system which provide for this; the degree to which Nokyo's pressure group function is the sole prerogative of the central unions, and what if any, other agricultural cooperative organisations are involved; and finally, the factors which inhibit Nokyo's conduct of agricultural policy activities as an internally cohesive organisation. One of the major conclusions of the chapter is that Nokyo has become in some respects a 'house divided against itself'. A number of internal cleavages have become institutionalised within the agricultural cooperative system which restrict the ability of Zenchū leaders to speak on behalf of their entire organisation. Nokyo, as we shall see, is a collection of interests, not all of which are entirely harmonious. The outcome of internal policy debates within the agricultural cooperative organisation has not always been a diluted common measure of producer demands nationwide, but a policy which the Zenchū leadership calculates the governing LDP can be persuaded to accept. The use of this standard as the guiding principle of agricultural policy action has been the cause of an increasingly visible rift within Nokyo between its leaders and rank and file (described in more conceptual terms as centre versus periphery). A general criticism of Zenchū has been its failure to seek a balanced appreciation of what is satisfactory to specific branches of the farming industry, and its tendency to act as spokesman for certain selected and entrenched interests within the agricultural cooperative movement. Part of the problem relates to the inevitable national orientation of Zenchū itself, and the fact that so much of its time and energy is taken up with policy issues that affect all farmers, rather than those which concern smaller specialist groups.
of producers. The National Central Union has, however, made some structural innovations in recent years to meet this problem and deal with the selective expansion of Japanese agriculture. The result has been a certain measure of policy sharing: other federations within the agricultural cooperative system have taken on the job of representing the more specific interests of their membership.¹

The Central Unions

Nokyo's formal policy-making bodies are the chuōkai, which under Nokyo Law bear the responsibility for conducting agricultural policy activities. These relate to the official function of giving 'administrative authorities helpful advice on matters relating to the agricultural cooperatives'.²

The 'business',³ of the central unions is listed in Nokyo as:

1. Providing guidance on matters of organisation, business operations and management of agricultural cooperatives;
2. Auditing of the accounts of member cooperatives;
3. Furnishing information and providing education services for agricultural cooperatives;
4. Liaison with and mediation of disputes amongst member cooperatives;

¹ This theme is followed up more extensively in Chapter 6.

² 'Nogyo Kyōdō Kumiaihō' (Agricultural Cooperative Union Law), in Norinshō Kanshū, Nogyō Roppō (Ministry of Agriculture and Forestry Editorial Supervision, A Compendium of Agricultural Laws), Tokyo, Gakuyō Shobō, 1976, p.126.

³ See Article 73(9) of the 'Nogyo Kyōdō Kumiaihō' in ibid.
(5) Research and investigation on matters relevant to the agricultural cooperatives;

(6) In addition to the business under each of the foregoing items, any other activities required for attaining the object of the central union.

The prefectural central unions (kenchū) serve as leadership organs for the agricultural cooperatives within individual prefectures, and Zenchū's task is to act as the overall leader of Nokyo in the nationwide sphere. The difference between them, however, is more than geographic. Located in Tokyo, the seat of government, the 'administrative authorities' in Zenchū's case are those in the Ministry of Agriculture and Forestry (in practice this is extended to include all branches of government). The issues with which Zenchū is concerned are the larger questions of State-wide farm policy. In addition, the articles of incorporation and bylaws of Zenchū greatly expand on its range of activities in this sphere. According to these, it is the 'sole and supreme national body which unifies the intentions, represents the interests and determines the directions of the whole movement'.

Nevertheless, as can be seen from the items of 'business' which the central unions may undertake, a great deal of the activities of these organisations is taken up with internal matters involving the operations, management and finances of the cooperatives. Zenchū is the supreme 'staff' organisation of the cooperatives, and the chūōkai altogether, comprise the administrative branch of the cooperatives.

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Almost all the activities of the central unions according to Nokyo Law relate to internal management matters. Only one paragraph concerns the relationship between the central unions and outside (governmental) authorities. The same emphasis is evident in structural divisions within Zenchū. By and large they correspond to the individual items in the Nōkyōhō concerning central union activities and are represented in diagrammatic form in Figure 2.1.

Figure 2.1

Zenchū's INTERNAL STRUCTURAL DIVISIONS

-----Directors' Office (Secretariat)
-----General Affairs Department (Sōmubu)
-----General Planning and Promotion Department (Sōgō Keigakubu)
-----Agricultural Policy No.1 Department (Nōsei Daiichibu)
       -----No.2 Department (Nōsei Dainibu)
-----Farming and Living Guidance Department (Einos Seikatsubu)
-----Organisation Department (Soshikibu)
-----Management and Auditing Department (Keiei Kansabu)
-----Education Department (Kyōikubu)
-----International Department (Kokusaiibu)
-----Publicity Office (Kōhō Kyoku)
-----Central Cooperative College (Chūō Kyōō Kumiai Gakuen)


By and large the structural divisions within the prefectural central unions correspond to those of Zenchū. Of the 47 prefectural Nokyo central unions in 1977, 40 had Agricultural Policy Departments.¹ As measured by

¹ Nōkyō Nenkan, 1978, p.130.
executive allocation of priorities, that is, the distribution of staff numbers amongst different prefectural central union divisions, 'Farm Management and Agricultural Policy' rates second only to 'Management and Auditing'.

The role of the Agricultural Policy Departments in the central unions is primarily a research and informational one. They are staffed by salaried employees: urban white collar workers who have only indirect links to the farming world. The task of agricultural policy leadership within Nokyo is in the hands of its executive branch. This brings us to the fundamental question of the quality of democracy within the Nokyo organisation.

Agricultural Cooperative Democracy at Work

How democratic is Nokyo? To what extent does the 'helpful advice' which central unions may give 'administrative authorities' reflect the will of the farmers?

There are a number of formal structural provisions made in Nokyo Law for the translation of grass-roots demands into constructive proposals to government.

Organisational democratisation was one of the key reforms instituted by the Occupation authorities. On December 25 1945, an amendment

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1 According to figures available for 1977, departmental staff distributions amongst kenchū were as follows: General Affairs (464), General Planning (159), Farm Management and Agricultural Policy (488), Management and Auditing (592), Education and Public Relations (161), Training Institutes (101), Others (294). *Ibid.*, pp.130-131. Approximately the same relative importance amongst respective divisions is evident from staff allocations in Zenchū: General Affairs (33), Organisation (14), Education (7), Agricultural Management and Livelihood (19), Management and Auditing (20), Agricultural Policy (19), International Department (7), Publicity (14), Central Cooperative College (19). *Ibid.*, p.133.
to the Agricultural Groups Law instituted democratic elections of agricultural group executives. This principle was later enshrined in Articles of Nōkyōhō relating to the voting rights (ketsugiken) and election rights (senkyoken) of agricultural cooperative members.

Article 16 of Nōkyōhō provides that 'each member shall have one voting right and one right to elect the executives or officers (yaku'in) of agricultural cooperatives and representatives (sōdai)'\(^1\). In the tankyō, voting and election rights are limited to:

1. farmer members;
2. farmers' group corporations (nōji kumiai hōjin) undertaking farm management;
3. other types of juridical persons (hōjin) undertaking farm management (nōgyō no keiei).

'Members' with these same rights in upper level Nokyo federations and central unions are limited to cooperatives only.

Voting and election rights are exercised by members in the supreme decision-making organ of each cooperative: its ordinary general meeting which, according to Article 34 of Nokyo Law, cooperative executives must convene once per business year.\(^2\)

The general meeting is the principle procedural mechanism providing for the accountability of the cooperative leadership to its members. At this meeting, the directors (riji) and auditors (kanji) (five or more directors including the chairman and vice-chairman and two or more

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2. General meetings may also be requested by members with the consent of more than one fifth of the entire membership. They are usually called twice a year.
auditors), who constitute the officials of the cooperatives are elected for a period of not more than three years.

Article 44 lists the items which must be put to the resolution of general meetings: they include all matters pertaining to the cooperatives' internal organisational operations: their finances - business plan, budget, profit and loss statements; their activities; and their federation, amalgamation or membership of other cooperatives. The function of the annual general meeting is to make resolutions in connection with these matters. These are decided by a majority of votes of the members, and according to the Nökyōhō, the duties of directors include observing 'resolutions adopted at general meetings'.

The highest executive authority of the co-ops is the Board of Directors (chairman, vice-chairman and ordinary directors) which meets monthly.

These democratic procedures involving voting and election rights are replicated at the upper levels of the Nokyo organisation where the unit cooperatives are members of federations of agricultural cooperatives and central unions. The only difference here is that adjustment is made for variations in the membership size of member cooperatives.

The executives of the federations and prefectural central unions are elected by their agricultural cooperative membership, that is, by one

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1 'Nōgyō Kyōdo Kumiaihō', op. cit., p.118.

2 Federations of agricultural cooperatives and central unions according to the Nōkyōhō may give two or more voting and election rights to their member cooperatives or member federations according to the latter's membership size. This helps to ensure equality of representation amongst member cooperatives in the upper level organisations relative to their membership size.
or more executives representing each member cooperative. As at *tankyō* level, this usually takes place at annual general meetings, although it may take place outside it. Three quarters of the directors of a cooperative must come from its membership, and therefore, this proportion at least of upper level national and prefectural cooperative leaders must at the same time be directors of *tankyō*.

The system of annual general meetings also operates within upper level organisations. The business of these meetings is not only to elect directors and auditors, but to take votes on resolutions affecting the operations of the cooperative concerned. The most fundamental organisational principle of Nokyo is that procedure, membership and structural aspects of the cooperatives are practically identical throughout the entire system - both vertically and horizontally.

Where the membership of a cooperative exceeds 500, direct democracy becomes impracticable, and *nōkyōhō* makes provision for a system of indirect participation in general meetings and executive elections through the mechanism of representative members (*sōdat*). The latter are elected by the membership of a cooperative and must number at least one fifth of the total membership of that cooperative. A meeting of representative members (*sōdaikai*) then replaces the general meeting of regular members. In other words, regular farmer members elect representatives to attend meetings of representatives in the *tankyō* or, in the case of upper level organisations, each cooperative elects a representative member (who must be a cooperative director) to attend the representatives' meeting of the upper level cooperative federation or central union. The National Central Union's general meeting is the only one which must by law be composed of representatives. Whether or not other cooperatives utilise this system is a matter for their own
decision. Not all cooperatives choose to do so.\footnote{Amongst 4,991 ソコノキョ surveyed in 1974 for instance, there were 3,426 who had more than 500 members, but only 38 per cent of these provided for meetings of representatives in their articles of incorporation. ㈱林財，㈱林会，農協，ソコノキョ総会議 (Ministry of Agriculture and Forestry, Agriculture and Forestry Economics Bureau, Agricultural Cooperative Union Section, A Statistical Table of General-Purpose Agricultural Cooperatives), 1974, p.27.}

The above-mentioned Articles of the Nōkyōhō encapsulate the democratic principles of the agricultural cooperative organisation. They provide for rank and file participation, either direct or indirect, in the decision-making of local cooperatives and in the election of their leaders. In practice, just as social and cultural norms in farm villages encourage extremely high rates of membership in the cooperatives, they also produce very high attendance rates at cooperative general meetings.

As a general principle, the system of representation becomes more indirect the greater the number of members of a cooperative, and the higher up the organisational ladder a cooperative operates. Thus, a farmer member of a local cooperative with a large membership may be four elections removed from the directorship of a prefectural federation or central union, and six elections removed from the executive level of a national federation or the National Central Union.

The organisational and representative principles by which Nokyo operates can be illustrated with regard to the central unions both prefectural and national. As they constitute the agricultural policy branch of the cooperatives, this should throw some light on rank and file input into the Nokyo policy-making system.

Those eligible for regular membership of the prefectural central unions (i.e. those with voting and election rights)\footnote{Associate members do not have these rights and are not therefore relevant to the discussion on Nokyo's internal representation system.} are agricultural
cooperatives covering the whole (i.e. prefectural federations) or part of the area under the charge of the prefectural union. Membership of cooperatives in the kenohū is strictly voluntary. Cooperatives can choose to join or not depending on their desire to benefit from kenohū services such as auditing, agricultural cooperative management guidance, in-service training for executives and staff members, or to influence the policies of the cooperative movement at prefectural level. The membership composition of the prefectural unions is as follows:

Table 2.1
MEMBERSHIP COMPOSITION OF PREFECTURAL CENTRAL UNIONS (1977)

<table>
<thead>
<tr>
<th>Type of Member</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Cooperatives</td>
<td>4,883</td>
</tr>
<tr>
<td>Federations</td>
<td>394</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,277</strong></td>
</tr>
</tbody>
</table>


According to these figures, the membership rate of tankyō in the prefectural central unions is 46 per cent. This surprisingly low figure is due to one factor: only 120 out of 5,924 specialist agricultural cooperatives were members of Kenohū. In a sense they are already represented in the chūokai insofar as each senmon nōkyō farmer member is also a sōgō nōkyō member, and therefore connected to the central union system.
The composition of the regular membership of *Zenchū*¹ is made up from all levels of the agricultural cooperative organisation:

<table>
<thead>
<tr>
<th>Type of Member</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prefectural Central Unions</td>
<td>47</td>
</tr>
<tr>
<td>Prefectural and less than prefectural size federations</td>
<td>394</td>
</tr>
<tr>
<td>Unit cooperatives</td>
<td>4,883</td>
</tr>
<tr>
<td>Greater than prefectural size federations</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,339</strong></td>
</tr>
</tbody>
</table>


The 4,883 *tankyō* that are members of the prefectural central unions are also members of *Zenchū*. By allowing regular member cooperatives of prefectural unions to become members of the National Central Union, Agricultural Cooperative Union Law has provided a mechanism for the participation of grass-roots Nokyo organisations in the national leadership and policy-making body for the entire cooperative system. This they do through the elections of representative members to the general meeting of *Zenchū* which is its 'supreme decision-making body'.²

1 In addition to these regular members, *Zenchū* has eight associate members: *Chūkin, Ie no Hikari Kyōkai*, the National Association of Prefectural Credit Federations, the National Travel Association of Agricultural Cooperatives, Unicoop-Japan, and the Agricultural Cooperative Architecture Design Centre.

Given the very large total of regular members of Zenchū (5,339 in 1976), Nokyo Law specifies that its general meeting 'shall be composed entirely of representative members'.¹ These representative members are:

(a) the chairman of each prefectural central union (47);

(b) a person elected by a regular member cooperative of the National Central Union covering the whole or part of a prefectural area, i.e. officials elected from amongst the executives of unit cooperatives and their prefectural federations (184);

(c) one director of each federation of agricultural cooperatives which exceeds the prefectural area (i.e. national level federations) (14).²

Zenchū's meeting of representatives is thus composed approximately of 245 members.³

The following items must be submitted for resolution at the general meeting of Zenchū according to Nōkyōhō:⁴

(1) Amendments to the articles of incorporation;

(2) Dissolution;

(3) Expulsion of a member;

(4) Dismissal of an officer;

¹ 'Nōgyō Kyōdō Kumiaihō', op. cit., p.128.
³ 'Nōgyō Kyōdō Kumiaihō', op. cit., p.128.
⁴ This figure varies from time to time depending on Zenchū membership figures. The latter is affected by agricultural cooperative amalgamations amongst other factors.
(5) Establishment of and amendment to the business plan for each business year;

(6) Method of assessment and collection of expenses.

The above items are concerned wholly with internal matters relating to the establishment, membership, business and finance of Zenchū. The same concern is evident in the content of general meeting business at all levels of Nokyo. At best it impinges only very indirectly on matters relating to agricultural policy activities and policy representation by Zenchū to 'administrative authorities'.

In spite of legal guarantees of democratic executive elections and democratic vote-taking at annual general meetings or meetings of representatives, the opportunity for rank and file farmer members to influence the actual policy demands that are made by Nokyo's leaders through the representation system that has just been outlined, is limited. Provisions allowing for rank and file farmer members to participate in decision-making within the agricultural cooperative system definitely exist, but these structures are concerned primarily with internal cooperative matters, not with policy demand formulation. This belongs largely within the area of executive responsibility.

Executive Responsibility

Policy-making within Nokyo is very much an area of executive responsibility at prefectural level and above. Nōkyōhō places the policy leadership role of the agricultural cooperatives squarely on the shoulders of central union executives. It is concentrated particularly in the hands of Zenchū's leaders by virtue of the national responsibilities of the organisation. Each chuōkai has one chairman (kaichō), one vice-chairman (not more than three vice-chairmen in the case of the National Central Union), five or more directors (rijī) and two or more auditors
Article 73-19 of the Nökyöhö states that 'The chairman shall represent (daihyō shi) the central union and shall have charge over its business'. This role is repeated in the case of both the vice-chairman and directors.

According to the 1976 Nokyo executive and staff members' list, in addition to a chairman and two vice-chairmen, Zenchū had four full-time managing directors (jōmu riji) permanently based in Tokyo, a Board of Directors of 15, four auditors, one advisor (komon)(who was the previous chairman), and one consultant. This executive structure is the same, although on a smaller scale, as those in each kenchū.

The task of running agricultural cooperative organisations at all levels, from Zenchū downwards, and the day-to-day decision-making, management planning and policy-making (where this is a relevant function) is undertaken by cooperative directors assisted by their staff of paid employees. This select group is in command of the vital information input necessary for such decision-making. Cooperative executives, particularly those in Zenchū, have access to the research facilities, expertise and intelligence of their own secretariats. This is particularly important in the case of the National Central Union which is charged with drafting proposals and suggestions to administrative authorities

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3 Their geographic distribution was as follows: Saitama, Gifu, Gumma, Hokkaido, Yokohama, Shizuoka, Fukui, Kyōto, Hyōgo, Ehime, Fukuoka, and Miyazaki. From this list, it is clear that equality of representation amongst Japan's different geographic regions is sought in the construction of the Zenchū Board of Directors.
relating to the cooperatives and agricultural policy as a whole. The Agricultural Policy Departments (Nōseibu) within Zenchū detail the proposals which are translated into executive 'demands', 'representations' and 'requests' to government. They replicate the work of the bureaucrats in the MAF, who are charged with the mechanics of drawing up ministerial 'recommendations' (shimon) to the advisory councils on agricultural prices. Moreover, the complexity of the issues involved, of the administrative procedures they entail, and the fiscal and statistical knowledge that is often required in the formulation of concrete policy submissions, require a level of expertise which can only be gained from executive experience and staff training.

Control exercised by Nokyo rank and file over their leaders in this sphere is only through executive accountability. In this sense, the general meeting of each nōkyō and of Zenchū in particular, is the 'supreme decision-making organ' of the agricultural cooperatives. It provides a forum in which executive decision-making is submitted to the final arbitration of the membership through the medium, primarily, of executive elections.

Participation of the membership in the actual decision-making of the executive process is, however, minimal. These powers are allocated amongst several key structures which engage in power-sharing at the top level. Each is given its own set of tasks and responsibilities by Nokyo Law. In Zenchū's case, the supreme executive decision-making group is the Board of Directors (Rijikai) to which the Chairman reports, and which he heads. Both report in the ultimate sense to the Zenchū general meeting of representatives. This can be graphically illustrated as follows:
Given the fact that only one item in central union 'business' relates to the agricultural policy function, the vast bulk of Nokyo's nōsei katsudō are beyond the formal provisions of Agricultural Cooperative Union Law. These involve organisational procedures that have been informally developed as part of the operations of central union policy-making, and to rank and file activities in which local farmer participation is a distinctive feature. They can be analysed in the following way:
(i) those policy activities (nōsei katsudō) which are executive-dominated, and which are located within a formal organisational context; and

(ii) those policy activities which are executive-sponsored and rank and file-participatory and which belong more in the category of agricultural policy campaigns (nōsei undo) or farmers' campaigns (nōmin undo). The Nokyo executive branch far from appropriating absolute powers over policy formulation, makes special provision for membership consultation as part of its 'pressure group' activities.

Deciding Demands

There are a few select executive groupings within the Nokyo organisation in addition to the basic 'executive' structures already outlined, which are responsible for drawing up the policy demands of the cooperatives and for presenting them to government. An examination of these groupings reveals an organisation in which these executive functions are shared or parcellled out depending on the issues involved, rather than arranged in a hierarchical order of ascending power and responsibility. Although there does seem to be a normal sequence by which policy demands are progressively finalised, there is no doubt that responsibility for the actual presentation of these demands to government is allocated amongst a number of groups or executive 'branches' of the Nokyo organisation.

In another sense, all these groupings are largely one and the same, insofar as there is considerable overlap of executive roles in the central unions. This produces a situation where the same men consider the same problem but in a series of different organisational contexts.
The groups referred to above are:

1. commodity central headquarters;
2. conferences of central union chairmen;
3. combined conferences of central union and federation chairmen;
4. the Zenchū Board of Directors;
5. other combined conferences of federation chairmen.

In matters of Nokyo decision-making on agricultural policy, an executive innovation of the last decade has been the installation of standing policy committees structured along commodity and policy objective lines. These groups operate under the general label of policy headquarters (taisaku honbu). By far the most important are those operating within Zenchū. At this level they are known as central headquarters (chū honbu). At present there are six in this category:

1. The Nokyo Rice Policy Central Headquarters
   (Nōkyō Beikoku Taisaku Chūō Honbu)
2. The Nokyo Livestock Policy Central Headquarters
   (Nōkyō Chikusan Taisaku Chūō Honbu)
3. The Nokyo Dairy Policy Central Headquarters
   (Nōkyō Rakunō Taisaku Chūō Honbu)
4. The Nokyo Vegetable and Fruit Policy Central Headquarters
   (Nōkyō Seika Taisaku Chūō Honbu)
5. The Nokyo Urban Agricultural Policy Central Headquarters
   (Nōkyō Toshi Nōsei Chūō Honbu)
6. The Nokyo Disaster Policy Headquarters

(Nōkyō Saigai Taisaku Honbu).

These policy central headquarters are manned by Zenchū executives: the chairman of most of them is the Chairman of Zenchū himself. They are serviced by Zenchū's Agricultural Policy Departments (Nōseibu).

The system of commodity policy headquarters is replicated at each level of the Nokyo organisation. The same set of committees operate within each kenchū, where they are known only as policy headquarters. It is only at Zenchū level that they are given the title of 'central' headquarters. There are commodity headquarters in city, town and village nōkyōs. It is also customary for local cooperatives to set up more informal committees which survey planned projects and activities, and consult with buraku groups so as to canvass the opinions of members on various issues.

There is, however, a key functional difference between the national level central headquarters and those operating within the prefectural chūkai and below. The latter are essentially commodity- and policy-wise opinion-collecting and policy-recommending agencies. Their job is to 'pile up' (tsumiageru) demands from within the system, i.e. from farmer-members and lower-level executives, and pass them on to the Zenchū Central Headquarters. The force of decision-making is upwards through the organisation (soshiki o ageru), and the commodity headquarters arrangement provides a convenient channel for this to take place. It is up to the executives that man these permanent policy committees to filter rank and file demands and pass them on in the form of headquarters' resolutions. The functions of the policy central headquarters in Tokyo involve top-level decision-making on what Zenchū proposals to government
are going to be in relation to a particular commodity and these are formulated into concrete sets of agricultural policy demands. The ōhūō honbu then become the 'focal points of campaigns, mobilising Nokyo chairmen, directors, and commodity headquarters chairmen to voice policy demands in concert. They also generate the necessary funds to back these nōsei katsudō'.¹ In other words, once the key decisions are made on what Zenchū's demands are going to be, the force of mobilisation is back down through the system. These dual principles operate in all Nokyo agricultural policy activities.

The role of the commodity headquarters is essentially to supplement existing decision-making procedures which still operate and with which they integrate. According to one writer,² customary decision-making procedure can be broken down into several stages: the initial step involves kenchū commodity headquarters in each prefecture. They collect the opinions of agricultural cooperative leaders, federation leaders, and the commodity headquarters leaders. These are transmitted to the Zenchū commodity central headquarters which passes its own resolutions. The latter are adopted as resolutions of conferences of central union chairmen and joint conferences of central union and federation chairmen, which lend the weight of the national Nokyo leadership to a particular request or set of requests. There is no disagreement amongst these various executive bodies, because the consensus-building process has already taken place prior to the resolutions of the central policy headquarters. The most crucial discussions are held

¹ *Nōsei Katsudō Taisei ni tsuite*, op. cit., p.3.

before the commodity central headquarters release their 'demands'. In the final stages, the matter comes before the Zenchū Board of Directors and its formal decision-making procedure.

The steps and stages of Nokyo's policy formulation process is 'progressive' rather than hierarchical. The participation of the various groupings of Nokyo executives is mutually reinforcing: they all endorse what the others are saying. In rare situations of disagreement, the ultimate arbiter is the Zenchū Board of Directors, but each one of the decision-making organs discussed above, separately or in concert, has the authority and does issue agricultural policy demands and conduct agricultural policy activities of its own accord. Not all issues are subject to the resolutions of each grouping. This varies according to the importance of an issue, its general or more specific relevance to Nokyo, or sections of Nokyo. The most vital policies do, however, receive the endorsement of the Zenchū Board of Directors.

The impetus behind the establishment of the policy headquarters' system was the need for centralised opinion-collecting, executive decision-making, and campaign-directing agencies on a number of key policy issues. Not only did it provide for greater consultation of rank and file opinion, but it developed a procedure of specialised executive decision-making in policy areas that suddenly became vitally important in the late 'sixties and early 'seventies. The taisaku honbu (apart from the rice headquarters which had been created earlier) were established in 1970 by Zenchū as part of its recognition of the need for specialisation and consolidation of policy representation activities after the 1969 confrontation with the LDP over the latter's institution of a rice price freeze and the leading role played by the Nokyo Rice Policy Headquarters in this. They represented 'the crystallisation of
a totally new direction in the agricultural policy activities of Nokyo and its federated organisations'. Hitherto, general agricultural policy campaigns on basic problems affecting the farming industry and the policy demand activities involving each branch of agriculture had been undertaken in an undifferentiated fashion under the banner of Zenchū, backed up by its Agricultural Policy Departments. This system had worked well enough until 1965, but became less efficient subsequently as a result of the selective expansion of agriculture promoted under the Agricultural Basic Law of 1961 (particularly in the livestock, fruit and vegetable areas), the enlargement of the administrative price support system, and the institutionalisation of separate government decision-making and consultation procedures for each set of products. This created a corresponding need for differentiation and specialisation within Zenchū's own decision-making structure, particularly for the technical expertise of specialist and informed policy-makers who could draw up support price demands, handle the technical and statistical input that was required for these decisions and then act as spokesmen and policy representatives for Nokyo in administrative, Parliamentary, and party committees with a credible degree of professionalism.

Not all Nokyo policy demands are processed through the commodity and policy headquarters system. Farm products not included in the 'rice, livestock, dairy, fruit and vegetables' list, are handled differently. These come within the general purview of the Zenchū Board of Directors and the various conferences of Nokyo chairmen.

1 Yamaji Susumu, 'Atsuryoku Dantai Toshite no Nokyo' (Nokyo As a Pressure Group), in Kondō Yasuo(ed.), op. cit., p.240.
Although the commodity headquarters system has assisted in the creation of efficient channels for the movement of policy demands from the base level Nokyo organisations (the tankyō) to the top, there are still complaints that at the most vital connection point - that between the farmer and Nokyo itself - the pipeline is too thin (hosoi), and that consultation procedures are too inadequate and intermittent. Nokyo staff members are those with their ear closest to the ground, but there are none at this level officially involved in agricultural policy functions. The commodity divisions within the sōgō nōkyō tend to concentrate on more immediate issues of agricultural management and marketing, not policy demand formulation.

Furthermore, the agricultural policy functions of kenchū and Zenchū are legally sanctioned and areas of staff competence provided for them in the formal structure of the central unions. But this is not so in the case of the tankyō. Here the concern of executives and staff members is first and foremost with the business operations of cooperatives as enterprise groups. The establishment of the commodity headquarters system was designed to alleviate this problem to some extent, but they remain areas largely of executive competence.

Direct Democracy: The Nokyo Conventions

The agricultural cooperative system makes provision for the direct input of farmer opinion into top-level Nokyo decision-making through the medium of Zenchū-organised national conventions (taikai). These represent one of a number of executive-sponsored, rank and file-participatory nōsei katsudō or agricultural policy campaigns (nōsei undo).

A series of mass meetings are held every year in Tokyo with Nokyo delegates representing all parts of the country gathering in vast crowds
in convention centres. One in particular is a well-known annual event: the 'National Nokyo Representatives' Convention for Realising the Demanded Rice Price' (Yokyū Beika Jitsugen Zenkoku Nōkyō Daihyōsha Taikai). Another is a tri-annual event: the National Nokyo Convention (Zenkoku Nōkyō Taikai). Until 1952, this was known as the National Nokyo Representatives' Conference (Zenkoku Nōkyō Daihyōsha Kaigi). It considers problems internal to the cooperatives, such as Nokyo management, business operations and organisational planning, 'in order to confirm and unify the will and to determine the future direction of the whole movement'.

From these Nokyo conventions issue some of the most direct expressions of cooperative demands in agricultural policy. Between April 1972 and January 1973 for example, a series of conventions was held by Zenchū on various agricultural policy issues. These are listed in Table 2.3.

The conventions serve a variety of purposes. They are mass exercises and form part of Nokyo's strategy of putting pressure on government and party leaders: a visible demonstration of the mass membership and voting power of the agricultural cooperatives. They are also a direct channel of communication between Nokyo and government leaders and farm politicians, who are invited to attend and to deliver addresses at such gatherings. Invitations are extended by Zenchū to Diet politicians from relevant electorates to appear on the podium before the farmers (thereby demonstrating their solidarity with their constituents), to speak to the

1 Until 1961, these conventions were held yearly.

<table>
<thead>
<tr>
<th>Convention Title</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. National Nokyo Convention for Realising the Demanded Rice Price</td>
<td>14,000</td>
</tr>
<tr>
<td>2. National Nokyo Convention Against the Expansion of Agricultural Imports</td>
<td>2,000</td>
</tr>
<tr>
<td>3. National Nokyo Chairmen's Convention for Better Prices for Milk and Pork</td>
<td>1,000</td>
</tr>
<tr>
<td>4. Convention for Getting Through the Crisis in the Livestock Industry</td>
<td>2,000</td>
</tr>
</tbody>
</table>

farmers, and generally join forces with the agricultural cooperatives in jointly putting pressure on the government. The support of large numbers of farm politicians (it has been known to reach several hundred) is enlisted by Zenchū in this manner as part of a campaign for government acceptance of Nokyo's policy demands (yōkyū) and requests (yōsei).

Another function of the conventions is to demonstrate to government leaders national membership endorsement of Nokyo executive demands. These emerge from the conventions as mass resolutions (ketsugi). The conventions legitimise the policy proposals on producer prices and other issues worked out by Zenchū leaders in their decision-making organs, such as the combined conferences of chairmen and policy headquarters. Occasions where there is violent protest from rank and file at the proposals put before them by the Zenchū leadership are uncommon, because the conventions are beyond the final stage of the consensus-building process within Nokyo. This has already taken place at each of the various levels of the Nokyo organisation, and it is during this process that disagreement is most frequently expressed. One of the purposes of setting up the commodity and policy headquarters system at each of the three levels of agricultural cooperative organisation was to facilitate this consensus-formation process internally. At the same time, however, Zenchū leaders also appreciate the opportunity which the conventions provide to allow rank and file generally to air their grievances and let off steam, particularly before the eyes of their Prime Minister Miki himself addressed the National Nokyo Convention for Realising the Demanded Rice Price in 1976. On this occasion he appeared as a rural Diet member from the constituency of Tokushima rather than as Prime Minister.
elected Diet members - an exercise not usually lost on the latter.

The conventions also enable Nokyo leaders to fire the enthusiasm of their membership, and to motivate them to continue with further demonstrations of opposition to government policy and support for Zenchū demands. They provide a direct channel of communication between executive and membership strata, and are a very clear example of the dual focus of Nokyo agricultural policy activity. Pressure radiates from the centre (at which the Zenchū leadership stands) in two directions: upwards towards the government and LDP leaders, and downwards towards lower echelon executives and farmer-members. Zenchū leaders frequently expend as much energy in mobilising their own rank and file as they do in pressuring government. The former is as much part of agricultural policy activities as the latter.

Other public operations which are Zenchū-organised and which serve essentially the same purpose as the conventions, include marches to present petitions to Diet members and to the MAF, demonstrations, assemblies (shūkai) of farmers (smaller versions of the conventions), interviews on the mass media, newspaper advertisements, and the presentation of 'opinions' to politicians and MAF bureaucrats. These highly ritualistic but sometimes unruly expressions of the 'will' of the nation's farmers have earned Nokyo its reputation as a pressure group. In Japanese eyes, the production of noise and public drama is the defining characteristic of such organisations. The relative importance of the various groupings which play a crucial role in nosei katsudō including the conventions, the particular areas of 'issue specialisation' which exist amongst these internal Nokyo sub-structures, and the varying proportions of their agricultural policy 'load', can be gained from a breakdown of their activities for any one year. Table 2.4 lists the
Nokyo groups which presented demands entitled 'resolutions', 'requests' and 'declarations' (ketsugi - yōsei - seimei) to government for the 1977 year, and their content. This table shows that Zenchū's particular area of competence is any matter which relates to agriculture as a whole (for example, the MAF budget, basic agricultural policy, agricultural taxes etc.). Problems involving more specific areas of agriculture are represented by Zenchū commodity and policy headquarters and the various conferences of Nokyo chairmen from main commodity producing prefectures.

Presenting 'official' Nokyo demands is thus the job of certain select executive institutions: Zenchū; Zenchū policy groups such as the central headquarters; and combined conferences of Nokyo central union and federation chairmen, supplemented by the Nokyo representatives' conventions. It is also clear that agricultural policy leadership is exercised by Nokyo executives at prefectural level, and is not restricted to those who hold positions in the central unions. The importance of agricultural price issues to the Nokyo marketing federations is both logical and apparent in the prominence of Zenno demands alongside Zenchū.

Nokyo chairmen and full-time executives, especially those at the head of national organisations, actually 'do the representing' on behalf of their members. This involves testifying to members of different committees and making submissions in a variety of institutional contexts. These include:

(a) select groups of MAF officials;
(b) government advisory councils;
(c) Parliamentary Standing Committees on Agriculture, Forestry and Fisheries (Nōrin Suisan Iinkai);
(d) government and opposition party agricultural policy committees (particularly the LDP's Agriculture and Forestry Division (Nōrin Bukai) and its Comprehensive Agricultural Policy Investigation Committee (Sōgo Nosei Chōsakai);

(e) informal Diet members' leagues (giin renmei);

(f) select groups of government party leaders;

(g) the Minister of Agriculture and Forestry (and other relevant ministers);

(h) the Prime Minister

At every stage of the decision-making process, Nokyo officials seek and obtain access to policy-makers. In the key area of agricultural prices, this procedure is facilitated by a large number of 'administrative prices' in the agricultural field, which require set administrative, consultative, and decision-making procedures to be followed in their determination.¹

Agricultural (administrative) prices are decided by procedures which follow virtually the same pattern regardless of product.² With regard to other issues in farm policy, however, there are variations in procedure, tactics, and the targets on which Nokyo leaders concentrate their pressure. In the process leading to amendments in relevant legislation for example, the Diet Standing Committees on Agriculture, Forestry and Fisheries are an important focus of discussion.

¹ There are price stabilisation laws relating to rice, wheat and other cereals, soya beans, livestock products, raw milk for processing, raw silk, fertiliser, starch, beets, sugar cane; and partial price support (usually through the medium of price stability funds) for animal feed, vegetables, feeder calves and Japanese mandarins (mikan) for processing.

² These are examined in detail for rice, livestock and dairy products in Chapters 5 and 6.
### Table 2.4

**NOKYO AGRICULTURAL POLICY DEMANDS AND SPONSORING GROUPS (1977)**

<table>
<thead>
<tr>
<th>Policy</th>
<th>Nokyo Organisation</th>
<th>Number of Demands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Agricultural Policy and Budget Policy</td>
<td>1. Zenchū</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>2. Zenchū: Nokyo Rice Policy Central Headquarters</td>
<td>1</td>
</tr>
<tr>
<td>Rice and Wheat Policy</td>
<td>1. Standing Committee of the Nokyo Rice Policy Central Headquarters</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2. Zenchū and Zennō</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>3. Zenchū: Nokyo Rice Policy Central Headquarters</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>4. Combined Conference of Chairmen of Central Unions and Economic Federations of the</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Main Wheat and Rapeseed Producing Prefectures</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Combined Conference of Chairmen of National and Prefectural Central Unions and</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Federations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. National Nokyo Representatives' Convention for Realising the Demanded Rice Price and</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Demands for the Establishment of a Rice Policy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. National Nokyo Representatives' Convention for Demands on Livestock Policy Prices</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>3. Central Dairy Council* and the Conference of Chairmen of Prefectural Designated</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Raw Milk Producers Groups</td>
<td></td>
</tr>
</tbody>
</table>
Table 2.4 (contd.)

<table>
<thead>
<tr>
<th>Policy</th>
<th>Nokyo Organisation</th>
<th>Number of Demands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy for Preventing Imports of Agricultural and Livestock Products</td>
<td>1. Zenchū Chairman: Fujita Saburō and Zenmō Chairman: Masaki Imaichirō</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2. Zenchū: Nokyo Livestock Policy Central Headquarters</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>3. Emergency National Nokyo Representatives' Convention for Preventing the Import of Livestock Products</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>4. Zenchū: Nokyo Livestock and Dairy Policy Central Headquarters</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>5. Zenchū Chairman: Fujita Saburō</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>6. Conference of Nokyo Representatives from the Main Prefectures Concerned to Halt Imports of Citrus Fruits and Edible Cherries etc.</td>
<td>1</td>
</tr>
<tr>
<td>Soya Bean and Rape Seed Price Policy</td>
<td>1. Combined Conference of Chairmen of Nokyo Central Unions and Economic Federations of the Main Soya Bean Producing Prefectures</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2. Combined Conference of Chairmen of Nokyo Central Unions and Economic Federations in the Main Sugar Products Producing Prefectures</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>3. Combined Conference of Chairmen of Nokyo Central Unions and Economic Federations of the Main Wheat and Rapeseed Producing Prefectures</td>
<td>1</td>
</tr>
<tr>
<td>Tax Policy</td>
<td>1. Zenchū</td>
<td>10</td>
</tr>
<tr>
<td>Policy</td>
<td>Nokyo Organisation</td>
<td>Number of Demands</td>
</tr>
<tr>
<td>------------------------</td>
<td>-----------------------------------------------------------------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>Disaster and Other Policies</td>
<td>1. Chairman of the Nokyo Disaster Policy Headquarters: Fujita Saburō and Chairman of the Nokyo Rice Price Policy Central Headquarters: Iwamochi Shizuma</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2. Zenchū: Agriculture, Forestry and Fisheries' Groups' Transport Council</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>3. Zenchū Managing Director: Yamaguchi Iwao, National Trust Federation Association Managing Director: Kido Yotsuo and Chūkin Managing Director: Usami Masaru</td>
<td>1</td>
</tr>
</tbody>
</table>

* This group is examined in detail in Chapter 6.

The same is true in this area, of LDP policy committees. The target for pressure in relation to MAF budget formulation is the MAF itself, and the LDP's Nōrin Bukai which concerns itself specifically with this issue.

The Nokyo 'Detached Corps': The Women's and Youth Divisions

Although it is clear from the preceding discussion that nosei katsudō are very much an executive-dominated activity, there are other groupings attached to the agricultural cooperative system, which although formally autonomous, assist the mainstream Nokyo organisation in the conduct of agricultural policy activities. They not only supplement the activities sponsored by Nokyo executives, they operate in this area on their own initiative, thereby contributing generally to the weight of agricultural cooperative pressure on government. These are the Nokyo Women's Division (Nōkyō Fujinbu) and the Youth Division (Seinenbu). They are essentially promotional groups which function to enhance the efficiency and productivity of Nokyo's business, livelihood and agricultural policy activities.

The Women's Division is organised at the grass-roots level in each buraku, and these buraku groupings come together in each unit nōkyō. The latter unite to form Prefectural Nokyo Women's Division Councils (Ken Nōkyō Fujinbu Kyōgikai), with some slight variation in title from prefecture to prefecture. The prefectural councils form a National Nokyo Women's Organisation Council (Zenkoku Nōkyō Fujin Soshiki Kyōgikai, or Zennofuku). In 1976 this brought together a substructure of 3,971

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1 This description (betsudōtai) is used by Aono Bunsaku, Nōkyō: Soshiki to Hito to Senryaku (Nokyo: Organisation, People and Strategies), Tokyo, Daiyamondosha, 1976, p.47.
member organisations, with an individual membership of 2.6 million. This number represents 82.7 per cent of all Nokyo women members. The financial system of the Women's Division is theoretically independent of the mainstream Nokyo organisation as is its executive and membership structure, but in practice there is some degree of subsidisation by Nokyo. Its activities are conducted both independently and in concert with Nokyo-sponsored campaigns, in the political as well as other fields. Its overall political colouring is reputedly conservative. In 1977 its program of campaigns included movements 'to strengthen its organisation', 'to protect agriculture', and 'livelihood protection activities'.

The Women's Division also participated in the 1977 rice price campaign by means of a 'rice price demand car relay' which began in all parts of the country and ended at the National Nokyo Convention for Realising the Demanded Rice Price.

Political activities conducted by this branch of the Nokyo organisation are determined by means of autonomous decision-making procedures within the Women's Division itself. Whether or not their demands coincide or conflict with those determined by Zenchū is a matter for their own determination. In practice, however, Zenmüfukyō has not been known publicly to disagree with the policies and demands put forward by the national executive leadership.

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1 Nokyo Nenkan, 1978, op. cit., p.100

2 Ibid., p.99. Its campaign to protect agriculture involved a series of activities including the holding of an 'Assembly to Present Demands on Livestock Commodity Prices to Political Parties' (Chikusanbutsu Kakaku Yōkyū Seitō Yōsei Shukai) which aimed selectively at the government party. This program of nōsei katsudō, also extended to a campaign of demands by the permanent executives of the Zennōfukyō to the Livestock Industry Promotion Advisory Council.

3 Ibid.
The same cannot be said for the Nokyo Youth Division, which gives more substance to its organisational independence. The Seinenbu has identical organisational characteristics to the Women's Division in terms of both its internal structure and its relationship with the mainstream Nokyo organisation. Buraku Youth Division units combine into tankyō Youth Divisions. The latter come together at prefectural level in the form of Prefectural Nokyo Youth Division Councils (Ken Nōkyō Seinenbu Kyōgikai) (in some prefectures the title 'youth league' (renmei) is used), and at the nationwide level, a National Nokyo Youth Organisation Council (Zenkoku Nōkyō Seinen Soshiki Kyōgikai, or Zenseikyō) operates.

The Nokyo Youth Division has on several occasions adopted a 'confrontationist posture' with both the Zenchū executive and the government party. This has occurred in both nōsei katsudō and in electoral activities (senkyo katsudō). As a result, the Youth Division has earned the label 'progressive' (kakushinteki) although at its inception, it formally adopted a posture of political neutrality. Compared to the Fujinbu, however, its membership rate is inferior. It organises only 44 per cent of its potential membership, and has only one sixteenth the number of members of the Women's Division (161,122 members in 1,849 organisations as of 1976). Women's Divisions operate in all prefectures, but in some areas, in Saitama, Gifu, Nara, Okayama and

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1 These are examined in more detail in Chapters 4 and 5.

2 A comprehensive discussion of Seinenbu political activities can be found in Zenkoku Nokyo Seinen Soshiki Kyōgikai, 'Nokyo Seinenbu to Seiji Katsudō' (National Nokyo Youth Organisation Council, 'The Nokyo Youth Division and Political Activities'), Chijō, August 1967, pp.88-97.

Kagoshima for instance, there are no Youth Divisions at all. They are strongest in Northern Japan: in prefectures where the left wing farmers' unions are still active (Hokkaidō, Akita, Niigata, Yamagata and Nagano); and in Kyūshū (particularly in Kumamoto, Fukuoka, Saga and Miyazaki), which was the former stronghold of the National Rural Youth League. (The Nokyo Youth Division usurped many of the functions of this organisation.)

The Youth Division puts much greater effort into its agricultural policy activities than the Women's Division. It also incorporates agricultural policy divisions within its internal organisation. It has rice, urban agriculture, livestock, dairy farming and fruit and vegetable policy councils which parallel the commodity and policy headquarters system of zenchū, kenchū and sōgō nōkyō. These committees perform the same function as those within the mainstream Nokyo organisation, although on a smaller scale. They 'accumulate' or 'pile up' (tsumiageru) the opinions and demands of the membership, and translate them into constructive policy proposals and campaigns at the national level.

In 1977 nōsei katsuō conducted by the Youth Division involved a series of activities along much the same lines as the Women's Division. The Youth Division organised a rice price car relay during the rice price campaign, and after the Rice Price Convention, the permanent executive leadership of zenseikyō took the lead in holding three 'Request Assemblies' (Yōsei Shūkai) and 'All-party Demand Assemblies' (Tōitsu Settō Yōsei Shūkai), at which Diet politicians from each party met face-to-face with Youth Division delegates.¹

¹ The Youth Division, like the Women's Division, also participated in the 'Campaign on Livestock Product Prices', and the permanent executive leadership launched a special campaign on this issue which included holding 'Assemblies to Present Requests to Political Parties'. Ibid., p.101.
Like the Women's Division and Zenchū, the Youth Division holds its own annual national convention with an average of about 1,000 in attendance. Prefectural youth divisions which are individually strong engage in similar activities at a regional level: organising conventions and assembles around certain agricultural policy issues, setting up specialist commodity divisions, undertaking budget requests to prefectural assembles, and making representations to national and local public officials.¹

**Farmers' Policy Groups**

Another form of executive mobilisation of rank and file in agricultural policy activities takes the form of Nokyo-sponsored farmers' political or policy groups.

Nokyo's limitations as a political group are widely and officially acknowledged by its own leadership, who recognise the constraints imposed by their statutory obligations, and also the need to mobilise the farmers on certain policy issues.

One particular strategy adopted by national and prefectural agricultural cooperative leaders has been to provide the organisational impetus for the formation of political associations (seiji kessha) or farmers' political leagues (nōmin seiji renmei, or nōseiren), or farmers' federations (nōmin renmei). The rationale for these groupings stems from what Zenchū and prefectural leaders perceive as a required strategy for waging successful agricultural policy activities: that is, the need to provide for rank and file policy participation in an organised context. These groups have the advantage of continuous and

² These activities are discussed in full in 'Nōkyō Seinenbu to Seiji Katsudō', *op. cit.*, pp.91-92.
not *ad hoc* operation, and they can handle a range of policy campaigns in succession. Just as Nokyo creates business organisations outside the purview of *Nökyöhö*, so it creates political groups to which the restrictions and practical limitations on the activities of the agricultural cooperatives do not apply. Although these groups are not agricultural cooperatives in any sense, and do not incorporate 'Nokyo' in their title, they are in fact entirely Nokyo-based and Nokyo-sponsored organisations: agricultural cooperative directors are elected to group leadership positions; local cooperatives provide office space; national and prefectural Nokyo organisations offer guidance in policy activities; and agricultural cooperative members become group members (although on a strictly voluntary basis). Finance for these organisations comes from members' subscriptions, fund-raising campaigns, and funds supplied by Nokyo organisations through the use of such budgetary channels as 'expenses for activities' and 'miscellaneous expenses'.

Many Nokyo-sponsored farmers' policy groups have a brief and unnoteworthy history, often linked to a particular issue, election, or regional problem. A more permanent and substantial series of organisations, however, were established in the latter half of the 1950s, with dual electoral and agricultural policy objectives. Tactically, these two functions were highly complementary: electing supportive candidates to all levels of political office was viewed as an effective way of getting policies realised, in addition to purely pressure group-type activity.

One of the dominant concerns of these farmers' political leagues was the issue of urbanisation. They were identified by one writer as part of a rural, grass-roots 'populist' movement emerging from the 'deep
sense of resentment towards urbanization in the villages', and the desire to ensure the representation of rural interests in the new cities, towns, and villages created by local government amalgamations (shichōson gappei) of the 1950s. A number of prefectural governors were elected in the expectation that they would slow the pace of urbanisation and ameliorate its pernicious effects on rural communities.

In 1960, the national Nokyo leadership decided to capitalise on these prefecturally-based developments by advocating the establishment of a movement involving the mobilisation of Nokyo member farmers nationwide. To this they gave the title 'Mobilisation of the Farmers' Political Power' (Nomin no Seijiryoku Kesshu). The 1960 National Nokyo Convention was chosen as the venue for launching this movement nationwide, and a resolution was passed to this effect. With this push from the centre, and with further initiatives from prefectural Nokyo leaders, farmers' political leagues were set up in prefectures where none already existed. In October 1960, Zenchū decided to amalgamate all these disparate regional groupings into a national umbrella organisation, the National Farmers' Political League (Zenkoku Nomin Seiji Renmei, or Zennōseiren). In 1963, the Zennōseiren amalgamated with the National Farmers' Federation (Zenkoku Nomin Renmei, or Zennōren), which was the organisational remnant of the National Rural Youth League, to form the National Farmers' General Federation (Zenkoku Nomin Sorenmei, or Zennōsōren) which continued to operate henceforth as Nokyo's political offshoot.

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1 Takeshi Ishida, 'Organizations and Symbols in Contemporary Politics: A Political Scientist's View of Postwar Japan', *Annals of the Institute of Social Science*, No.20, 1979, p.129.

2 Not to be confused with the National Rural Youth League (Zennōseiren) mentioned earlier.
The primary function of both the national and prefectural branches of this organisation was to act as the 'advance corps' of the Nokyo electorate (senkyo botai)\(^1\) which represented the strongest aspect of activities. Another was to operate as the 'lynch pin' (kaname) of joint Nokyo agricultural policy struggles with the farmers' unions (Zennichinō and Zennō).

The general policy concerns of the Zennōsōren were agricultural prices, and according to one description, it 'took the initiative in the price war for each agricultural commodity'.\(^2\) It also played an important role in other farmers' campaigns, such as the 'movement to protect lands' (tochi o mamoru undo), which sought to retain the farmers' use of common lands with demands for compensation when this was disallowed. A specific target of opposition was the buying up of agricultural land by developers who turned it into housing estates and factory land. The Zennōsōren also became involved in opposition to agricultural trade liberalisation, and the application of residential taxes to urban agricultural land.\(^3\)

Centre Versus Periphery

Although these regional, Nokyo-based farmers' political leagues have been utilised by the national agricultural cooperative leadership to present to government the appearance of widespread local farmer support for Zenchū's demands, they have also been vehicles for the political ambitions of prefectural Nokyo leaders. Most of these groups originated in conferences of prefecture-wide agricultural cooperative

\(^1\) Okamoto, op. cit., p.44.

\(^2\) Okamoto, op. cit., p.45.

\(^3\) Ibid.
chairmen. The latter contributed the initial impetus to their establishment and the energy for their continued functioning. This was especially true of the electoral activities of these groups.

There exists a very strong feeling amongst prefectural Nokyo leaders that Japanese agricultural policy is too much the product of Tokyo-based bureaucrats, and too often the outcome of a compromise worked out between government representatives and Zenchū leaders. Local grievances, they argue, tend to be ignored in the effort to apply 'national' solutions to problems. The result is that regional differences emerge diluted from the melting pot of national agricultural policy formulation. The spur to action amongst many prefecturally-based farmers' political leagues has been a desire to present to government and their own national Nokyo leadership insights into the needs of farmers in particular areas. In many respects, the characteristic feature of these local political movements has been their anti-centrist, anti-bureaucratic stance. Although these groups have willingly participated in farmers' campaigns (nomin undo) organised and defined by the Zenchū leadership, duly recognising the need for unified national action on such policies as the rice price, the MAF budget, agricultural taxes, and opposition to the liberalisation of agricultural trade, they have also called for an emphasis in nōsei katsudō on what they term 'daily activities' (nichijō katsudō). This involves eliciting the feelings and demands of the farmers in the buraku.¹ The prefectural farmers' political leagues with their policy

orientation often built around local issues and grievances were in an ideal position to perform this function, thus helping to restructure the balance in nōsei katsudō from national to local. The strength of localism was often behind the electoral successes of the farmers' leagues.¹

Many local Nokyo leaders have strong feelings of alienation towards Zenchū and particularly its bureaucracy staffed by salaried white-collar officials. The latter are sometimes viewed as out of touch and out of sympathy with local agricultural conditions and farmer grievances. This dispute is sometimes phrased in terms of 'democracy versus bureaucracy'. Democratic management amongst the farmers tends to be equated with responsiveness to the demands and needs of cooperative members, not the needs of Nokyo.

The centre versus periphery cleavage runs through Nokyo the length and breadth of Japan. The alienation of rank and file from Zenchū was aggravated in the decade after 1969 by what rice farming members of the agricultural cooperatives saw as the capitulation of the national Nokyo leadership to the government's policy on freezing the producer rice price, instituting rice production adjustment, and the changeover to indirect controls on rice marketing.² Some regions of Japan (the generally less prosperous single-crop producing areas of Tōhoku for example) suffered the negative effects of these policies much more acutely than the warmer, double-cropping and more diversified farming areas of Western Honshū, Shikoku, and Kyūshū. Single-crop rice farmers felt that they had been sold out by a leadership willing to compromise

¹ These are examined in detail in Chapter 3.
² This débâcle is examined more closely in Chapter 5.
its basic protective function in exchange for the maintenance of special concessions to the cooperatives under the Food Control System. This produced a paradoxical situation where the government and the central Nokyo leadership hammered out a mutually acceptable policy in Tokyo, only to have it opposed by local executives and rank and file in many rural areas. The hardest task facing Zenchū leaders in this situation was not to obtain the government's acceptance of their policy proposals, but to convince local agricultural cooperative members to cooperate with a negotiated policy outcome.

Staging a full-scale revolt against the national Nokyo leadership is not, however, an easy task. Redress for those in opposition to the central executive on any particular issue is limited. Operating outside the framework of Nokyo's official nōsei katsudō requires an independent power base. The main weaknesses of local farmers' movements, including the farmers' political leagues, are membership apathy and lack of funds. Holding conventions and assemblies of farmers requires finance. If these activities are to be conducted without direct Nokyo organisational and monetary backing, funds have to be collected by the farmers themselves solely through subscriptions and fund-raising campaigns. Unlike the cooperatives, groups outside the cooperative system lack a solid financial base and are totally reliant on the good will and interest of their membership. Even the Nokyo-based farmers' political leagues are forced to rely on subsidies from the cooperatives which restrict the freedom of action of their leadership. They commonly depend on a combination of membership fees and subsidies or 'donations' from the chūōkai. They are also dependent on fluctuating levels of activism and apathy amongst their membership, inherently an ephemeral and unreliable source of support.
Another factor increasing both the psychological and geographic distance between agricultural cooperative members and the Nokyo leadership strata has been the highly successful program of 'amalgamation' (gappet) begun in the early 'sixties. Amalgamation both reduced the total number of agricultural cooperatives (general-purpose and specialist) and expanded the membership quota in each group. Between 1967 and 1977, this process halved the number of cooperatives in Japan from 20,651 to 10,687. Sōgō nōkyō numbers declined from 7,209 to 4,473. Specialist cooperatives were reduced even more drastically from 13,442 to 5,924.¹ In many villages, the local co-op disappeared, to be replaced by a more modern, bureaucratised and streamlined version in a distant town, which serviced a number of villages. These developments undermined the close contacts and relationships between farmers and tankyō that previously existed everywhere. The co-op was an 'institution' in the village. Not surprisingly many farmers began to feel isolated from their own organisation and to experience an unprecedented degree of alienation from what they regarded as a distant, unresponsive Nokyo leadership.

There are, however, three factors which offset this tendency. One is the three-tier executive election system whereby all nationally elected executives are selected from among currently serving prefectural executives, which are likewise elected from among currently serving local Nokyo officials. This means that each national Nokyo elected executive concurrently holds a position at the prefectural and local level. This maintains a constant and direct decision-making link amongst all levels of the federated Nokyo organisation.

Co-operative principles'. Local co-op leaders tend to be more thoroughly imbued with the cooperative spirit not only because the scale of their business and financial operations is smaller than the prefectural and national federations, but also because of the need to stimulate the loyalty and support of local farmer members to the cooperatives by means of attachment to the mutual self-help ideology. This helps keep the tankyō economically viable.

This principle also seems to operate in reverse. Farmers feel the greatest amount of loyalty to their local co-op, with a sharp decline occurring the higher up the Nokyo organisation one goes. Dore wrote: 'The federations, indeed excite the least loyalty of all; they tend rather to be part of 'the authorities' whose interest conflict, rather than coincide, with the farmers . . .'. To some extent the 'business versus coopérativism' cleavage that divides Nokyo coincides with the 'centre versus periphery' cleavage. It also extends beyond agricultural policy and into the area of cooperative economic functions. The basic problem is that the perceived 'needs' of farmers and the imperatives and goals of agricultural cooperative management are frequently at odds, and the principal management objectives of the various levels of the cooperative organisation are also at variance. Much of the criticism of the business-minded orientation of the big Nokyo federations comes from local farmers. They object to being treated as potential consumers of keizairen-distributed products and zenkyōren insurance rather than as agricultural managers, and there have been a number of complaints against

Secondly, there is the notion of equitable geographic distribution of executive positions in national federations and Zenchū. The nation is divided up into a series of regions: Hokkaidō-Tōhoku, Kantō, Shinshū Tōkai-Hokuriku, Kinki, Chūgoku, Shikoku, and Kyūshū, and executive representation is guaranteed from each.

Thirdly, there are the internal organisational reforms of the 1970s allowing the tankyō to become direct members of Zenchū, in addition to their indirect membership through the prefectural central unions. This allows local-level cooperatives direct representation in Nokyo's national policy-making organisation.

Business Versus Cooperativism

The centre versus periphery cleavage has an economic as well as a political dimension. This has taken the form of a second ideological cleavage within the agricultural cooperatives: between the imperatives of successful business operations and the cooperative spirit.

The psychological 'gap' between leadership and membership has been heightened by Nokyo's tremendous expansion in the financial and business fields. This has led to accusations that those who run the agricultural cooperatives, particularly upper level federation leaders, have sold their souls to the profit motive, forgotten basic principles and abandoned the spirit of the Nokyo Law. Dore noted in the early 'fifties that 'The federations tend ... to be the weakest links in the system. With some exceptions, the higher up the village-prefecture-national chain one goes the smaller the sense of responsibility to the individual co-operative member, the greater the semi-official-enterprise character of the organization, and the weaker any conscious adherence to
the high-pressure salesmanship techniques of Nokyo officials who have an eye to increasing cooperative business turnover. There is also the feeling amongst some farmers that cooperative preoccupation with business and 'economics' leads to a neglect of other duties more vital to the farmers such as agricultural extension services.

In many respects, the existence of a 'business versus cooperative' cleavage within Nokyo is an inevitable by-product of its fundamentally contradictory organisational principles—between cooperativism and economic enterprise. There is also a historical side to this problem. As Nokyo increasingly attained 'giant enterprise' status, its primary 'cooperative' face began to take a secondary position as an organisational objective. Nokyo's cooperative spirit was much stronger in the 1950s than in the 1960s and stronger in the 1960s than in the 1970s. Even now, however, there are appeals both within and without Nokyo to 'get back to basics' (kyōdō kumiai no genten ni kaere), particularly to the Rochdale spirit of cooperativism and anti-commercialism from which the first Japanese cooperative adherents took their ideological cue.

Nokyo officials have defended their economic and business priorities by pointing out that increased prosperity for Nokyo is to the greater benefit of all farmers, and produces higher standards of living in the agricultural sector as a whole. One writer has argued, however, that the funds generated by Nokyo profits have not been ploughed back into rural areas in the form of long-term, low interest loans to farmers for capital investment (these are largely supplied by government agriculture,

1 The debate on this subject was at its height in the early 1970s. Details are reported in Arai Yoshio, 'Kyōdō Kumiai Genten Rongi no Yukue' (Where the Debate Stands on the Fundamentals of Cooperative Unionism), Nōrin Keizai, June 28, 1973, pp.2-7.
forestry and fisheries finance institutions). On the contrary, more than half those excess funds have been channeled into the more lucrative fields of loans to 'related' industries and the purchase of securities.\(^1\) He described the role of Nokyo banks as 'pipes to siphon money out of the rural communities', adding: 'The net effect is a growing tendency for the cooperatives' financial agencies to drain money from the village without replacing it'.\(^2\) He appealed for Nokyo to 'give the farmer priority. It must never forget that it exists for his benefit and not for the sake of creating a new zaibatsu'.\(^3\)

**Policy-Sharing**

The existence of internal organisational cleavages, some of which have been examined above, make it difficult for Nokyo to 'speak with one voice' on behalf of all farmers. The policy demands presented by Zenokū's leaders to government can at best only coincide with the wishes of certain sections of its membership. Nokyo executives have commented themselves that one of their hardest tasks is to overcome the mutual distrust amongst the different levels of the organisation caused by such factors as differences of emphasis in business, differences in scale of organisation, and regional differences among agricultural cooperatives and federations of agricultural cooperatives. They have to strike a compromise policy which will satisfy competing interests within Nokyo and yet be workable within the limits of existing policy and therefore acceptable to government. Nokyo's all-embracing character and nationwide orientation makes this standard a difficult one to attain. In other words, what at first

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2 Ibid.
3 Ibid., p.331.
sight would appear to be one of the principle strengths of the agricultural cooperative system emerges as an in-built organisational weakness. Nokyo, although a single unified body, is in fact an umbrella institution and a complex amalgam of diverse interests. In reality, it is also a much more politically decentralised organisation than would appear from a reading of Agricultural Cooperative Union Law, which places leadership of nōsei katsudō so squarely on the shoulders of the central unions. Nokyo's political leadership at the national level is not confined to the activities of Zenchū's executives. There are other executive structures within Nokyo that present alternative or 'additional' policy leadership for groupings within the agricultural cooperative organisation.

The basis of recent developments in this area has been Nokyo's extension of its octopus-like spread over the entire agricultural economy and the expansion of its volume of business. Both have dramatically multiplied the numbers of policy-related problems on which Zenchū has been required to make representations. Additional laws and amendments have been passed to allow Nokyo organisations to assume a greater variety of functions, and the issues generated as a result have proved too vast in range and complex in content for the Zenchū organisation to be able to handle alone. The outcome has been an encroachment into the area of agricultural policy activities by other Nokyo organisations. The rationale for these operations has been that each Nokyo national organisation conducts nōsei katsudō which relate solely to its own business and spheres of activity, on the grounds that its knowledge of its own affairs best enables it to represent its own interests. We find therefore that policy-related activities have been incorporated into the planned range of operations and even the internal structural forms of
other top Nokyo bureaucratic organisations: Chūkin, Zenmō and Zenkyōren, 'which depending on the issue come into action independently as well as being mobilised by Zenchū.¹

What these policy representations have in common is that in each case, they involve matters which are the specific concern of a particular cooperative organisation. In this sense, these other Nokyo federations are not taking over the job of Zenchū but merely supplementing it in their own specialised fields. Furthermore, the nōsei katsūdō of groups other than Zenchū tend not to encroach on the traditional spheres of central union activity such as the sponsorship of national conventions and other sorts of mass action. By and large they are confined to fairly low key administrative contact, and to testifying before Parliamentary and party committees concerned with particular aspects of legislation. Of course, the leaders of all prefectural and national federations also represent their organisations and participate in the joint chairmen's conferences which are an integral feature of Nokyo's nōsei katsūdō. Those conferences issue policy 'demands', 'requests' and 'submissions' as was noted earlier in the chapter, but they are always collective affairs and are in many cases under the guidance of the chūōkai executives present. The sort of specialised nōsei katsūdō discussed above involves the federations as separate and individual groupings acting on their own behalf instead of being represented by Zenchū via their membership of the National Central Unions.

In many cases policy-related functions have been formally incorporated into the organisational structure of the federations by means of ¹

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¹ Yamaji, op. cit., p.239. For example, Zenmō in 1973 put forward its own program of countermeasures to cope with the sudden price jump in feed grains. It suggested a diversion of very old rice in storage into this area. Chūkin customarily conducts its own campaigns on amendments to its governing legislation, the Nōrin Chūō Kinkōhō. Zenkyōren for its part, appeals to government on the application of general insurance regulations to agricultural cooperative mutual aid operations.
policy divisions. Zenrıö for instance, has a 'Policy-Making Department for Rice and Wheat' within its Rice and Wheat Division, a 'Policy-Making Department for Horticultural and Agricultural Production' within its Horticulture and Farm Produce Division, and a 'Policy-Making Department for Feedstuff and Livestock' within its 'Feedstuff and Livestock Division'.

In a sense each of these national Nokyo federations has a membership base of equal size to Zenchū. The farmers through their membership of the agricultural cooperatives are linked to each type of national Nokyo organisation.

The Generalist Versus Specialist Cleavage

The greatest challenge to Zenchū's policy leadership has come from the national specialist federations. This phenomenon has an historical aspect insofar as it relates to the gradual government-imposed, de-emphasis on rice production combined with the selective expansion of Japanese agriculture under the guidance of the Agriculture Basic Law of 1961. Those specialist federations which have expanded most vigorously into the policy field are those operating in the growth sectors of Japan's farm industry: the livestock (including dairying) and horticultural (especially fruit) sectors. This development has been substantially assisted by the passage of additional laws relating to different commodities as the agricultural price support system has been extended to include greater numbers of products.

A further reason for the increasingly conspicuous policy activities of the national specialist federations was the emergence of an anti-liberalisation movement amongst Japanese farmers in the face of the growing trend in the late 'sixties and 'seventies for freer access to
the Japanese market for overseas agricultural products. In response to this vital policy development in Japanese trade relations, the national federations representing those farm industries facing competition from imports (particularly the livestock, dairy and fruit sectors) became openly involved in agricultural policy activities. Their motivation was essentially defensive: a feeling that the specialist interests of their members had to be protected at a particularly vital time.

The push towards agricultural trade liberalisation in government took place at the same time as positive de-controls were instituted in the Food Control system. These accompanied even more sensitive changes in rice policy such as the producers' rice price freeze and rice production cutbacks. Zenchū and Zennō (the national cooperative federation in charge of marketing rice to government) responded to these policy changes with a strategic concentration of energies into policy activities opposing changes in Food Control. They laid themselves open to the accusation from specialist cooperatives that their overwhelming concern with rice led them to neglect the vital concerns of specialist farmers.

There is the additional question of the extent to which the prefectural central unions and Zenchū can be said formally to represent the interests of the specialist cooperatives. The rate of affiliation of senmon nōkyō in the prefectural central unions and Zenchū is extremely low. Their primary affiliation is to their own prefectural specialist federations. As the latter are members of Zenchū, this is the only link for the vast majority of specialist nōkyō to the Zenchū system.

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1 As of 1977, there were 4,883 tankyō members of kenchū and the National Central Union. Only 120 of these were specialist agricultural cooperatives. Nōkyō Nenkan, 1978, op. cit., p.132.

2 In March 1976, there were 17 national federation members of Zenchū. Of these 15 were specialist federations, including Zenyōren, Zenrakuren and Nichirenren.
The line of affiliation between the specialist tankyō and Zenchū is therefore a very indirect one.

For the sōgō nōkyō, the line of affiliation is direct. They are members of both kenōhū and Zenchū. The poor rate of membership of the specialist agricultural cooperatives in the central union system is substantiated by figures for the amount of 'guidance' and 'auditing' services undertaken by the kenōhū for tankyō members. In 1976, they audited the accounts of 1,323 sōgō nōkyō and only 36 senmon nōkyō. In the same year, Zenchū undertook auditing for 10 sōgō nōkyō and no senmon nōkyō.

Specialist agricultural cooperatives also lack financial functions, and this is an additional factor in their inferior status in the Nokyo system and the dominance of the general-purpose agricultural cooperatives. The specialist co-ops are forced to go to the sōgō nōkyō to request credit.

Certain features of the senmon nōkyō, however, endow them with strengths which the sōgō nōkyō do not possess. The specialist cooperatives vastly outnumber the general-purpose cooperatives, and as they have developed their capacities in the marketing of 'specialist' commodities, increasing numbers of them have become capital-stock cooperatives. The changing figures for capital-stock specialist nōkyō are set out in Table 2.5.

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1 Affiliation of senmon nōkyō to credit and economic federations is, however, much higher.

2 Nōkyō Nenkan, 1978, op. cit., p.142-143. One factor accounting for the low rate of auditing in the specialist cooperatives is the fact that a majority as non-capital stock cooperatives (hishusehi kumiai) do not require it.
Table 2.5
NUMBER AND PERCENTAGE OF CAPITAL-STOCK SPECIALIST COOPERATIVES FOR DIFFERENT YEARS

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>19,787</td>
<td>18.3</td>
</tr>
<tr>
<td>1960</td>
<td>17,682</td>
<td>30</td>
</tr>
<tr>
<td>1970</td>
<td>11,420</td>
<td>41</td>
</tr>
<tr>
<td>1977</td>
<td>5,924</td>
<td>45</td>
</tr>
</tbody>
</table>


The sōgō nōkyō have a strong geographic focus as regional cooperatives, which gather together all the farmers within a particular area. The senmon nōkyō, on the other hand, are product- and activity-oriented. Their respective principles of organisation are therefore entirely different. 'The former enrolls all farm households in a given geographic area, regardless of the crops they raise, while the latter accepts those who grow specific crops no matter where they live.'\(^1\) This difference between the two types of agricultural cooperatives is manifested in the concrete physical sense insofar as the areas which specialist cooperatives service do not coincide with those of the general-purpose cooperatives. Specialist farmers generally belong to both types of organisation, which opens up the question of divided loyalties. Membership ties to the specialist cooperatives are often stronger than those to the general-purpose cooperatives, because they are more focussed on a particular product or activity.

\(^1\) Nishimoto, op. cit., p.326.
The principal areas of contention between the generalist and specialist side of Nokyo can be summed up as follows: problems of overlapping membership, intersecting areal boundaries, and the traditional emphasis of Zenchū's nōsei katsuō on maintaining Food Control and fighting for ever higher producer rice prices. The latter, in addition to the poor rate of affiliation of specialist nōkyō to the central unions has led to a conviction amongst specialist cooperatives that they must assume responsibility for policy-related activities.

There has, however, been a far more serious area of conflict between the general-purpose and specialist sides of the Nokyo organisation. This has involved marketing, especially where both types of cooperative handle the same products within a given area. As the consumer demand for rice and the production of non-rice grain crops has declined, the sōgō nōkyō have attempted to expand their marketing activities in other more specialist areas of Japanese agriculture. In consequence, the senmon nōkyō have felt under increasing threat of encroachment into their own commodity areas. In some localities, rivalry between the two sides of the Nokyo organisation has become open competition, compounded by the resentment amongst the specialist co-ops against the type of conflict resolution applied by the oh ūōkai in this sort of situation. There has been a tendency to adjust conflicts of this kind by advocating the extension of general-purpose business and the contraction of the specialist cooperative share.

Another related problem in the field of marketing has been the development of close ties between specialist cooperatives and non-cooperative marketing and supply business groups outside the Nokyo system. This has been viewed by the general-purpose side of the organisation
as undermining the strength of the agricultural cooperatives as a whole. In response, they have poured a substantial amount of pressure, finance, and managerial expertise into developing cooperative farming complexes (eindō danōki). These are particularly strong in the livestock and horticultural sectors, in addition to rice. The aim of these agricultural management projects has been to strengthen and integrate agricultural cooperative production, processing, marketing, distribution and retailing functions in opposition to the private trade.

Where rivalry between the general-purpose and specialist cooperatives has become intense over the marketing and control of a particular product in a particular area, political steps have been taken by both sides to get their interests represented more powerfully. In Ehime Prefecture for example, 'the two camps actually ran separate candidates for the governorship in a bitter electoral campaign'.

Another political technique which the specialist branch of Nokyo has developed more keenly, is the formation of close associations with informal LDP Diet members' leagues (giin renmei), whose membership is dominated by politicians from constituencies in which specialist farming is concentrated. These leagues act as internal pressure groups both within party policy-making circles and in the Diet. Some of their strongest operations have been launched on behalf of the anti-liberalisationists.

The specialist versus generalist cleavage represents an institutionalised conflict relationship within the agricultural cooperative organisation. It is built into the system in the sense that it receives official

1 These are discussed more fully in Chapter 6.
2 Nishimoto, op. cit., p.327.
3 See Chapter 6.
recognition in the provision of separate structural divisions catering to different interests, and some degree of functional specialisation amongst the cooperatives. This differentiation of internal structural forms has a dual purpose: it allows for both the expression and containment of conflict. Competition between different sections of the same organisation is openly acknowledged and therefore managed through legitimate channels. This is the theory at least. Occasions where competition has spilt over into direct confrontation between opposing groups has been the exception rather than the rule. In the last ten years, however, there have been increasing signs that containment of specialist versus generalist rivalry within Nokyo has become more difficult for the Zenchū leadership. Where this has manifested itself most clearly has been in the political arena where the national specialist federations have assumed a growing amount of Zenchū's political prerogative.

Rural Versus Urban Interests

Changes in Nokyo's social and economic environment have presented the national agricultural cooperative leadership with yet another problem of internal adjustment. Suburban encroachment into the countryside and the gradual urbanisation of rural areas has produced a division of interests within the organisation between urban-consumer members and rural-farmer members. In some areas 'the number of farmers has decreased to such an extent that the farm population alone is incapable of supporting any business'.¹ The decline in Nokyo's agriculture-related activities in the most rapidly urbanising regions serviced by the co-ops, has forced them to develop their purely financial and business operations

¹ Nishimoto, op. cit., p.323.
in order to survive. They have assumed the character more of regional or local financial and service organisations than farmers' groups. This has produced an underlying change of emphasis in the whole Nokyo system as increasing numbers of agricultural cooperative executives have adjusted to their new economic imperatives and adapted their cooperative services to cater to the needs of urban residents. The changing balance of urban versus rural interests within Nokyo is illustrated in Table 2.6. It indicates that in spite of the amalgamation program, the number of co-ops in 'urbanised rural areas' declined only marginally between 1966 and 1973, while those in 'genuine rural' and 'remote rural areas' decreased substantially.

Table 2.6
THE CHANGING BALANCE BETWEEN RURAL AND URBAN COOPERATIVES

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Co-ops in Genuine Rural Areas</th>
<th>No. of Co-ops in Remote Rural Areas</th>
<th>No. of Co-ops in Urbanised Rural Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>4,396</td>
<td>857</td>
<td>1,507</td>
</tr>
<tr>
<td>1973</td>
<td>2,936</td>
<td>657</td>
<td>1,504</td>
</tr>
<tr>
<td></td>
<td>-1,460</td>
<td>-200</td>
<td>-3</td>
</tr>
</tbody>
</table>


There are, however, in-built safeguards in Nokyo Law which guarantee the supremacy of farming over urban interests within the organisation. Non-farming residents who live in areas serviced by the co-ops are granted only associate membership which carries no voting or election rights.
In addition, executive control remains firmly in the hands of Nokyo's farming members. Article 30, Paragraph 10 of Nokyo Law states that 'at least three quarters of the established number of the directors of a cooperative shall be of its membership (excluding associate members').\(^1\)

Nevertheless the changing balance between cooperatives in highly urbanised areas in which Nokyo exists practically as a bank or insurance company, and those in remote farming areas, has produced a tremendous disparity of interest between the least urbanised and the most rural nōkyō. Zenchū is faced with hammering out policy requests which are, for example, equally responsive to the needs of agricultural cooperative members in Yokohama City and the remote mountain villages of Fukushima.

Conclusion

The central theme of this chapter has been the conduct of Nokyo's agricultural policy activities: the quality of democratic input from agricultural cooperative members; the formal structures charged with agricultural policy-making and policy representation within the organisation; and how the system actually operates in practice. Several conclusions emerged from this analysis. The conduct of agricultural policy activities is an executive-dominated function with rank-and-file participation most often in the form of executive-sponsored exercises such as the mass conventions of Nokyo representatives and farmers' political leagues. Zenchū's domination of the agricultural policy process is still very much in evidence, although it has come under increasing challenge in the last decade. Its difficulties in policy formulation have been compounded by the development of a number of

\(^1\) 'Nōgyō Kyōdō Kumiaihō', op. cit., p.118.
internal cleavages within the Nokyo organisation. These have been analysed in terms of a set of competing interests: centre versus periphery, business versus cooperativism, general versus specialist, and urban versus rural. In the face of these diverse intra-organisational pressures, Zenchū has a mammoth task of containment and adjustment to maintain organisational unity and strength in its presentation of policy demands to government.
PART II

NOKYO AND ELECTIONS
CHAPTER 3

THE POLITICAL ALIGNMENT OF NOKYO'S DIET MEMBERSHIP, 1949-1977

One of Nokyo's strategic activities as an interest group is the election of its own officials to the Diet.

The promotion of group leaders to national and local government office as representatives of specific sectional interests is standard practice amongst Japanese organisations.\(^1\) In this respect the agricultural cooperatives exhibit features which are common to a large number of Japanese voluntary associations. The sense in which this custom differs from the norm in Western democratic systems lies in the extent to which primarily non-political organisations seek national political representation in this manner, and the relatively large proportion of Japanese Diet politicians who maintain explicit organisational ties.

The Japanese model also implies a much greater degree of allegiance on the part of interest group leaders to their original organisation. This characteristic derives not only from the custom amongst Japanese Diet members of combining professional roles in outside organisations with Parliamentary careers, but the extent of their reliance on organised group backing for voting support. This produces a degree of policy 'debt' which exceeds that normally observed in Western systems between Parliamentary representative and constituent. Organisational definition of policy demands is consequently much greater.

\(^1\) This particular feature of Japanese interest group behaviour has been identified by a number of Western analysts including William E. Steslicke, *Doctors in Politics: The Political Life of the Japan Medical Association*, New York, Praeger, 1973; and Donald R. Thurston, *Teachers and Politics in Japan*, Princeton, Princeton University Press, 1973.
Nokyo incorporated a tradition of direct political representation in national (and local) politics from the time of its re-establishment in 1947. The numbers of Diet members representing the prewar farmers' associations and the producer cooperatives increased from the beginning of the twentieth century until 1933, there were forty nine officials of the sangyō kumiai in the Diet. This constituted 11 per cent of total Diet membership.¹

This chapter addresses itself primarily to a series of questions which relates to the issue of party allegiance. With what political groupings have Nokyo's Diet members aligned themselves? Measured in terms of the party affiliations of its representatives, does Nokyo conform to the stereotype of a 'conservative' farm organisation? Since the formation of the LDP in 1955, has it been an exclusive appendage of the government party in the countryside?

The approach is generally historical: the analysis seeks to identify discernible trends in the political composition of Nokyo's Diet representation over time. It includes a survey of early attempts by agricultural cooperative Diet leaders to set up a Japanese farmers' party. Later sections examine the foundation of Nokyo-based farmers' political leagues which concentrated their efforts on mobilising support for the election of Nokyo officials. The period under review extends from the first post-war election in 1946 to the Lower House election of 1977.

¹ At the same time, they occupied 39 per cent of the seats in prefectural assemblies. These figures were obtained from Takeshi Ishida, Interest Groups in Japan, Monograph, n.d., p.22. The custom of direct representation of cooperative interests in the Diet was greatly encouraged by the anti-cooperative movement launched by private enterprise in the 1930s. This forced the cooperatives to safeguard their interests by increasing their Diet representation. The membership of this national political institution was, by and large, anti-cooperative.
'Nokyo Diet Member' Defined

For purposes of analysis, the category of Nokyo Diet member (Nōkyō giin) is defined restrictively to denote a Parliamentarian who has at one time held an official position within the Nokyo organisation (executive or staff), including the post of advisor (komon) (a category often reserved for politicians); but not including those who have been cooperative union members (kumiaiin). This definition incorporates those who hold Diet office concurrently with Nokyo positions (Nōkyō geneki) and those who have held them prior to entry into Parliament.\(^1\) The number of Nokyo officials in the Diet at any one time will be smaller than the total number of Nokyo Diet members thus defined, because a certain proportion relinquish their agricultural cooperative leadership roles on entry into national politics. This definition does not take into account individuals who took up Nokyo positions after holding Diet office, nor officials of the 100 or so Nokyo-related groups\(^2\) with which the cooperatives maintain formal ties. The value of such a restrictive definition, however, is that it enables the researcher to reach finite conclusions about the political character of Nokyo Diet members as a group.

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1 The validity of these criteria were confirmed by the results of a questionnaire distributed to members of the Diet members' organisation attached to Nokyo: the Agricultural Policy Research Association (Hōsei Kenkyūkai). The questionnaire was distributed in November 1976 and May 1977. Respondents were asked whether they considered themselves to be Nōkyō giin. Replies accorded with the above definition in 87 per cent of cases.

2 These are listed in Zenkoku Nōgō Kyōdō Kumiai Yakushokuin Renmei, Nōgō Kyōdō Kumiai Rengōkai Yakushokuin Meibo (National Agricultural Cooperative Union Executive and Staff Members' League, Agricultural Cooperative Union Federations' Executive and Staff Membership List), 1976, Tokyo, Kyōdō Kumiai Tsushinsha, pp.4-8. The best known amongst these are the Central Cooperative Bank for Agriculture and Forestry, and the Livestock Industry Promotion Corporation.
This chapter attempts an historical treatment of the party membership characteristics of this group between 1949 and 1977 with an introductory section on the political representation of pre-Nokyo agricultural organisations. Data are organised into a series of time frames: 1946 to 1955, 1955 to 1967, and 1967 to 1977. The criteria for this periodisation are based on fundamental shifts in the national political environment as recorded in changes in the electoral performance of political parties, and in party organisation. The chapter focusses on the interrelationship between this changing political environment and the nature of Nokyo representation. Historically significant trends in the character of Nokyo's political affiliations in the national Diet are identified together with the establishment of certain patterns of party support.

1 This covers the period until July 1977, including the Upper House elections in that month.

2 Nokyo was not formally established until December 1947. There were three Diet elections prior to this: a joint Diet election in April 1946; and the first House of Councillors' and House of Representatives' elections in April 1947. For the purpose of this analysis, current or past leaders of Nokyo's organisational predecessor, the agricultural associations (nogyōkai) are treated as equivalent to the later status of Nokyo Diet member. Information on the actual members of these categories was collected from a number of sources including: Shūgiin Yöran (House of Representatives' Survey), various issues; Kokkai Benran (Diet Handbook), 1976 and 1977; Betsubetsu Kokkai Benran (A Compilation of Diet Handbooks), 1955-74; Shōsan Benran Shōwa 48 (House of Representatives' and House of Councillors' Handbook 1972); Sangiin Benran (House of Councillors' Handbook), 1971; Diet members' listings in Asahi Nenkan (Asahi Yearbook), 1946 to 1977; Nokyo Diet members' career details as given in Tanaka Toyotoshi, Nihon no Nōkyō (Japan's Nokyo), Tokyo, Nōkyō Kyōkai, 1971, especially Chapter 12 entitled 'Nōkyō no Senkyō Katsudō' (Nokyo's Election Activities) pp.424-481; Miyagawa Takayoshi (ed.), Seiji Handobukku (A Handbook of Politics), Tokyo, Seiji Kōhō Senta, 1972; and organisational affiliations as reported by respondents to the questionnaire distributed to members of the Nōsei Kenkyūkai.

3 The cut-off points for these three respective time periods have been used elsewhere. See for example, Hajime Shinohara, 'Postwar Parties and Politics in Japan', The Developing Economies, Vol. VI, No.4, December 1968, pp.393-394, who based this periodisation on changes in the party system. See also Scott C. Flanagan, 'The Japanese Party System in Transition', Comparative Politics, Vol. 3, No.2, January 1971, pp.231-253.
LDP Dependence on the Rural Vote

The question of significant variations in Nokyo's Diet membership over time is a logical one, given the economic and social restructuring of rural areas that took place in the postwar period. This was a by-product of land reform and the dual processes of urbanisation and industrialisation. The most dramatic effect of these changes on the countryside was the decline in the percentage of the workforce engaged in agriculture. Where similar processes took place in other developed capitalist economies, prospects for the establishment and maintenance of farmers' parties steadily diminished. In the face of declining electoral prospects, farm organisations in the main discarded the option of parties servicing their own interests, and opted for representation within existing conservative groupings with a broader spectrum of appeal.

In Japan, early attempts to establish a farmers' party also proved a failure. A series of embryonic farmers' political groups appeared in the Diet between 1947 and 1952 with much of the impetus behind these groupings coming from voluntary farm organisations associated with the agricultural cooperatives. They were, however, symptomatic of the early postwar period of party upheaval and change, and ultimately faced a choice similar to many other such temporary intra-Diet alliances: electoral extinction or incorporation into major party groupings.

At the time, the question of the survival of a farmers' party in Japan was not related to the usual sequence of socio-economic change producing a decline in farm population and a consequent narrowing of an electoral base. It was a matter of the organisational viability of a minor political grouping which contradicted the general trend towards party consolidation in the Diet. By the early 'fifties, the majority voting preferences of farming constituents who simultaneously formed the
bulk of Nokyo's membership, began to demonstrate a strong trend towards support for the two major conservative parties, particularly after the completion of land reform and the demise of the farmers' union movement. The recognition that a considerable part of their support base lay in the countryside further encouraged the conservatives to give due consideration to policies affecting the farmers and the cooperatives, and the development of a close association between Nokyo and conservative government parties began. This was the primary factor obviating the need for a specific farmers' party in Japan's case. The key element in the nexus between Parliamentary party and extra-Parliamentary grouping was the electoral factor: namely, the dependence of successive conservative governments on rural voting support. If anything, the reliance of the ruling conservatives on rural and semi-rural votes as a proportion of their total seat and vote tallies increased rather than decreased over time. What was true for the Liberal Party (Jiyūtō) which led the government for most of the postwar period, and later the Democrats (Minshutō), applied with even greater force to the Liberal Democratic Party (Jiyū Minshutō) which took power in 1955.

A number of studies have substantiated the dependence of the LDP on rural support. A statistical documentation of this phenomenon was compiled by Soma Masao using a five-category conceptualisation of House of Representatives' electorates into metropolitan, urban, semi-urban, semi-rural and rural types. He demonstrated that in the 1972 elections, the LDP's polling rate rose from 29.8 per cent in metropolitan constituencies, to 46.3 per cent in urban, 53 per cent in semi-urban, 56.3 per cent in

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semi-rural, to 62 per cent in rural constituencies. By a selective combination of these totals, Soma showed that in the 1972 elections, the LDP won a majority of its supporting votes (61.5 per cent) from semi-urban, semi-rural and rural constituencies. He concluded that there was an inverse correlation between levels of urbanisation and levels of support for the LDP.\(^1\) As the former declined, the LDP voting rate increased.\(^2\) Another study correlated shifts in voting population with the percentage of votes obtained by the LDP between 1958 and 1967, reaching the same conclusion that the major stronghold of support for the conservatives continued to lie in the countryside rather than in urban areas.\(^3\)

\(^1\) Soma demonstrated the opposite to be largely true of the Japan Communist Party (JCP), Democratic Socialist Party (DSP), and Clean Government Party (CGP), with the CGP and JCP more dependent on metropolitan and urban votes than any of the other parties. The distribution of support for the JSP, he found, was remarkably evenly balanced across all types of electorates.

\(^2\) Shigeki Nishihira in a similar study of the results of the 1976 House of Representatives' elections using a five-grade classification of electorates in terms of a 'population concentration rate' produced the same result. See his 'An Anatomy of the 1976 Election', *Japan Echo*, Vol. IV, No.2, 1977, pp.67–76. He showed that as the 'population concentration rate' rose in his different categories of constituency, the percentage of votes obtained by the LDP dropped. He also came to the same conclusion as Soma as to the respective types of support given to the opposition parties.

\(^3\) See Shinohara, *op. cit.*, pp.401–403. He correlated shifts in voting population with the percentage of votes obtained by Japanese political parties between 1958 and 1967. Moving from the least populous through to the most populous districts in any one election, the percentage of votes for the LDP decreased, and over time, it declined in all areas, although at a slower rate in rural constituencies.

See also Taguchi Fukuji, 'Sōsenkyo to Nōminhyō no Yukue' ('General Elections and Trends in Farmers' Votes')，*Nōgyō Kyōdo Kumiai* (Agricultural Cooperative Union), February 1973, pp.16–17. He borrowed heavily from some of Shinohara's later work published in the *Asahi Jōnaru* (Asahi Journal), December 1972, showing that over the five preceding general elections to the Lower House (1960, 1963, 1967, 1969 and 1972), the LDP's voting rate, although it declined by 8.47 percentage points in rural constituencies over this period, was still above 60 per cent in 1972. (contd.)
Measurement of the LDP's level of dependency on rural and semi-rural constituencies in terms of seats rather than votes, showed that the LDP consistently held more than 60 per cent of semi-rural and rural seats in the House of Representatives in three spaced elections (1958, 1967 and 1972), and over the same period, the percentage of its combined dependence on these seats as a proportion of its total rose from 55 per cent in 1958 to 57 per cent in 1967 and still further to 61 per cent in 1972. This substantiates the increasing ratio of LDP dependence on rural and semi-rural constituencies.

Although the rural vote (노촌의) is a much broader category than the farm vote (노민의), several factors endow the farmers with a strategic position in the electoral system. Firstly, it is axiomatic that primary industries, of which agriculture is the main component, are concentrated in rural and semi-rural areas, and a high correlation has been established between conservative votes and per cent of farm households. One survey demonstrated that 74.2 per cent of those who were self-supporting in the agriculture, forestry and fisheries industries voted for the LDP in the 1969 elections. The figure for 1972 was 71 per

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For further documentation, see Tanaka, op. cit., p.424, which put LDP dependence on rural constituencies in the 1969 election at 64 per cent, with a corresponding decline in support with the shift from rural through semi-rural to urban and metropolitan types.


1 See Table 11, in J.A.A. Stockwin, Japan: Divided Politics in a Growth Economy, London, Weidenfeld and Nicolson, 1975, p.100. The latter calculations are also derived from the same table.

2 See Lee, op. cit., p.162.
In addition, 69 per cent of those who professed to be members of Nokyo and other agricultural groups said they voted for the LDP, which was higher than any of the other voluntary membership groups surveyed.

Secondly, in spite of massive shifts in population from rural to urban sectors from 1960 onwards, the accompanying redistribution of seats to compensate for population movements was insufficient to prevent increasing rural over-representation and urban under-representation. The disequilibrium amongst House of Representatives' electorates in 1972 for example, was such that 50 per cent of seats were shared amongst 38 per cent of eligible voters. At its extreme, the imbalance placed a value on a rural vote in the least populous constituency of Hyōgo (5) 4.98 times higher than on a vote in the most heavily populated constituency of

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1 This is based on research conducted by the Clean Elections League (Kōmei Senkyo Renmei) and reported in Soma, op. cit., pp.128-135. According to a survey of 3,000 voters done by the Home Ministry in 1958 and reported in Kobayashi Naoki, Shinohara Hajime and Soma Masao, Senkyo (Elections), Tokyo, Iwanami Shoten, 1960, p.93, 70 per cent of men employed in farming, forestry or fishing industries voted for the LDP (as against 19 per cent for the JSP) and 61 per cent of women likewise (as against 17 per cent for the JSP).


3 Forty-four new seats have been created in metropolitan constituencies since 1964, but there has been no corresponding reduction in the number of seats in the least populous constituencies. The distribution of seats in the current House of Representatives is basically that founded on population distribution patterns derived from the special population survey conducted in April 1946.

4 In 1972 there were 247 rural and semi-rural seats out of a total of 491 (50.3 per cent). These contained 27,941,165 eligible voters out of a total of 73,770,000 (or 37.8 per cent) in the same year. These figures were calculated from data on the percentage of population in each electorate living in cities as opposed to counties (shigunbu hiritei) found in Seiji Handobukku, op. cit. pp.203-264. All electorates were ranked from 1 to 124 on the urbanisation continuum with the lower two quartiles classed as semi-rural and rural. Categorised in this manner 'semi-rural' falls between 55.95 and 67.48 per cent of population being in cities, and 'rural' between 12.84 and 55.48 per cent.
Osaka (3). Continuing urbanisation combined with an almost fixed number of Diet seats has only exacerbated the imbalance in the electoral system.  

Although the causes of the unequal representation of Japanese voters are widely acknowledged, rectification of this situation has been viewed as a political problem requiring solutions which are unacceptable to the conservative government party. The reason for this is clear enough: so far the LDP has benefited more than any other party from the excessive representation of rural areas because of the rural bias in the party's electoral support base.

1946 to 1955: Introduction

Political divisions amongst farm spokesmen in the early postwar period mirrored the development of two distinct types of agricultural organisation in postwar Japan: the farmers' union movement on the one hand, and groups associated with the agricultural cooperative system on the other. Each of these organisations inherited a discrete historical

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1 These figures are for 1972. Soma in his analysis of the 1972 Lower House election, demonstrated that a JSP candidate for Tokyo (7) garnered 144,415 votes and lost, whereas an LDP candidate received 37,258 votes (the lowest number received by a winning candidate over the whole country) in Gumma (3) and won. The former was 20th place in terms of votes received over all candidates. There were in fact seven candidates who got more than 100,000 votes who lost in this election. Op. cit., pp.117-119.

2 According to research based on data for 1955, the imbalance at its extreme meant that a vote in Tochigi (2), Gumma (2) or Hyōgo (5) was worth a rating of 1.4 as against 0.5 in Kanagawa (1), Osaka (1) or Hyōgo (1). As was pointed out, the ratio of 3:1 in 1955 became almost 5:1 by 1972. See Kobayashi, Shinohara and Soma, op. cit., Furoku, p.11.

3 Taketsugu Tsurutani in Political Change in Japan, New York, David McKay Co. Inc., 1977, pp.214-217, showed that in the 1972 elections, those elected with the ten lowest vote tallies were either LDP members or pro-conservative Independents.
tradition of political activity which influenced later party affiliations. The intervening wartime control situation and the unprecedented reforms instituted by the Occupation authorities interrupted but did not radically alter the pattern of historical continuity.

The agricultural associations (nōgyōkai) which filled the organisational vacuum until the re-establishment of the agricultural cooperatives represented an amalgam of prewar 'establishment' agricultural groups, which had been dominated by the land-owning class and had incorporated a strong tradition of cooperation with agricultural administrators and conservative parties.

The farmers' unions had a historical pedigree that was equally considerable. They traced their origins to the prewar tenants' rights movement spearheaded by left wing politicians. Although they expanded their popular following at the grass-roots level, Socialist Diet members continued to dominate executive leadership positions within the movement.

In comparison with the more clearly defined and predictable party attachments after 1955, the immediate postwar years represented a transitional period when political alignments reflected the rapidly changing contours of party organisation in the Diet and also the plethora of Independent and minor party candidates who successfully contested Diet elections.¹

Against this background of fluid party loyalties and less strongly developed group identities, farm organisations participated in a common struggle for official recognition of farmers' demands of all kinds,

¹ In the 1946 General Election, Independents polled 20.4 per cent of the total vote and minor party candidates 11.7 per cent. In 1947, these figures were 5.8 per cent and 5.4 per cent respectively. See Kobayashi, Shinohara and Soma, op. cit., Furoku, p.4.
rather than for concessions to particular organisational interests.¹

A platform shared by almost all groups was the need for land reform and the redevelopment of the agricultural cooperatives. This was underscored by an awareness amongst agrarian leaders of all political leanings that unprecedented changes in the nature of farm organisation were inevitable under the Occupation.

Apart from their semi-administrative functions in the land reform program, the activities of local farmers' union branches concentrated chiefly on providing an organisational and electoral base for the mobilisation of farmers' votes in support of Socialist party Nichinō executives in Diet elections.² The membership strength and electoral involvement of large numbers of farmers' union branches undoubtedly contributed to the support shown for the JSP in rural areas in the elections of 1946 and 1947.³

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¹ This point was made by Fukuji Taguchi, 'Pressure Groups in Japanese Politics', *The Developing Economies*, Vol. VI, No.4, December 1968, p.478.

² In the 1946 elections, this group included the Chairman of Nichinō, Sunaga Kō, and its Secretary-General, Nomizo Masaru. In the 1947 House of Representatives' election, 31 of the 143 JSP Diet members were reputedly either national or prefectural leaders of Nichinō. See Ronald P. Dore, 'The Socialist Party and the Farmers', in Allan B. Cole, George O. Totten, and Cecil H. Uyehara, *Socialist Parties in Postwar Japan*, New Haven and London, Yale University Press, 1966, p.381. Robert A. Scalapino and Junnosuke Masumi in *Parties and Politics in Contemporary Japan*, Berkeley and Los Angeles, University of California Press, 1962, p.164, reported that there were 44 Socialist Party Diet members who were farmers' union leaders or affiliated members in the post-1947 House of Representatives.

³ In the 1946 elections, JSP candidates won more than 20 per cent of the total vote in a number of agricultural constituencies, and in the Lower House election of 1947, '50 per cent of the Socialists elected to the House had come from 69 of the most rural constituencies.' Dore, *op. cit.*, pp.378-379 and p.386.
The climax of land reform in 1947, however, is generally regarded as coinciding with the peak in the political influence of the farmers' union movement. The completion of both stages of land reform deprived Nichinō of its principal raison d'être and undermined the basis of its popular appeal. Repeated ideological and factional splits from 1947 onwards also contributed to the organisational decline.

One of the by-products of the intense factionalism within the farmers' union wing of the JSP was the creation of a Worker Farmer Party (Rōdōsha Nōmintō, or Rōnōto) in 1948. Although led by former JSP agrarian leaders operating from a base within a number of agricultural constituencies, the Rōnōto never managed to escape its factional Socialist Party origins and emerge as a farmers' party proper. The concept of a worker-farmer alliance had limited appeal in the face of the burgeoning sense of petty proprietorship amongst a majority of emancipated tenant farmers whose conservative proclivities were increasingly revealed in successive elections after 1947.


2 The extreme right wing of the farmers' union movement broke away and established a separate organisation, the All-Japan Farmers' Union (Zennihon Nōmin Kumiai, or Zennō) in July 1947. A subsequent division split Nichinō along Socialist-Communist lines in 1948.

3 Set up by the expelled pro-Communist Nichinō leader Kuroda Hisao in December 1948, the Rōnōtō won seven seats in the House of Representatives in 1949. In the Lower House poll of 1952 it won four seats, five in 1953 and four in 1955. In the 1950 House of Councillors' elections, two Rōnōtō members were successful, but the party had no success in either the Upper House election of 1953 or 1956. It was reabsorbed into the Socialist Party in 1957.
The organisational decline of the farmers' unions was most evident at the local level where membership numbers decreased substantially. This merely emphasised their essential character as groups dominated by politician-leaders with regional branches serving as little more than surrogate electoral organisations for the various Socialist and Communist groupings with which they were respectively allied.

The Formation of Farmers' Parties

The impetus behind the formation of farmers' parties came more from the centre and conservative end of the political spectrum: chiefly the prefectural branches of the National Rural Youth League (Zennōseiren) in Hokkaidō (the Hokkaidō Farmers' League) and in Fukuoka. These groups were very active on the national political scene. In the early postwar elections, they sponsored some of their leaders as Independent candidates to the Diet, but prior to the joint Upper and Lower House elections in April 1947, they organised a Japan Farmers' Party (Nihon Nomintō).

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1 The major Socialist Party split in 1951 contributed to a further splintering of the farmers' union movement, with the formation of a Right Wing Socialist Party General Federation of Farmers' Unions (Nomintō Kumiai Sódōmei). The mainstream Nihon organisation divided internally into two practically separate groupings: the Independence faction (Shutaiseisha), and the pro-Communist Unity faction (Tōitsuha). Diet representation of the farmers' unions reflected the substantial dip in Socialist Party support in the 1949 elections, but as the Socialists generally picked up seats in the early 1950s, it again rose to previous levels. According to Scalapino and Masumi, op. cit., pp.165-166, farmers' union membership in the Diet amounted to 11 in 1949, but by 1953, it had increased to 32.

2 This point was made by Dore, op. cit., p.391.

3 The Hokkaidō Farmers' League (Hokkaidō Nomintō Domei) was the prefectural branch of Zennōseiren in Hokkaidō.

4 Independent representatives included Kunii Junichi, the Founding Chairman of the Zennōseiren, elected to the House of Concillors for the national constituency from 1947 to 1950, and Kaneko Yōjurō, elected to the House of Representatives for Gumma (1) constituency in 1949, who was backed by the Gumma Prefecture Rural Youth League.
The party began essentially as a splinter group of former Japan Cooperative Party (Nihon Kyōdōtō) members from the Cooperative Democratic Party (Kyōdō Minshutō), who formed a second Japan Cooperative Party. The Cooperative Democratic Party was successor to the original Japan Cooperative Party organised by Sengoku Kotarō in December 1945, also strongly based in Hokkaidō. The latter was the official party representing the general philosophy of cooperative unionism (kyōdō kumiai shugi).¹

The original Japan Cooperative Party and the political groupings that succeeded it constituted the mainstream of the cooperative political movement in Japan,² and they continued to maintain strong agricultural links. The second Japan Cooperative Party founded in September 1946 was also led by an agriculturalist from Hokkaidō, Kita Katsutarō, a former Director of the prewar prefectural agricultural association (nōkai). It sought to return to the original purpose of Sengoku's Japan Cooperative Party, which was to unite the spirit of cooperativism with rural interests. The change of name to Japan Farmers' Party gave an even clearer indication of its founders' philosophy.

¹ Asahi Nenkan, 1946, p.109. Sengoku, as a prominent dairyman, had been a leading figure in the prewar industrial cooperatives and Minister of Agriculture and Forestry in the first postwar cabinet. He collaborated with another dairyman, the so-called Hokkaidō 'Butter King', Kurasawa Torizo, in setting up the Nihon Kyōdōtō. The party itself, however, was not devoted solely to representing the rural sector. It also sought to encourage the support of urban, middle-class, industrial and business interests. See Harold S. Quigley and John E. Turner, The New Japan, Minneapolis, University of Minnesota Press, 1956, p.85.

² At the same time as the Japan Farmers' Party was established, the Cooperative People's Party was successful in its second attempt at unification with the People's Party (KokuminTō), and the People's Cooperative Party (Kokumin Kyōdōtō) led by Miki Takeo was set up in March 1947. It became the mainstream cooperative party in the Diet.
Only one of the small group of early Japan Farmers' Party members survived the purge and the 1947 House of Representatives' election, and he became leader of the party. He was joined by three successful Japan Farmers' Party candidates in the 1947 Lower House election (of 12 candidates put up) and four more who joined subsequently. With eight members, the party was the second smallest in the House. More than half its membership represented farmers' groups associated with the rural youth league movement, particularly the Hokkaidō Farmers' League and the Fukuoka branch of the Zennōseiren, both of which took the lead in the pre-Nokyo grass-roots farmers' movement. The official political philosophy of the party was by no means uniformly conservative. It was essentially a centre party which aimed to adopt a political stance independent of both left and right. Party philosophy specifically rejected 'the dictatorship by left or right wing parties'. It 'looked forward to the establishment of a peaceful Japan based on the principle of cooperative unionism (kyōdō kumi shugi)', and it recognised the need for strong representation of farmers' interests in the re-establishment of Japanese agriculture based on a rapid increase in production and improvement in the self-sufficiency ratio for food.

1 Nakano Shirō, political representative of a local farmers' organisation in Aichi Prefecture.

2 Apart from Nakano, its members were: Kawaguchi Yoichi from Hokkaidō (2) constituency, member of the Hokkaidō Nōmin Dōmei, who became Secretary-General of the party in November, 1947; Kita Jirō from Hokkaidō (4) and Takakura Sadanori from Hokkaidō (5), both agriculturalists; Katō Yoshitarō from Fukui, Tsunejima Masaoki from Nagasaki (2), later Chairman of the successor to Zennōseiren, the National Farmers' Federation (Zenkoku Nōmin Renmei, or Zennōren); Nakamura Torata from Fukuoka (1), who was Secretary General of Zennōseiren, and Terasaki Kaku from Fukuoka (3), who was an executive member of the Fukuoka Prefecture Rural Youth League.

3 Asahi Nenkan, 1948, p.165.

4 Ibid.

5 Ibid.
In spite of the strong organisational connections between the agricultural associations and the rural youth leagues, and the existence of a Japan Farmers' Party allied with the latter, nógyōkai officials elected to the Diet in 1946\(^1\) divided their allegiance amongst three major groupings: large and more established parties of the right (the Liberals and the Progressives [Shinpōtō]), Independents, and the Japan Cooperative Party. It was a specific organisational precept of the latter to 'utilize the agricultural associations to influence elections'.\(^2\) There also existed a general coincidence of interests between the nógyōkai, which had incorporated the prewar industrial cooperative organisation, and a party which sought to combine the spirit of cooperative unionism with agricultural and business interests. For the same reason, former nókai executives were also strongly represented in the Japan Cooperative Party.

The connection between the agricultural associations and the mainstream cooperative group, the People's Cooperative Party which succeeded the Cooperative People's Party, showed up even more strongly in the 1947 House of Representatives' election.

Nógyōkai officials\(^3\) elected to the House of Councillors in the first Upper House poll in April 1947 figured prominently in the independent

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1 Six members of this group were later to take up executive positions in Nōkyō. Three later became Nōkyō Diet members, holding concurrent office in both the national Parliament and the agricultural cooperative organisation. The remaining three were to relinquish national politics for careers as Nōkyō leaders.

2 Quigley and Turner, op. cit., p.85.

3 This group included Yanagawa Sozaemon, Chairman of the National Agricultural Association (Zenkoku Nógyōkai), who gained second position in the list of successful national constituency candidates with over four million votes (compared with the combined total of 280,000 votes won by the two Nichinō candidates). He was later disqualified as a Diet member under the purge and also resigned as Chairman of the National Agricultural Association.
pro-conservative Green Breeze Society (*Ryokufukai*), although leading
*nōgyōkai* members who later became chairmen of national agricultural
cooperative organisations allied themselves to the People’s Cooperative
Party.¹

The fact that *nōgyōkai* officials in the main chose major conservative
or cooperative party representation and not perhaps the more obvious
preference for Japan Farmers’ Party affiliation, reflected not only the
strong regional focus of the latter in Hokkaidō and Fukuoka
and its lack of major party status, but also a more fundamental political
division in the early postwar agricultural cooperative movement. This
set apart local agarian activists representing grass-roots farmers’
organisations such as the rural youth leagues and farmers’ leagues, from
officials of more establishment agricultural groups such as the *nōgyōkai*. The former were thoroughly imbued with notions of organisational demo-
cratisation and political independence, while the latter found it diffi­
cult to shake off more elitist notions of agrarian leadership and a
tradition of compliance with governmental directives and closed alliances
with conservative parties.

Although the *nōgyōkai* were no longer politically relevant from 1948
onwards following their legal dissolution in August 1948, these two
streams of the pre-Nokyo agricultural movement, one locally-based, acti-
vist and politically independent, and the other more bureaucratic,
central government-oriented and uniformly conservative, continued to
exist in separate organisational locations. The former was to be found

¹ This included Yonekura Tatsuya, Chairman of Nagano Prefecture Agri-
cultural Association, who became the first Chairman of *Zenōhō*; and
Okamura Fumijirō, who later succeeded to the position of *Zenkyōren*
Chairman.
amongst Nokyo-associated prefectural farmers' political groups, the latter amongst the national Nokyo executive leadership.

The Japan Farmers' Party continued to operate as a minor party in the Lower House until November 1948, when Zenmōseiren sought to inject new impetus into the farmers' political movement by sponsoring a National Council for the Mobilisation of Farmers' Political Power (Nōmin Seiji-ryoku Kesshū Zenkoku Kyōgikai). The Council was united in its desire to set up a new party, and the Nōmintō was subsequently dissolved. In December 1948, some of its former members joined with a small splinter group from the mainstream People's Cooperative Party to form the New Farmers' Party (Nōmin Shintō) with seven members. It polled one per cent of the vote in the January House of Representatives' elections, and had 10 members in the post-election Lower House.  

The 1949 House of Representatives' election was the first in which the new category of 'Nokyo politician' appeared, and almost half the

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1 This phraseology was to become part of the standard vocabulary of Nokyo-associated political groups.

2 On this basis it deserves classification as a minor party, although this was only one seat less than the Rōhōtō which has attracted a great deal more attention from scholars. It was also one more than the Zenmō (farmers' union) leader, Hiranō Rikizō's socialist splinter group, the Social Reform Party (Shakai kakushintō). New Farmers' Party members were: Kawaguchi Yōichi, Hokkaido (2), ex-Nihon Nōmintō; Matsumoto Rokutarō, Hokkaido (1), formerly People's Cooperative Party; Kodaira Tadashi, Hokkaido (4), who stood on a Nōmin Shintō ticket, and was newly elected to the House; Kita Jirō, Hokkaido (2), ex-Nihon Nōmintō; Takakura Sadanori, Hokkaido (5), ex-Nihon Nōmintō; Iida Yoshishige, Hokkaido (5), former People's Cooperative Party member; Hatano Jirō, Oita (1), who joined the party having been elected as an Independent; Nakamura Torata, Fukuoka (1), ex-Nihon Nōmintō; Terasaki Kaku, Fukuoka (3), ex-Nihon Nōmintō; and Mizuno Hikojirō, Shizuoka (1), who later reverted to non-party alignment.
membership of the New Farmers' Party came from this group.\footnote{These were: Kawaguchi Yōichi, Chairman of the National Agricultural Cooperative Union Liaison Council in 1948 and later Hokkaidō Purchasing Nōkyō Federation Chairman; Matsumoto Rokutarō, Chairman of the Hokkaidō Guidance Nōkyō Federation; Kodaira Tadashi, who had a considerable history in the agricultural cooperative movement as a prewar staff member of the National Purchasing and Marketing Federation (Zenkōhanren) (of the sangyō kumiai), as a wartime staff member of the National Agricultural Association, and after the war, as a Managing Director of the Hokkaidō Production Federation (Setsanren), an interim agricultural cooperative-type organisation (he has been depicted as a 'true-blue cooperative man' by Tanaka, \textit{op. cit.}, p.435); and Hatano Jirō, who was Chairman of Oita Prefecture Marketing Nōkyō Federation.} Naturally enough the party reflected the continuing sponsorship of the Hokkaidō Nōmin Dōmei and the rural youth leagues and was therefore strongly represented in Hokkaidō and in Fukuoka where the prefectural nōseiren was very active.

The principal tenet of party policy was 'stabilisation of the national economy on the basis of the principle of cooperative union socialism (kyōdō kumiai shakai shugi)'.\footnote{Asahi Nenkan, 1950, p.303.} The proximity of the party to the centre and extreme right of the socialist movement was exemplified by its participation in the New Politics Council (Shin Seiji Kyōgikai) formed in May 1949. Seven members of the New Farmers' Party (there had been three reversions to the ranks of Independents) joined this group together with the 14 members of the centre People's Cooperative Party (which had had its strength more than halved in the January 1949 Lower House election), six members of an Independent group, the Justice Club (Kōsei Kurabu), and five from the right wing socialist group, the Social Reform Party. The New Politics Council never developed beyond the stage of a temporary political alliance amongst minority parties, however, and soon dissolved into the same political factions that had given it birth.
Amongst the group of Nokyo Diet members who made their political debut in the January 1949 Lower House elections, members of the New Farmers' Party were outnumbered by those endorsed by the governing Democratic Liberal Party (Minshu Jiyūtō). The overwhelming superiority of the latter in the 1949 elections undoubtedly contributed to this picture. The remaining Nokyo Diet members were fairly evenly divided amongst People's Cooperative, Democratic and Socialist parties. This varied picture was merely an aspect of the fragmented party configuration in the Diet at the time. It also reflected the uncertainty of party loyalties amongst many new agricultural cooperative leaders and members. The dominance of the Nokyo-Democratic Liberal connection, however, can be viewed in retrospect as representing the beginning of a trend which was to be sustained without exception from 1949 onwards: preference by the largest group of Nokyo Diet members for endorsement by the conservative government party.

The Decline of Farmers' Parties

Between 1949 and 1952, much of the effort of a small group of Nokyo's earlier Diet members continued to be directed towards finding a discrete avenue of political expression via the organisation of a separate farmers' party. An attempt was made to infuse new life into this concept in December 1949 with the dissolution of the New Farmers' Party and the establishment of a Farmers' Cooperative Party (Nōmin Kyōdōtō). It was hoped that the party would provide unitary political leadership for the agricultural cooperative movement and Nokyo-associated farmers' groups. With only nine members in the Lower House, however, its status was that of a minor political grouping.¹

¹ This was, nonetheless, more than double the membership of the Hōnōtō or the Shakai Kakushintō.
The Farmers' Cooperative Party platform, like that of its predecessor, advocated the construction of a national economy based on cooperative socialism (kyōdō shakai shugi). Its principal goal was the establishment of a policy which emphasised increases in agricultural production.1

Although the party by no means had a monopoly on Nokyo representation in the Diet, it deserved the label of 'Nokyo party' by virtue of its agricultural cooperative leadership and the high proportion of Nokyo officials in its ranks.2 Once again, like its predecessors, it was largely sponsored by the Nokyo-associated rural youth movement in Fukuoka and the Hokkaidō Farmers' League.3 The party successfully elected three candidates to the House of Councillors in 1949, which represented 2.27 per cent of seats and 1.2 per cent of the national vote. All were affiliated to the Hokkaidō Nōmin Dōmei.5

1 Kyōtō Daigaku Bungakubu Kokushi Kenkyū Shitsu (eds), Nihon Kindaiishi Jiten (Kyoto University, Faculty of Literature, National History Research Room, A Dictionary of Modern Japanese History), Tokyo, Tōyō Keizai Shinposha, 1964, p.496.

2 The first leader of the Farmers' Cooperative Party was Matsumoto Rokutarō, Chairman of the Hokkaidō Guidance Nokyo Federation and later Vice-Chairman of the National Guidance Nokyo Federation. He was followed as leader in June 1950 by Kawaguchi Yōichi, a leading Hokkaidō Nokyo official. Other members were Kodaira Tadashi, Hatano Jirō, Iida Yoshishige, Takakura Sadanori, Terasaki Kaku, Nakano Shirō, and Nakamura Torata, a majority of whom were Nokyo officials.

3 The party's Secretary-General was Nakamura Torata, also Secretary-General of the Zennōseiren. Another member, Terasaki Kaku, was an executive of the Fukuoka Rural Youth League. Kawaguchi Yōichi and Kodaira Tadashi were also affiliated with the Hokkaidō Nōmin Dōmei.


5 These were Matsuura Sadayoshi, Chairman of the Hokkaidō Nōmin Dōmei Prefectural Committee, Azuma Takashi, previously elected to the Diet in 1946 as a Japan Cooperative Party candidate and Managing Director of Hokkaidō Prefecture Agricultural Association, and Ishikawa Seiichi, Chairman of the Hokkaidō Nōmin Dōmei, a Nokyo Federation Chairman and Vice-Chairman of Zennōseiren.
Although the Hokkaidō and Fukuoka farm groups were very activist, the strong regional orientations of the party¹ severely limited its capacity for attracting additional members to its ranks from amongst Nokyo political aspirants based in other localities. A majority of Nokyo Diet representatives elected to the Upper House in 1950 chose either pro-conservative Independent or Ryokufukai membership.

The life-span of the Nōmin Kyōdōtō in the House of Councillors proved extremely short. Almost immediately after the election, its representatives joined a grouping of nine other Independent agricultural members including other Nokyo Diet officials called the No.1 Club (Daichi Kurabu).² In the House of Representatives, however, the party continued to exist until July 1952.

Upon dissolution, a majority of its members went to the right into the Reformist Party (Kaishintō),³ and the remainder to the extreme right wing of the socialist movement. The latter group together with Hirano Rikizō's Social Democratic Party (Shakai Minshutō - previously the Shakai Kakushinton) rejected a call for unification with a third group, the Right Wing Socialist Party, preferring the alternative of a limited amalgamation between their own groupings. The outcome was the organisation of a Cooperative Party (Kyōdōtō) established in August 1952, which

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¹ In addition to its three Hokkaidō representatives in the Upper House, of its 10 members in the Lower House, six represented Hokkaidō electorates and two Fukuoka.

² This group included Okamura Fumijirō, whose Nokyo career details have been referred to earlier, and Mori Yasoichi, who was to become the best known and longest standing Nokyo figure in the Diet, with a joint Parliamentary and Nokyo career lasting from 1950 to 1974, during which time he served as Chairman of Zenchū.

³ This group included Kawaguchi Yōichi, leader of the party, Nakamura Torata, Takakura Sadanori, Terasaki Kaku, Nakano Shirō and Iida Yoshishige.
incorporated the Farmers' Cooperative Party goal of reforming the economic structure of Japan through cooperative socialism (*kyōdō shakai shugi*). Hirano led the new party with a Nokyo Diet member as Secretary-General. \(^1\) The 1952 elections, however, saw very few of the former *Nomin Kyōdōto* members still in the Diet. \(^2\)

The dissolution of the Farmers' Cooperative Party marked the end for the time being, of attempts by Nokyo activists and leaders of associated farmers' organisations to carve out a separate niche for farmers' and agricultural cooperative interests by means of party organisation. The formation of the *Kaishintō*, the direct successor of the People's Democratic Party which had People's Cooperative and Democratic Party origins, also heralded the end of attempts to sustain a political party based on the economic philosophy of cooperative unionism.

The immediate cause of the *Nomin Kyōdōto*'s dissolution was simply erosion of membership and consequent lack of organisational viability, a process that was greatly hastened by declining public support for minority parties and the general trend towards party consolidation. To some extent, the very existence of this series of small farmers' parties in the early postwar period was symptomatic of an early transitional period of fission and fusion in Japanese party politics.

The Farmers' Cooperative Party also suffered from a decline in the popularity of its national backing organisation. After reaching a peak

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\(^1\) Hatano Jirō (referred to in an earlier listing), who joined the *Kyōdōto* together with Kodaira Tadashi, who later became a Right Wing Socialist Party member. Neither survived the 1952 elections, however, which left the *Kyōdōto* with only two members, Hirano and Oishi Yoshie, both of whom later joined the Right Wing Socialist Party.

\(^2\) These were Nakano Shirō, Takakura Sadanori and Nakamura Torata.
of 430,000 members in 1949, the membership of the National Rural Youth League declined markedly after 1950. It altered its official title to the National Farmers' Federation (Zenkoku Nōmin Renmei or Zennōren), and by the end of 1950, it had only 220,000 members, half the number of Zennōseiren in 1949. By 1952, its membership had fallen even further to 148,000.

A contributory factor in this decline was the successful launching of the agricultural cooperative system which achieved the principal aim of the Nokyo-associated farm groups. The result was a shift in focus away from farmers' rights to a voluntary, democratic cooperative organisation to the scope of Nokyo's activities, which was the concern of its own leadership. Cooperative executives, moreover, increasingly utilised the expanding Nokyo system and its practically universal membership structure to build their own local power bases. The farmers' unions were organisationally too weak to present any real alternative to the spokesmanship role of the cooperatives. The Zennōren also was hindered by dwindling finances derived solely from membership fees. Unlike Nokyo, it lacked economic functions so vital as a basis for membership.

The Zennōren elected its Chairman to the House of Councillors in 1950 for two terms as a member of the Ryokufūkai. Its other political

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1 Nihon Kindaishi Jiten, op. cit., Furoku No.36.
2 Ibid. In 1951, a Nokyo Youth Division was created which made the rural youth leagues redundant, and this was an additional reason for the change in nomenclature to farmers' federations (nōmin renmei), the lower-level groups of the Zennōren. There were long deliberations pertaining to the supposed connection between the old and the new youth organisations.
3 Ishiguro Tadayuki, who had had a long-established career in agricultural circles as a former Chairman of the National Agricultural Association, and Minister of Agriculture and Forestry. The only former member of the rural youth league organisation left in the Diet after 1952, was Nakamura Torata, who later joined the LDP.
representatives during this period were predominantly Socialists from Hokkaidō who were also affiliated to the Hokkaidō Farmers' League. In the early 1950s, the League was depicted as being far closer to the progressives than to the conservatives, and after 1952, its representatives were either Independents or Right or Left Socialist Party members. Although these Nokyo-associated farmers' groups now lacked a specific party organisation in the Diet, they did retain the political philosophy of the early activists in the Nokyo movement which advocated steering a political course between both right and left wing parties. This was reflected in the generally more radical affiliations of their small group of representatives in the Diet from 1952 onwards, compared to the majority of Nokyo members elected during this period. The retention of power by the Liberal Party in the Lower House elections of 1952 and 1953 saw by far the largest group of Nokyo Diet members in its ranks, and for similar reasons, within the governing Democratic Party (Minshutō) in 1955, with a number of Nokyo Diet members actually shifting allegiance to the party as members of a Liberal breakaway group.

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1 One of these was former Japan Cooperative Party member Matsuura Sadayoshi from Hokkaidō (5), who was a Zennőren advisor (komon), and Haga Mitsugu, from Hokkaidō (2), a member of Zennőren's Central Committee.

2 Dore, op. cit., p.391. Since the 1950s, the League has undergone a process of 'creeping conservatism' and is currently closest to the LDP.

3 Haga Mitsugu, Left Socialist, then Socialist member in the House of Representatives from 1952; Azuma Takashi, Right Socialist, then Socialist member in the House of Councillors from 1950; Yasui Yoshinori, JSP member in the House of Representatives from 1958; and Matsuura Sadayoshi, also JSP member in the House of Representatives from 1958.
Nokyo's Party Alignment at the End of the First Postwar Decade

Apart from the predominance of government party affiliation amongst Nokyo's political representatives, the overall trend during this period was for the adoption of major party membership. A vital factor in this process was the reversal of the movement towards party proliferation and the decline in the number of Independents and minor parties in both Houses.¹ By 1955 a conservative-progressive cleavage between major political groupings (the Liberals and Democrats on the one hand, and the Right and Left Socialists and the Communists on the other) had replaced the multi-party configuration of the early postwar years.

Characterised in terms of their location on the political spectrum rather than in terms of party allegiance, a majority of Nokyo Diet members became conservative by 1955, a minority Socialist. Minor party and Independent Nokyo representation disappeared from the Lower House altogether by 1955 with parallel developments taking place, although at a slower pace, in the Upper House. Here the overwhelming preference as shown in the 1953 election results was conservative, with a fairly even division between Liberals and Independents including Ryokufukai members, and a small minority Right or Left Socialists. The retention of Independent status or effective independence in the pro-conservative Ryokufukai remained more popular for a longer period amongst Nokyo's House of Councillors' members.

¹ Independents in the House of Representatives won 20.4 per cent of the total votes in 1946. Their polling rate fell to 5.8 per cent in 1947 and by 1955, it had declined even further to 3.3 per cent. The same was true of minor parties. In 1946, minor party candidates won 11.7 per cent of the vote. This figure was more than halved in 1947 and 1949, and declined progressively after that until it reached a low point of 0.4 per cent in 1953. In the 1955 elections it was 1.3 per cent. See Kobayashi, Shinohara and Soma, op. cit., Furoku, p.4.
These developments in the party alignment of Nokyo's Diet members corresponded essentially to the emerging pattern of voting behaviour in the countryside. In the post-land reform era, farmers' voting preferences rapidly assumed a conservative bias. As early as 1952, they were being depicted as 'an impregnable fortress of conservatism'.

This was particularly true of the more agricultural prefectural constituencies of the Upper House which the conservatives and pro-conservative Independents completely dominated. In the Lower House, the Liberals and Democrats won a total of 90 seats (72 per cent of the total) in the 33 'rural' constituencies in the 1955 House of Representatives' elections. The combined Right and Left Socialist tally was 32 seats or 26 per cent.

After their major defeat in 1949, the Socialists recovered somewhat in the countryside from 1952 onwards, and this was reflected in a greater proportion of Nokyo Diet members linked to the progressives in the Lower House. In rural and semi-rural Lower House electorates, they came to represent an alternative, albeit minority voice in opposition to the dominant conservatives. Socialist Nokyo representation constituted a fundamentally new element in the political orientation of the postwar edition of legally defined, government-initiated agricultural organisations. The landowning class which by and large had dominated Nokyo's predecessors in the prewar period had been displaced from their established positions of political

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1 Tanaka, op. cit., p.438.

2 These have been categorised according to a typology set down in Okino Yasuharu, Shōwa 30 nen dai nichi okeru toshika, kōgyōka to tōkyō kōdō henka (Urbanisation, Industrialisation and Changes in Electoral Behaviour, 1955-65), Tokyo, Minshushūgi Kenkyūkai, 1966, pp.18-19, quoted in Stockwin, op. cit., pp.92-95.

3 This figure accords with Dore who pointed out that in the Lower House election of 1955, the Socialists secured 28 per cent of the seats in the 69 most rural constituencies. Op. cit., p.409.
leadership. The effect of land reform was not only to remove the economic and social foundations of their political power, but the prime cause of class differentiation within agricultural society. This factor, combined with the democratisation of agricultural organisations, meant that Nokyo incorporated within its membership the totality of a much broader and less stratified class of owner-farmers. At the same time, this group exhibited a much greater degree of natural political variation. The early successes of the left wing farmers' union movement is evidence of this. Nokyo's membership in fact overlapped with that of Nichinō and this inhibited the development of an exclusive attachment by agricultural cooperative leaders to conservative parties.

1946 to 1955: Summary

Farm organisations connected to the early agricultural cooperative movement were largely behind the formation of a series of minor farmers' parties in which a number of Nokyo representatives figured prominently in the Diet.

The agricultural associations which acted as interim organisations until the cooperatives were well established, elected large numbers of their own executives to the Diet in 1946 and 1947. They displayed an overwhelming preference for the conservatives in addition to a special organisational link to cooperative parties.

Although the attempt to organise a farmers' party by regional agricultural groups and some early agricultural cooperative leaders proved a failure by 1952, it did mirror the resolve of these organisations to back their own leaders as independent representatives of the agricultural sector. This particular philosophy of grass-roots, activist farmers' groups associated with Nokyo was to persist well into the 1960s.
The preference amongst Nokyo Diet members for conservative government party membership was to become an enduring feature of the political affiliations of agricultural cooperative politicians.

A variety of factors, electoral, ideological and tactical, contributed to the establishment and maintenance of this pattern. Firstly there existed the 'natural' alliance between two conservatively-oriented organisations which in effect shared the same set of 'constituents' or 'supporters'. A majority of Nokyo's members were at the same time conservative voters.

The relative proportions of party support amongst Nokyo's Diet members also reflected the electoral performance of political parties, and consequently, the continuing numerical superiority of the government ranks. This electoral factor also showed up in the support patterns of Nokyo Diet members for other parties, with rises and falls largely corresponding to the vicissitudes of these parties' performances in elections. The continuing electoral victories of conservative parties, in a circular process of reciprocal cause and effect, both reflected and provided an on-going justification for government party alignment. The alliance was reinforced by success, and by the resulting tactical advantage of government party endorsement which offered more attractive electoral prospects than a candidacy with a minority opposition grouping. This incentive was buttressed by the resulting positive and practical budgetary and policy advantages of alignment with the government party, a strategic necessity for a group like Nokyo which sought to benefit from administrative subsidies. This argument was one frequently advanced by Nokyo leaders themselves in pre-election speeches: 'If our representatives do not belong to the party in power, we cannot expect policies to be realised.'

1 Tanaka, op. cit., p.475.
1955 to 1967: Introduction

The amalgamation of the Liberals and Democrats in late 1955 and the re-unification of the Right and Left Socialists completed the polarisation of the national Diet into conservative-government versus progressive-opposition forces. In successive elections throughout the next decade, the LDP consolidated its hold on the countryside. The JSP remained the only other major alternative party in rural and semi-rural Lower House electorates. The LDP almost completely dominated the more agricultural prefectural constituencies of the Upper House. The emergence of the Democratic Socialist Party (DSP) in 1960 had only a minor effect on basic support patterns in the countryside. The JCP was even less successful in making inroads into the farm vote during this period.

The great expansion of Nokyo's economic activities after 1955 generated pressure on agricultural cooperative leaders to widen their sphere of operations on the political front. Nokyo's coming of age as a pressure group dated from this period.¹

In the area of electoral politics there was a major burst of activity amongst newly created Nokyo-based farmers' political leagues, centring on the promotion of prefectural agricultural cooperative leaders to positions of national and prefectural political prominence. Focussing originally on successive gubernatorial elections between 1955 and 1959, these groups later broadened their electoral objectives to the House of Councillors' elections of 1959 and 1962, and the Lower House elections of 1960 and 1963. As the newly founded conservative party increasingly felt the lack of a strong grass-roots organisation, it began to co-opt substitute groupings

into a symbiotic relationship with the party for the specific purpose of mobilising votes. The agricultural cooperatives, together with their related political organisations, gradually assumed the role of LDP substructural organisations, and in fact constituted the principal organisational force behind the mobilisation of support for LDP candidates in the countryside in the late 'fifties and early 'sixties.\(^1\) The relationship was not an exclusive one, however, and in the initial stages of the prefectoral operations of Nokyo-associated political groups, a variety of party-political standpoints were countenanced.

The Farmers' Political Leagues

In the space of five years, six Nokyo executives were elected governors of prefectures (Ishikawa in 1955, Toyama and Miyazaki in 1956, Fukushima in 1957, Shiga in 1958 and Ibaragi in 1959). The farmers' political leagues originated as specific support mobilisation organisations for Nokyo gubernatorial candidates in these elections. In Miyazaki for example, a prefecture-wide Agricultural Policy Reform League (*Nōsei Kakushin Renmei*) successfully backed a Nokyo Economic Federation Chairman to the governorship in September 1956. A similar organisation in Fukushima, the Agricultural Policy Reform League (*Nōsei Sasshin Renmei*) mobilised the necessary support to elect their Combined Nokyo Prefectural Federation Chairman to the governorship in 1957.

In July 1958, the National Nokyo Executive and Staff Members' League (*Zenkoku Nōkyō Yakushokuin Renmei*) adopted a 'Resolution Relating to the Strengthening of the Farmers' Political Power' and at the national Nokyo

\(^1\) See Scalapino and Masumi, *op. cit.*, p.90, where it was claimed that the agricultural cooperatives were 'undoubtedly the most vital affiliation for the conservatives at the mass level'. 
convention later in the year, prospects for a general 'mobilisation of the farmers' political power' (nōmin no seijiryoku kesshū) - the old catch-cry of the Zennoseiren - were energetically canvassed in the light of the success of local Nokyo-affiliated political leagues in gubernatorial elections. One of the central themes of the convention was the question whether farmers as a group should adopt the standpoint of a third political party independent of the Socialists and the LDP. Although no concrete political grouping emerged from the 1958 Congress, activities recognised as part of an umbrella movement officially designated as the nōmin no seijiryoku kesshū spread to other prefectures in the following year.

It was with such a stimulus that a Political League for Promoting Agriculture (Kōnō Seiji Renmei) was launched in Ibaragi Prefecture in 1959. This group was instrumental in electing a Nokyo Central Union Chairman to the governorship in that year. The Ibaragi group, like its predecessors, took the agricultural cooperatives as its organisational base. It explicitly affirmed its political identity, however, and developed the ideology of the farmers as a third political force. This entailed recognition of the limitations of Nokyo as a political body. The agricultural cooperatives were circumscribed in their range of activities by the provisions of the Nokyo Law, the growing emphasis of the central Nokyo leadership on acquiring subsidies which limited in practice the alternatives of party support, and by the fact that Nokyo's smallest organisational unit hinged entirely around the hamlet (buraku).

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group, thereby encompassing all classes of farmers. The rejection of a class-based view of farmers' interests was intrinsic to agricultural cooperative ideology. It contrasted with the doctrine of the farmers' unions, which imposed a fairly rigid class interpretation on rural society. The egalitarian emphasis of Nokyo was construed by the Kono Seiji Renmei as a factor undermining the agricultural cooperatives' capacity to formulate constructive political demands. As an interest group, at best Nokyo could provide only a weak common measure of the political and economic goals of farmers.

The inherent shortcomings of the agricultural cooperatives as political organisations were therefore employed as the main rationale for the establishment of the farmers' political leagues. Their aim was to act as spearheads of an agrarian political movement (nomini undo) which would express farmer dissatisfaction, consolidate and unify the political activities of the agricultural cooperatives at the local level, and act as agencies for the election of Nokyo leaders. To some extent, these groups were anti-centrist (i.e. anti-Zenoh), exemplifying the old local-activist versus central-bureaucratic theme of the early Nokyo-associated groups. Zenoh-formulated policies dominated the demands and activities of the agricultural cooperatives nationwide. It was hoped that the prefectural farmers' political leagues would reorient the focus of Nokyo political and policy activities on to regional issues and organisations which were more in touch with the farmers and local conditions.

1 In 1959, Nokyo had yet to undergo the organisational amalgamations of the 1960s, which expanded the geographical focus of the smallest unit cooperative from the hamlet to the administratively defined 'village'.

2 The views of the Ibaragi Prefecture Political League for Promoting Agriculture can be found in Soma Masao, Nihon no Senkyo Seiji (Election Politics in Japan), Tokyo, Aoki Shoten, 1963, p.152.
The keynote of the farmers' political leagues' relationship with existing political parties was independence. They aimed to promote the sectional interests of farmers as a distinct and separate group in society, utilising where necessary major party connections for the sole purpose of achieving electoral and policy objectives.

The Ibaragi and Miyazaki groups were the impetus behind the spread of the farmers' political movement to 26 other so-called 'agricultural' prefectures in 1959 where similar groups sought to establish themselves. Although their official titles varied, they collectively referred to themselves as 'farmers' political leagues' (nomin seiji renmei, or nominalren). Their common goal was the realisation of 'politics for the farmers' (nomin no tame no seiji). The Oita Prefecture Agricultural Policy Promotion League (Nosei Suishin Renmei) summarised the party-political philosophy of the movement: 'Neither the LDP, which speaks for monopoly capital, nor the JSP, which is tethered to the Sohyo organisation, are our allies.'

In each case, electoral backing for Nokyo gubernatorial candidates embodied the principle of political independence, steering a non-committed course between left wing and right wing parties. Full use was made of judicious political alliances which were dictated by considerations of electoral expediency. With the exception of the Miyazaki gubernatorial election of 1956 where the Nokyo nominee stood on a JSP

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1 Not to be confused with the rural youth leagues (noson seinen renmei, or nosirren) referred to earlier.


3 Ibid., p.87.
ticket, Nokyo candidates campaigned in opposition to the officially endorsed LDP candidates as Independents. All presided over temporary but extremely successful alliances between breakaway LDP factions and the JSP. The Fukushima victory in 1957 for example, was the successful result of a political combination involving the progressive faction within Nokyo and organised workers. It was interpreted by the Secretary-General of the LDP at the time as a defeat not at the hands of the JSP but at the hands of the Nokyo organisation. Similar alliances produced success in Shiga and Ibaragi where Nokyo gubernatorial candidates benefitted from divisions in conservative party prefectural federations and received joint support from LDP splinter groups and progressives. This series of progressive-Nokyo successes was attributed more to dissatisfaction amongst Nokyo-sponsored political groups with LDP agricultural policies rather than positive support for JSP farm programs as such.

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1 In this election the LDP candidate was defeated by Satō Zennichirō, the Nokyo candidate, who was a former LDP Lower House member. He broke from the party, making the agricultural cooperative organisation in which he was prefectural central union chairman, his main back-up organisation. He undertook cooperation on policy matters with the JSP and stood as an Independent candidate with JSP recommendation.


3 In the Ibaragi election, the Nokyo candidate managed a successful alliance of one section of the LDP (in the main, prefectural assembly members who had split from the incumbent LDP faction), agricultural cooperatives, farmers' unions and youth groups. These were all mobilised into the Kōnō Seiji Renmei. At the time it was regarded as a victory for a joint farmer-labour struggle.

4 'Senkyo to Nōmin', op. cit., p.92.
The JSP as a whole made significant advances in the 1958 Lower House elections, including rural and semi-rural constituencies. This swept into power a greater number of JSP-aligned Nokyo candidates than ever before without a corresponding proportional increase amongst conservatively-aligned Nokyo politicians. The rise in the number of JSP Nokyo Lower House Diet members also partially reflected the success enjoyed by joint progressive party-Nokyo nominees in gubernatorial struggles. An additional advantage to the Socialists in this election was a unified electoral strategy for the first time in a House of Representatives' poll since the amalgamation of the Right and Left Socialists in 1955.

The Farmers' Leagues and National Elections

The first national election tackled by the farmers' leagues was the 1959 Upper House poll, in which they made a concerted effort to elect as many as possible of their prefectural Nokyo chairmen to Diet office, in addition to a range of other candidates who pledged their support to the cooperatives. For the most part their electoral targets were accomplished in the success of a majority of the LDP candidates.

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1 Dore reported that support for the Socialists rose amongst the farmers (from 15 to about 20 per cent) during the late 'fifties. Op. cit., p.140. Soma also noted that compared with 10 years previously, the progressives had increased their voting support in the so-called agricultural prefectures by the late 'fifties. They received 20 per cent or less of the vote in no prefectures in 1958 compared with three in 1947 (Aomori, Chiba and Kagoshima), and received between 20 and 40 per cent in 11 rural prefectures in 1958 (Yamagata, Chiba, Yamanashi, Shizuoka, Toyama, Ishikawa, Fukui, Ehime, Saga, Kumamoto and Kagoshima) compared with seven in 1947. See Nihon no Senkyo Seiji, op. cit., p.130.

2 There was a similar surge in JSP popularity in the 1956 House of Councillors' election, which was the first held after unification.
backed by prefecture-wide Nokyo-based political groups.\(^1\) Independent and Ryokufukai candidates supported by the nōseiren enjoyed a much lower success rate. Although this type of non-party affiliation had declined much more slowly in the Upper House than in the Lower House, the general process of party consolidation, particularly after the establishment of the two-party system in 1955, caught up with the House of Councillors in the late 1950s. By the 1959 poll, the LDP had expanded its hold over the Upper House by filling former Ryokufukai seats. As a result, this particular group virtually disappeared from the Diet.\(^2\)

The conscription of the farmers' political leagues into the electoral service of a number of LDP Nokyo Diet candidates brought the nōseiren-LDP connection to the fore as a significantly new phenomenon in Japanese electoral politics. It was explained in terms of the conservative party's need to compensate for its lack of a strong local organisation.\(^3\)

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\(^1\) This group included Nagasaki Prefecture Nokyo Central Union Chairman and incumbent Diet member, Fujino Shigeo; and amongst the newly elected group, Hyōgo Prefecture Nokyo Trust Federation Chairman and Director of the Central Cooperative Bank for Agriculture and Forestry, Aota Gentarō, and Kagoshima Prefecture Nokyo Economic Federation Chairman and Chairman of the National Nokyo Transport Federation, Taniguchi Keikichi. Two prefectural Nokyo Chairmen supported by farmers' political groups who stood as Independents lost.

The activities of these groups were not confined to providing back-up for Nokyo executives. The Ibaragi Kōnō Seiji Renmei did not formally recommend any candidates, but it did give informal support to a member of the Ryokufukai whose supporters' association had thrown its weight behind the Nokyo aspirant for the prefectural governorship in the same year, in addition to a JSP candidate who had a good record on agricultural policy matters. Farmers' political leagues also recommended Ryokufukai candidates in Shiga and Oita prefectures.

\(^2\) The only Ryokufukai Nokyo Diet member left in the Upper House after 1959 was Mori Yasoiichi.

\(^3\) 'Senkyō to Nōmin', op. cit., p.92.
The creation of these explicitly political, Nokyo-based groups, more than any other factor, facilitated and encouraged the growing relationship between the government party and the cooperatives at the electoral level. Although party affiliation was rejected as a criterion of nōseiren support, in practice a majority of nōseiren-backed Nokyo candidates were members of the LDP. This particular period in Japanese political history also marked the beginning of semi-permanent LDP rule, and as the opposition's chances of coming to power receded, the tactical advantage of an electoral strategy of political neutrality correspondingly declined. This development was reinforced by Nokyo's growing dependence on the government party as a source of patronage. As a result, there was a corresponding retreat by progressively-aligned factions of local and central Nokyo leaders within the agricultural cooperative organisation.

After the patent political successes of 1959, the nōseiren expanded their scale of organisation by setting up a nationwide grouping, the National Farmers' Political League (Zenkoku Nōmin Seiji Renmei, or Zennōseiren) prior to the 1960 Lower House election. Farmers' political leagues in 22 prefectures subsequently joined this organisation. It operated in addition to the Zennōren which was still in existence, and which was gradually displaying closer ties to the LDP. The farmers'

1 Tanaka, op. cit., p.443.

2 The number of prefectural groups who joined the Zennōseiren varies according to source. The above figure was taken from ibid., p.453, but in Okamoto Matsuzō, 'Nōmin Dantai no Genjō to Undō no Tokuchō' (The Current State of Affairs Amongst Farmers' Groups and the Special Features of Their Campaigns), Nōgyō Kyōdō Kumiai, Vol.19, No.2, 1973, p.44, 29 prefectural groups are mentioned as joining.

3 Tsunejima Masaoki, former Japan Farmers' and Liberal Party member in the Diet between 1947 and 1949, and from 1952 onwards, succeeded Ishiguro Tadayuki as Chairman of Zennōren. In 1955 he joined the LDP. In 1959, the Chairman of the Miyazaki Prefecture nōmin renmei, Nukumi Saburō, a Nokyo official, was elected to the House of Councillors for the LDP.
political leagues had a choice of joining either the Zennőren or the Zennōseiren. There were also personnel links at the executive level between the two organisations.¹

The Zennōseiren officially sponsored its own candidate, Koga Ryō, in the 1960 elections for Saga constituency. Koga was Saga Prefecture Nokyo Central Union Chairman and campaigned on the nōseiren slogan of 'mobilising the political power of the farmers', topping the polls in the election.² Various prefectural nōseiren also sponsored their own leaders in a number of other constituencies,³ but these candidates stood with either government or opposition party endorsement.

Koga's rejection of any party affiliations and his nomination as a Zennōseiren-endorsed candidate, was a positive reaffirmation of the organisation's support for the principle of political independence. The Zennōseiren also declared its formal independence of the agricultural cooperative system, although it acknowledged Nokyo as its organisational base. It undertook to cooperate and liaise with Nokyo, but it reserved the right to agree or disagree with Nokyo policies in the light of its own interpretation of agricultural sector interests.⁴

¹ Chairman of Zennōseiren was Miyagi Prefecture Nokyo Central Union Chairman; Vice-Chairmen were from Hyōgo, Ibaragi, and Fukuoka; and Chief of its Secretariat was Nakamura Yoshijirō, who was serving concurrently as Secretary-General of the Zennōren.

² Saga Prefecture's nōseiren was the No.3 strength in the prefectural assembly with six members.

³ In Miyagi (1) for example, the prefectural Nōsei Kakuritsu Renmei (League for the Establishment of an Agricultural Policy) elected its advisor Nishimiya Hiroshi to the Lower House as a JSP candidate. The same group was also behind his election in 1963. Nishimiya has successfully contested every election since, but no attachment to a prefectural nōseiren was acknowledged after 1963.

The increasing involvement of Nokyo and its associated farmers' political leagues in electoral activities was confirmed in the 1962 House of Councillors' election. In addition to the successful candidacy of a prefectural nōseiren leader in Kumamoto,\(^1\) the advance made by currently serving LDP-endorsed Nokyo prefectural executives in the 1959 Upper House elections was consolidated and increased to include five new members. An initiative was made to form a House of Councillors' Nokyo Diet Members' Group (Sangīin Nōkyō Giindan). Membership was restricted to current Nokyo executives. This excluded in practice a JSP Zenchū staff member newly elected to the House.\(^2\) It has been suggested that this membership proviso was aimed at prohibiting membership not on grounds of rank, but on grounds of party.\(^3\) There had been considerable opposition within Nokyo to the JSP candidacy of one of the agricultural cooperative staff members because it directly contravened Zenchū's Diet policy which concentrated selectively on utilising government party members to influence agricultural policy formation.

Prior to the 1963 House of Representatives' election, the Zennōseiren moved to consolidate its position and increase its organisational strength by amalgamating with the National Farmers' Federation (Zennōren).\(^4\) The functions of the latter group and its locally-based farmers' federations (nōmin renmei) had been largely taken over by the farmers' political

\(^1\) This was Sonoda Kiyomitsu who stood on an LDP ticket.

\(^2\) Watanabe Sadayoshi, elected for Iwate prefectural constituency who had been Chief of Zenchū's Agricultural Policy Department. Watanabe's success was regarded as a victory for JSP organisational votes plus Nokyo and farmers' votes. Tanaka, op. cit., p.454.

\(^3\) Ibid.

\(^4\) The only remaining Zennōren member in the House, its Chairman Ishiguro Tadayuki, did not stand for re-election in 1962.
leagues. The new organisation adapted its title in recognition of its broader popular base to National Farmers' General Federation (Zenkoku Nōmin Sōrenmei, or Zennōsōren).\(^1\)

The year 1963 marked the turning point in the national political fortunes of the farmers' political leagues. Koga Ryō was ignominiously defeated in the 1963 Lower House elections in Saga constituency. This spelled the end of non-party independent representation for Nokyo-based political groups. The short-lived success of the Zennōseiren as an independent political force was due to its very insistence on the principle of non-attachment to party at a time when the two-party system had become well established in the Diet and the popularity of Independent and minor party candidates had declined drastically.\(^2\) Moreover, the existence of a party devoted solely to farmers' interests was being preempted by the obvious benefits of close links with the LDP. 1960 marked the beginning of a decade of rapid and sizable increases in the producer rice price, and in 1961, the Agricultural Basic Law was passed. This anticipated massive financial assistance to the rural sector in the name of a farm incomes policy which sought to equalise 'wages' in the industrial and agricultural sectors. Clearly the pay-offs for close alignment with the conservative government party in terms of favourable legislation and agricultural subsidies were already becoming evident.

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1 At the time of its establishment, Zennōsōren consisted of 46 groups in 26 prefectures and it was said to have had 700,000 supporters. Its Chairman was the former Chairman of the Zennōseiren. Okamoto, op. cit., p.44.

2 In 1955, Independent and minor party candidates won 1.7 per cent of seats, in 1958 2.8 per cent, in 1960 1.3 per cent, and in 1963, 2.6 per cent.
Even Koga Ryō had become aware of the weakness of his position in 'no man's land' in the Diet and the impracticalities of his neutral, non-party stance. This prompted him to request (unsuccessfully) LDP endorsement prior to the 1963 election campaign. His lack of influence in agricultural policy-making during his stint in the Diet had been a severe disadvantage for the Zenmōseiren organisation at the time, given the intense debate being waged in agricultural circles over the Basic Law proposals and the strong policy orientation of the farmers' political leagues.

The results of the 1963 election, particularly in Saga Prefecture, prompted a drastic reappraisal of prospects for setting up a separate Nokyo-sponsored political grouping in the Diet representing the farm sector. The Zenmōseiren rejected the standpoint of the Zenmōseiren in putting up its own candidates and opted for a weaker interpretation of the notion of a middle course between the conservatives and progressives. This guaranteed support for farmers' representatives irrespective of party. Even this diluted concept of political support, however, departed from the already established trend amongst a majority of Nokyo Diet members to display conservative colours. This was encouraged by the split in the opposition ranks with the formation of the DSP in 1960. With the socialist vote again divided, JSP electoral fortunes began to decline. The number of JSP Nokyo Diet members elected to the Lower House in 1960 was a much reduced version of the 1958 figure, and their number fell even further in 1963. The composition of opposition Nokyo representatives also changed in 1960, with the appearance of DSP Nokyo

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1 The same realisation prompted five of the six nōseiren representatives in the Saga Prefectural Assembly to desert to the LDP.
membership. This was augmented in 1963 as the party began to pick up seats, particularly in semi-rural electorates. The proportion of DSP Nokyo Diet members to the total Nokyo contingent was relatively more significant than the general level of popularity of the party in the countryside. This reflected the choice of many cooperative leaders for the more conservative option of socialist representation.

Nokyo and the Zenmōōoren

The relationship between the Zenmōōoren and its parent agricultural cooperative organisation in the area of electoral support displayed consistent lack of co-ordination. Evidence of this was the tendency amongst Zenmōōoren candidates to stand with the endorsement of opposition socialist parties, sometimes in competition with LDP Nokyo candidates.¹

Although the Zenmōōoren continued to function as the only nationally organised political grouping attached to the agricultural cooperatives,² it remained formally independent of the Nokyo organisation and at no stage assumed the role of national co-ordinator of Nokyo electoral activities as its officially designated political arm. It was never given the task of centralising or directing agricultural cooperative electoral activities.

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¹ In 1965 for example, a two-way rivalry for Nokyo votes developed between a Zenmōōoren candidate and a Nokyo executive in the House of Councillors' election for the national constituency. The clash involved the Secretary-General of the Zenmōōoren standing as a DSP candidate (Nakamura Yoshijirō), and the Chairman of the National Mutual Aid Nokyo Federation (Zenkyōren), who was an LDP incumbent (Okamura Fumijirō). The Zenkyōren faction within Nokyo mustered enough nationwide support to guarantee a successful result for their leader, but the division in Nokyo votes overall was sufficient to ensure the defeat of the Zenmōōoren candidate who proved weaker. That this clash took place at all is evidence of a certain lack of co-ordination between these two organisations, particularly in view of the general acknowledgement within Nokyo that agricultural cooperative votes could only support one official Nokyo candidacy in the national constituency.

² It is referred to in the literature as 'Nokyo's political organisation' (Nokyo no seiji soshiki). See Soma, Kokumin no Sentaku, op. cit., p.124.
activities. These remained decentralised and very much the prerogative of separate cooperative leadership groups. Furthermore, the locus of executive power within Nokyo remained in the hands of Zenchū and national federation leaders. The Zennośōren was essentially a formal umbrella structure with a small national staff embracing a host of prefectural farmers' political leagues whose electoral activities were concentrated at local prefectural and constituency level. The more highly activist of these grass-roots organisations were manned by core groups of politically motivated and policy-oriented prefectural agricultural cooperative leaders with a farmer membership that usually formally incorporated local Nokyo members throughout the prefecture. The former as a group, tended to be very much locality-oriented and rather more radical and independent than the mainstream Nokyo organisation, particularly its central executive leadership. The farmers' leagues could afford to be more politically idealistic than Nokyo itself. The latter was dominated by its economic priorities and traditions of compliance and cooperation with agricultural administrators in the implementation of policy. It tuned its demands more to what was 'reasonable' in the light of existing government measures.

The farmers' political leagues did, however, serve a useful purpose as political 'front' organisations. As explicitly 'political' groups, they belonged to a different legal genre from the agricultural cooperatives. They escaped the statutory restrictions on Nokyo imposed by its legal origins, and could devote themselves unequivocally to political and electoral operations. The agricultural cooperatives themselves, continued to issue recommendations and provide all forms of support to election candidates rather than relinquish these tasks to the sole direction of the farmers' political leagues. After setting the
initial electoral pace in the late 'fifties and early 'sixties, the latter's organisational impetus began to wane, particularly as Nokyo's economic operations expanded at a rapid rate. The farmers' political leagues became one set of groups amongst a host of agricultural cooperative and Nokyo-related organisations engaging in electoral support functions.

Moreover, the organisational division between the farmers' political leagues and the mainstream agricultural cooperative organisation was often reinforced by differences in political philosophy. The Nokyo executive class was acutely conscious of the need to forge personnel links with the government party as the influential arbiter of agricultural policy. This factor was often at the bottom of differences between the agricultural cooperatives and the farmers' political leagues over electoral support issues.

1955 to 1961: Summary

Between 1955 and 1967, voting alternatives for farmers in rural and semi-rural constituencies of the Lower House and in agricultural prefectural constituencies of the Upper House remained for the most part polarised into LDP versus JSP preferences. The LDP won 69 per cent of rural seats in 1958, 71 per cent in 1960 and 72 per cent in 1963. Support rates for the JSP declined in rural seats from 31 per cent in 1958, to 26.5 per cent in 1960 and 27 per cent in 1963.¹ The small number of seats the DSP won in the countryside in 1960 and 1963 were predominantly in semi-rural districts and affected LDP and JSP performance almost equally.

¹ The LDP and JSP percentages were derived from data based on the classification system in Okino, op. cit., pp.18-19.
At the grass-roots level, the farmers' unions attached to the JSP became moribund in many areas, although in certain specific prefectures like Niigata, Yamagata and Okayama where they were traditionally more active, they continued to function as supporters' associations for JSP candidates. The intense factional disputes of the early 1950s were largely resolved in the formation of a new nationwide grouping of farmers' unions, the All-Japan Farmers' Union (Zennihon Nōmin Kumiai, or Zennichinō) in 1958. The number of Socialist Diet members connected to the farmers' union movement remained at virtually the same level as in the pre-unification period.

The DSP created its own farmers' organisation, the National Farmers' League (Zenkoku Nōmin Dōmei, or Zenno) in 1960. It functioned in much the same fashion as the JSP-attached farmers' union group: as a Parliamentary appendage of the Democratic Socialist Party.

The year 1955, however, marked a turning point in the relationship between Nokyo and political parties. With the firm establishment of LDP rule, the development of a close policy and electoral connection between the agricultural cooperatives and the government party began in earnest. The failure to sustain the notion of an independent third party representing farmers' interests through sponsorship by the national Nokyo-based political group of its own official candidate in the Diet, merely served to legitimise closer ties with the government party. The powerlessness of Diet members who eschewed major party attachment seriously questioned the principle of strict political neutrality.

1 At the time of its establishment, Zennichinō's membership figure was announced publicly at 250,000 (almost the equivalent of Nichinō's at the height of land reform. Its actual membership strength was, however, only a third of this figure. See Kobayashi, Shinohara and Soma, op. cit., p.84.
As the various facets of the LDP-Nokyo *quid pro quo* relationship stabilised, the difference in the relative proportion of conservative versus socialist alignment amongst Nokyo representatives in the Upper House compared to the Lower House became even more evident. Not only did the LDP take over the representation that had formerly gone to the *Ryokufukai* and Independent members, but it had almost a complete monopoly on Upper House rural prefectural representation. In addition, there was a positive anti-JSP movement against the token force of Socialist Diet members in the House of Councillors by the more numerous LDP Nokyo group.

The difference in Nokyo representation between the two Houses of the Diet, and in particular the dominance of government party-aligned members in the Upper House, was due principally to the differing constituency systems of each House. Prefectural constituencies of the House of Councillors (as distinct from the national constituency) by their very size, are large and populous electoral districts. This factor greatly increases the number of votes required for a successful candidacy and tends to favour majority parties. This is particularly true of the 25 two-member constituencies¹ (30 per cent of the total of 83) which elect one member in each poll making them virtually 'first-past-the-post' single-member districts. This type of electorate is predominantly found in the more rural and agricultural prefectures because Upper House districts more nearly reflect population distribution and geographical size of prefectures than do Lower House constituencies.² (Thus Tokyo

¹ This increased to 26 in 1971 with the addition of Okinawa.

² Even so, the fact that the House of Councillors' prefectural constituencies no longer reflect population distribution and are, therefore imbalanced, was recognized in a joint plan presented by the JSP, DSP, CGP and JCP to the Upper House in April 1977. This called for increases in seats in eight predominantly urban prefectures such as Kanagawa, Tokyo, Osaka, Saitama, Chiba etc.
and Hokkaidō are the largest with eight members each.) In single-member electorates, Japan's smaller progressive opposition parties suffer from the division in their ranks which reduces the size of their supporting votes. This makes it much harder for them to win seats in the type of electorates where Nokyo candidates are more likely to stand. (47.3 per cent of Nokyo's successful House of Councillors' prefectural district membership represented this type of electorate between 1956 and 1965.) Between 1955 and 1967, the JSP (the only opposition party to win seats in these 'rural' electorates) won only 12 seats out of a total of 100 contested. Independent or Ryokufukai candidates won three, and the rest were LDP.

Factors built into the electoral situation therefore contributed to the lack of success by Nokyo candidates with socialist affiliations in prefectural districts of the House of Councillors. In addition to this constituency-related factor, the LDP tended to poll extremely well (at over 50 per cent of the vote) in 23 Upper House prefectural constituencies (mainly in Tōhoku, Northern Kantō, Hokuriku, Shikoku and Kyūshū), which were predominantly agricultural prefectures. Not all of these were single-member electorates. Agricultural districts in general were characterised by their whole-hearted support for conservative candidates.

1967 to 1977: Introduction

The House of Representatives' election in 1967 marked the beginning of a period of relatively greater change in party configurations in the Diet. The fragmentation amongst opposition parties was accentuated with the emergence of the Clean Government Party (Kōmeitō) in the 1967 elections, and developed even further in 1977 with the appearance of the breakaway New Liberal Club (Shin Jiyū Kurabu). LDP popularity declined
below 50 per cent of the total vote for the first time in 1967. The party's polling rate was to decrease progressively in subsequent elections. The LDP's fall-off in performance, however, was more rapid in metropolitan and urban constituencies of the Lower House than in rural and semi-rural electorates, and this served to actually increase, proportionally, its dependence on rural support. The LDP also maintained its predominance in 'agricultural' electorates of the Upper House. On balance, it became more of a rural party than ever, and this tended to reinforce its identity as the party representing the farmers and the agricultural cooperatives.

The Stable LDP-Nokyo Connection

These trends were reflected in the stability of the LDP-Nokyo connection in both Houses. There was a marginal increase in the number of Socialist members representing the more agricultural districts of the Upper House in 1971 as a result of the advance by the JSP in single-member constituencies in that election, but in 1977 all these Socialist-won seats reverted to the conservative party. Amongst current Upper House Nokyo representatives (post-1977 elections) there are no opposition party

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1 In the 1967 House of Representatives' elections, the LDP's share of the total vote fell to 48.8 per cent. In 1969, it declined still further to 47.63 per cent, and in 1972 to 46.85 per cent. In 1976 it was 41 per cent.

2 Soma used his five-category constituency classification system to evaluate the LDP's performance over three elections (1967, 1969 and 1972), relative to constituency type. He also traced the LDP's overall performance in these three elections and compared the two. As a result of his calculations, he was able to state that the LDP's support rate declined by approximately two per cent in each election as a whole, and also in all types of electorates except for rural constituencies, where it declined by only 0.5 per cent: from 62.5 per cent in 1967, to 61.7 per cent in 1969, to 62 per cent in 1972. This demonstrated in his opinion, that the LDP, if anything, was becoming more dependent on the rural vote. *Kokumin no Sentaku, op. cit.*, pp.262-263.
or Independent members. This group is therefore, more pro-government than it has ever been.

The pattern in the Lower House has also remained largely unchanged with government party Nokyo representatives constituting almost double the total of all the opposition parties combined. In spite of the JCP's doubling its support rate in rural and semi-rural electorates,\(^1\) overtaking the DSP in semi-rural districts in 1972 and in rural electorates in 1969, and the even greater relative increase in rural support for the Kömeitō\(^2\), neither of these parties has succeeded in infiltrating the ranks of Nokyo Diet members. The JCP has managed to gain the support of a small number of local agricultural cooperative leaders in a few selected areas, but considerable antipathy to the Communists still exists amongst the top Nokyo leadership. The Kömeitō on the other hand, has retained its identity as an urban party in spite of its increase in rural support, winning four times as much support in metropolitan constituencies as in rural constituencies in 1972.

The 1976 Lower House elections produced a more varied support pattern amongst Nokyo Diet members insofar as a single Nokyo candidate successfully contested with the endorsement of the New Liberal Club (Shin Jiyū Karabu) and another stood as an Independent having fled the LDP as a result of his role in the Lockheed scandal.

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\(^1\) In 1967, the JCP won 3.1 per cent of the vote in semi-rural electorates and 2.6 per cent of the vote in rural electorates. In 1972 these figures were 7.1 per cent and 4.9 per cent respectively. In 1969 the DSP's polling rate in rural electorates was 2.9 per cent and the JCP's was 3.2 per cent. In 1972, these figures for semi-rural electorates were 2.1 per cent and 7.1 per cent respectively. See *Ibid.*, p.263.

\(^2\) The Kömeitō won 0.6 per cent of the rural vote in 1967 and 3.6 per cent in 1972. *Ibid.*
The Zennōsōren: Current Membership and Structure

During the 1970s, much of the force has evaporated from the concept of 'mobilising the farmers' political power' which inspired the activities of the farmers' leagues in the late 'fifties and 'sixties. It has become more of a traditional catch-phrase tying together a rather loosely knit bunch of groups than a meaningful call to action. The Zennōsōren continues to function as the national umbrella organisation uniting a host of prefectural farmers' leagues all sharing the general label of nōseiren. Although they take Nokyo as their organisational base an official position within the cooperatives is not an automatic guarantee of nōseiren support, nor is leadership or Diet representation of the political leagues dependent upon an official role within the agricultural cooperative organisation. The farmers' political leagues are much more prepared to countenance alliances with and support for Independent and socialist candidates. This automatically classes the movement as more 'progressive' than the Nokyo organisation itself as indicated by the conservative connections amongst a majority of Nokyo's Diet members.

The structural forms of the prefectural-based groups of which Zennōsōren is composed, are fairly diverse. Some directly organise agricultural cooperative farming members collectively within a prefecture, but this is often only in a nominal sense. Not all local cooperative members are necessarily actively involved in the leagues even though

1 Nakamura Yoshijirō mentioned earlier for example, and also Inatomi Takato, another DSP member who has held a seat in the Lower House for the constituency of Fukuoka (3) virtually from 1953 to 1977. He was the first Chairman of the DSP-attached Zenkoku Nōmin Dōmei, and before that was a prominent leader in the Right Socialist Party farmers' union movement. He fought the 1972 elections with a voting base in the Fukuoka Prefecture farmers' political league, one of the historical strongholds of the movement.
they may be on the membership books. The majority of Zennōsōren groups are composed of representatives of local cooperatives (tankyō). Amongst the latter, conference- or council-type bodies (kyōgikai) are common. In 1972, 15 prefectural groupings constituted the formal membership of the Zennōsōren: those from Hokkaidō, Aomori, Miyagi, Fukushima, Ibaragi, Kanagawa, Nagano, Fukui, Mie, Shiga, Shimane, Fukuoka, Kumamoto, Miyazaki and Kagoshima. Farmers' political leagues in Akita, Gumma, Chiba, Yamanashi, Tottori, Saga and Ōita cooperated with the Zennōsōren in its activities as 'friendly' groups.

Conclusion: 1946–1977

This chapter has attempted an historical analysis of Nokyo's political representation in the Diet and the formation of Nokyo-associated parties and political groups. Explanations for some of the more significant features in the pattern of political alignment of agricultural cooperative Diet members encompassed two basic causal categories: factors in the general political environment such as major shifts in party organisation, the overall election performance of parties which endorsed Nokyo officials, and characteristics inherent in Upper House and Lower House electoral systems which helped to determine resulting party configurations in the Diet; and secondly, factors involving the critical element of conscious choice: a prospective Nokyo candidate's political preferences and choice of party. The latter was conceived not only as a product of historical and environmental factors of the sort listed above, but of the fundamental political and ideological orientation of the agricultural cooperative movement, its associated political groups, and

1 Okamoto, op. cit., p.44.
its leaders and members who made up the nation's farm voters. This orientation was predominantly but not exclusively conservative, an ideological bias frequently reinforced by certain practical considerations such as the strategic electoral and policy advantages of endorsement by the government party.

All the variables noted above, although not providing a total explanation, contributed in complex fashion to the overall historical pattern of political alignment amongst Nokyo's Diet members. Examined in these terms, the electoral representation of the agricultural cooperatives can be linked to its appropriate historical, organisational and systemic context. The significance of major shifts in Parliamentary party organisation for example, was demonstrated particularly well in the period leading up to the 1955 party amalgamations when the more varied political affiliations of Nokyo members declined in parallel with the trend towards party consolidation. The failure of attempts by a select group of Nokyo leaders to establish a farmers', and later a Nokyo party, was also part of this process. The effect of developments in party organisation was apparent once more in the 1960s and 1970s with the reversal of this movement and the increase in party fragmentation (tatōka). In 1960, DSP-aligned Nokyo candidates appeared in the Diet for the first time, and in 1977, a Nokyo official endorsed by the New Liberal Club was also elected. These variations, however, remained within the confines of a basic pattern of majority-conservative: minority-socialist alignment with the greatest number of Nokyo members always affiliated to the conservative government party. The formation of the urban-based Kōmeitō for instance, had no effect on the constitution of Nokyo's Parliamentary representation, nor did the continuous existence of the JCP have any observable influence on the affiliations of Nokyo Diet members.
Conservative and socialist party labels also underwent change from time to time, but the distribution of party support amongst Nokyo's representatives underwent no drastic alterations in political orientation.

A contributory factor in this stability was the absence of marked changes in the electoral performance of parties which endorsed Nokyo candidates. The relative stability of conservative and socialist voting preferences in the more rural sections of the electorate helped to maintain corresponding stability in the respective proportions of LDP and progressive Nokyo Diet members.

Minor fluctuations in the numbers of Nokyo officials aligned with different parties included the advance by the JSP in rural and semi-rural electorates in the 1958 Lower House poll and those leading up to it. This was recorded in a parallel trend in Nokyo-JSP affiliations in the House of Representatives which reached a peak in 1958, with a similar phenomenon occurring in the House of Councillors in 1971. Socialist affiliation declined subsequently, with a sudden fall occurring in 1969, which corresponded to the party's Lower House electoral setback in that year. The JSP decline was balanced by an increase in LDP-affiliated Nokyo representation, but here again after 1969, LDP membership also began to fall as the party's decline in the countryside accelerated. This was particularly evident in the 1976 elections, when LDP support in House of Representatives' rural and semi-rural districts dipped more sharply than in previous elections. The Socialists, however, declined absolutely and relatively to the LDP, which produced a slightly more conservative orientation in Lower House Nokyo representation after 1967.
In contrast, increases in Kōmeitō and JCP polling rates in the countryside, particularly after 1967, did not register at all in Nokyo's Diet membership. Here the importance of political choice as a determinant of party alignment is evident. The JCP and CGP operate outside the boundaries of agricultural cooperative political representation.

Party decisions on candidate endorsement constitute yet another strategic element of choice built into the total pattern of political attachment. This consideration may account for the trend in the 1970s towards increasing LDP affiliation relative to other parties amongst Nokyo's Diet members. As the LDP became increasingly aware of the threat to its major electoral stronghold, it consciously sought to maintain its popularity in rural areas by consolidating its relationship with the farmers and Nokyo. One area where this strategy could be adopted was in the party endorsement process.

The electoral stability which provided a firm basis for the LDP-Nokyo majority connection, was also considerably assisted by the insulating effects of a largely unreformed electoral system. This helped to prevent socio-economic changes such as the huge drop in the agricultural workforce and the exodus of rural population, from registering in vast increases in progressively-aligned, urban and semi-urban members in the Diet.

These stability factors also prevented drastic alterations in the absolute number of official Nokyo representatives in the Diet, although in the period of almost three decades under review, there was a marginal decline in Nokyo's total Diet membership. Nokyo representation in the Lower House was at its highest level in 1953, with 35 members. It subsequently fell gradually to a figure of 22 in 1976, a variation of approximately three percentage points: from 7.4 per cent of the membership
of the House of Representatives, to 4.3 per cent. In the House of Councillors, a numerical peak in Nokyo representation was reached in 1962 with 19 members. This coincided with the 'boom' period in the activities of the farmers' political leagues which concentrated on electing prefectural Nokyo leaders to Upper House seats. By 1977 the total had dropped steadily to 14, or a variation of between 7.6 per cent of Upper House membership in 1962 and 5.5 per cent in 1977. Nokyo's official representation in the Diet was at its lowest level in 1977, which correlates with the long-term decline in popularity of the LDP and the gradual fall in rural population.

Statistical analysis of Nokyo's Diet membership over the whole 1949-1977 period serves to confirm the most significant feature of Nokyo's Parliamentary representation by its own leaders: consistent attachment by the largest number to the conservative government party. This was evident in every post-election Diet between 1949 and 1977. It was very clearly indicated in the Upper House, with opposition Nokyo representation principally confined to the Lower House. Since 1955, majority conservative affiliation has meant the LDP, with the picture slightly more complicated prior to 1955 by the existence of two main conservative parties. Even during this period, however, the largest number of Nokyo officials were affiliated to the governing Liberals, and later the Democrats.

For purposes of the following composite analysis, parties are divided into conservative and socialist rather than government and non-government, although conservative and government have meant the same thing for the larger part of postwar Diet history. The varying Diet records of Japanese political parties make straight statistical comparison of the percentage of Nokyo members attached to each party difficult, but this can be overcome
by classing parties in terms of their organisational lineage. In this way, the following picture emerges: the conservatives captured 63 per cent of Nokyo representation, the Socialists (JSP, and Right and Left Socialists) 19 per cent, and the DSP five per cent (this may be added to the previous figure to make a combined Socialist and Democratic Socialist total of 24 per cent, which compensates for the DSP's relatively shorter Diet history). Independents and minor parties gained 13 per cent (approximately 80 per cent of this group could be considered as pro-conservative).

There were also variations in the ratios of party support between Houses. In the House of Councillors, the proportion of conservative to Socialist members was significantly higher: 68 per cent of all Nokyo Diet members belonged to conservative parties, 21 per cent were Independent or minor party members, and 11 per cent were Socialist Party members, with none belonging to the DSP. In the House of Representatives, the range of party affiliations was greater and more evenly balanced: the total percentage affiliated to conservative parties was lower at 59 per cent, and the percentage of Socialist Party members higher at 25 per cent. In spite of its relatively short Diet history, the DSP captured 10 per cent of Nokyo official Diet membership, to make a combined socialist opposition total of 35 per cent. A much smaller percentage than in the Upper House (six per cent) were Independent or minor party members.

These variations in the proportions of each party's Nokyo Diet members in each House correspond with few exceptions, to the relative success rates of those parties in 'rural' constituencies in terms of seats won. Socialist Party Nokyo members were disproportionately better represented in the Lower House than in the Upper House. This accords with the general picture of the Socialists' performance in 'rural'
constituencies in each House. In the House of Representatives for example, the JSP and its forerunners consistently obtained over a quarter of 'rural' seats. Similarly 25 per cent of all Nokyo's Lower House representatives were allied to the party.

The number of DSP-aligned members in the Lower House was higher than their overall performance in 'rural' electorates would warrant. This was due mainly to the fact that DSP Nokyo members represented predominantly 'semi-rural' and 'urban' border districts where the party scored much higher seat tallies than in rural electorates and also the tendency amongst Nokyo leaders to choose the more 'conservative' of the opposition socialist parties. The fact that Nokyo officialdom was not represented at all in the ranks of the DSP in the Upper House, however, accords with the electoral disadvantage of being a small minority party contesting for a single seat, or for two seats in large, populous prefectural constituencies. The DSP has in fact never won a seat in the single-member prefectural constituencies of the Upper House.

Similarly, the greater proportion of Independent and minor party Nokyo members in the House of Councillors (it was approximately three times more popular) reflected the relatively higher success rates of Independent representatives in the Upper House and the fact that this type of representation remained popular in the House of Councillors long after it had almost disappeared from the Lower House. The latter became major party-oriented much earlier in its postwar Diet history.

These figures also reveal that Nokyo's relationship with conservative parties, as defined in terms of its official representation in the Diet, reflects no more than the 'natural' electoral bias of the type of constituencies which Nokyo leaders in the majority represent. The above figures also refute the supposition that the cooperatives are exclusively
tied to the conservatives. The proportion of conservative government and opposition socialist alignment amongst Nokyo Diet members is merely a reflection of the general bias revealed in voting patterns in the countryside. It is no greater than one would expect from an organisation which claims to represent the rural sector.

Observed in these terms, Nokyo is not an exclusive appendage of the Parliamentary LDP in the countryside. The associated political groups which inherited a tradition of political independence are even less so. This sets it apart from opposition party-associated farmers' unions. Groups which operate closed alliances with socialist parties (Nichinō and later Zennichinō with the JSP, and Zennō with the DSP). The farmers' union organisations are party-parasitic, with virtually no independent non-party leadership. In spite of early differences in the farmers' union movement when pro-Socialist and pro-Communist groupings were formed, the political orientation of the movement has always been exclusively progressive, and predominantly socialist for a large part of its history. Instances of Nichinō or Zennichinō leaders affiliating with the LDP in the Diet are rare.¹ These exclusive party ties are generated by a top heavy Diet and local assembly leadership, and by the farmers' unions' origins as groupings created by Socialist Party politicians. Their organisational rationale after the displacement which followed the completion of land reform, was in large part electorally-based. They

¹ According to Scalapino and Masumi, op. cit., pp.164-167, there were two farmers' union Diet representatives belonging to the Democratic Party in 1947, one in 1949, another belonging to its successor, the Progressive Party in 1953, and one in the ranks of the LDP in 1958. The latter was one-time Zennoren chairman, Tsunejima Masaoki, who was originally elected to the Diet as an Independent who later joined the Japan Farmers' Party. He joined the Liberal Party in 1949 and unsuccessfully contested the 1949 election for a seat in Nagasaki (2) constituency. He won for the Liberals in 1952 and subsequently joined the LDP.
assisted in the mobilisation of support for opposition socialist candidates amongst the farmers. Membership of the farmers' unions carried with it a vote for the JSP or DSP.

Nokyo on the other hand, had legal-administrative origins, and maintained its own independent economic and political power base. Although it displayed certain features of a semi-administrative arm of government, at no stage did it assume the characteristics of an organisational appendage to a Parliamentary party. Its electoral representation in the national Diet merely served as an extension of its official objective which was to conduct cooperative activities for the benefit of the farming community. First and foremost, it always sought to further its own organisational aims. These were defined by its own independent executive and staff leadership, and not by the conservative government party. The decision as to how its leaders and members aligned themselves politically was kept strictly as a matter for personal decision and was not predicated on the adoption of agricultural cooperative membership. In each case, the relationship between a former or current Nokyo official seeking office and a political party, was one between two separate and independent organisations.
In the preceding chapter, Nokyo's political alignment was defined historically in terms of the party affiliations of agricultural cooperative officials in the Diet. This chapter focusses on the broader issue of Nokyo's electoral participation and the nature of its political backing. Particular emphasis is given to identifying the range of agricultural cooperative electoral behaviour and the mechanics of the procedures involved. The criteria on which Nokyo's political support is based, and the strengths and weaknesses of its electoral operations are also specified.

Electorally speaking, Nokyo is perhaps more significant than any other Japanese interest group. Not only does it seek direct representation in the Diet by its own officials and supporters, but the agricultural cooperatives engage in a wide range of vote mobilisation activities for farm politicians in general. The fact that the agricultural cooperatives are ubiquitous in the Japanese countryside and incorporate the strategically important farm electorate within their membership considerably enhances this role. Nokyo is not a mere interest group but a powerful electoral force in its own right. These factors, together with the importance of rural and semi-rural support as the underpinning of LDP one-party rule, necessitate a detailed examination of Nokyo's electoral role as a very crucial sector of its activities.
The National Nokyo Electorate

One of the most patent sources of Nokyo's influence is the extremely large number of votes that allegedly come within the scope of the agricultural cooperative system. In the broadest sense, agricultural cooperative membership could be considered as equivalent to 'the farmers'. On these grounds, Nokyo's membership outnumbers any other organised group in the nation. Calculating the magnitude of the national Nokyo electorate, however, is complicated by overlapping categories of membership and organisation. This makes the following task at best an approximate exercise in electoral logistics.

If defined in terms of the sum of individual farmer members of multipurpose agricultural cooperatives (excluding specialist Nokyo members because of the problem of overlapping membership and therefore duplication of voters), the pool of Nokyo votes stood at 5.76 million in 1975. To this figure, however, must be added agricultural cooperative associate membership (i.e. non-farmer members of Nokyo), who numbered 1.84 million in 1975; and Nokyo staff members or employees (not including the executive class of officials because the majority of these are elected from amongst Nokyo farming members, and have therefore, already been included).

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1 The concept of the 'national electorate' of an organised interest group is borrowed from Donald R. Thurston, Teachers and Politics in Japan, Princeton, Princeton University Press, 1973, p.229.


3 Ibid.

4 Article 30(10) of Nokyo Law states that at least three quarters of the established number of directors of a cooperative shall be elected from its members (excluding associate members and members who are juridical persons). See 'Nōgyō Kyōdō Kumiaihō' (Agricultural Cooperative Union Law), in Nōrinshō Kanshū, Nōgyō Roppō (Ministry of Agriculture and Forestry Editorial Supervision, A Compendium of Agricultural Laws), Tokyo, Gakuyō Shobō, 1976, p.118.
These numbered 352,239 in 1975.¹ This produces a basic minimum figure of 7.95 million individual Nokyo voters in that year.²

On the other hand, calculated in terms of individuals over the age of 20 years (i.e. with the right to vote) residing in farm households with agricultural cooperative membership (all farm households in 1975³), the size of the national Nokyo electorate increases considerably.⁴ In February 1975, farm household population over 20 years totalled 16.57 million.⁵ This represented 21.8 per cent of the estimated total of

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¹ This figure represents the sum total of staff members in general-purpose co-ops (271,199); specialist co-ops (9,574); prefectural federations (61,603); national federations (6,378); prefectural central unions (3,339); and Zenchū (146). These figures were obtained from Nōkyō Nenkan, 1978, op. cit., pp.103, 104, 106; Nōkyō Nenkan, 1977, p.135, and Nōkyō Nenkan, 1976, p.136.

² Aono Bunsaku in Nōkyō: Soshiki to Hito to Senryaku (Nokyo: Organisation, People and Strategies), Tokyo, Daiyamondosha, 1976, p.21, attempted a similar computation of Nokyo's potential 'mobilisation power'. His calculation went as follows (all figures were for 1973 although he incorrectly states they were for 1975): 5,818,249 regular members in co-ops (individuals 5,818,336 and groups 4,913); 1,720,166 associate members in co-ops (individuals 1,674,330 and groups 45,836); executive and staff members in general-purpose co-ops 352,264 (this is in fact the total figure for staff members in the entire Nokyo organisation); in specialist co-ops 28,879; in prefectural federations 62,918; and in national federations 6,419; plus an unknown quantity of those employed in Nokyo's 1,000 or more 'related companies', which he designated as a 'plus alpha' factor. 'Group' membership of agricultural cooperatives has been excluded from the computation attempted in this chapter because of overlap with the individual farmer membership category. Group members of tankyō are farmers' group corporations, other agricultural cooperatives, and organisations composed chiefly of farmers.

³ See Table 1.1.

⁴ Although not all farm household members are engaged in farm work, this does not negate their membership link with the cooperatives. Furthermore, residing within a farm household is sufficient to guarantee a stake, however indirect, in the farm economy and in agricultural affairs in general, for these matters affect the whole household as a unit.

⁵ This figure was obtained from a breakdown of the age structure of farm household population in Nōrinshō, Tōkei Jōhōbu, Poketto Nōrin Suisan Tōkei (Ministry of Agriculture and Forestry, Statistics and Information Department, Pocket Agriculture, Forestry and Fisheries Statistics), 1976, Tokyo, Nōrin Tōkei Kyōkai, 1976, p.126.
76 million voters in the national electorate in February 1975. The earlier more conservative measurement of 7.95 million individual Nokyo voters in 1975, represented 10.4 per cent of the national electorate.

These figures indicate the maximum possible range of Nokyo voters. By any standard of measurement they constitute a significant proportion of the national electorate. To conclude, however, that the sum of 'Nokyo votes' is at the disposal of the agricultural cooperative leadership, or is even open to Nokyo 'control', is to exceed all the available evidence. This points to the involvement of the agricultural cooperatives in diverse electoral activities, and to a belief amongst farm politicians that 'to harm Nokyo leads to certain political death'. An additional factor highly relevant to these calculations is the over-representation of rural and semi-rural constituencies in elections for the national Diet which magnifies the weight of the agricultural cooperative vote considerably.

Categories of Farm Politician

An indirect measure of Nokyo's actual abilities to influence its members' votes is the ratio of agricultural cooperative Diet members to the total Nokyo electorate. This has relative significance in comparison with the performance of other groups.

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1 This figure is based on the recorded growth of the national voting population (NVP) between December 1972 and December 1976. The mean growth of the NVP between December 1972 and July 1974 was 1.00 million per annum (from 73.77 million to 75.35 million); between July 1974 and December 1976, it was 1.08 million per annum (from 75.35 million to 77.92 million). The NVP figures for December 1972, July 1974 and December 1976 were obtained from Asahi Nenkan, 1975, p.262 and 1977, p.321.

2 Aono, op. cit., p.21.
Nokyo Diet members averaged approximately 27, or 5.6 per cent of Lower House membership between 1949 and 1976. In the Upper House they averaged 16, or 6.9 per cent between 1950 and 1977. This produces a combined average of 43, or 6.25 per cent of the national Diet, which represents a ratio of one Diet member per 185,000 Nokyo voters on 1975 national Nokyo electorate figures. This compares with a ratio of one Japan Teachers' Union (JTU) Diet representative to 20,370 JTU members between 1959 and 1971. By this standard of measurement, the JTU would appear to be much more successful in directing its members' votes than Nokyo in spite of the advantages which the majority of agricultural cooperative election candidates enjoy, such as government party endorsement and election from rural and semi-rural constituencies where voting patterns have traditionally been more stable.

A number of factors account for the relatively small number of Nokyo officials in the Diet in proportion to its total voting membership. These do not necessarily reflect on its powers of vote mobilisation. Generally speaking, agricultural interests are already over-represented in the Diet owing to the large number of Diet members elected from rural areas (nōson giin). A related factor is the alignment of a majority of these farm politicians with the LDP, which guarantees a strong voice to agricultural interests within the policy-determining government party. The motivation of the LDP to give priority to questions of electoral survival and to

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1 The figures on Nokyo Diet members are derived from data on Nōkyō giin found in the sources listed in Chapter 3, page 141, footnote 2.

2 This figure was obtained by dividing the total number of individual Nokyo voters (7.95 million) by 43. Using the alternative farm household membership figure, a much higher ratio of 385,000 Nokyo voters per Nokyo Diet member is obtained.

3 This ratio was calculated from data on JTU membership and Diet representation given in Thurston, op. cit., pp.225-229.
maintain its rural support base has generally produced policies highly favourable to the farmers.

The LDP's Comprehensive Agricultural Policy Investigation Committee (Sōgō Nōsei Chōsakai) according to 1974 membership lists, had 199 members, and its Agriculture and Forestry Division (Nōrin Bukai), both within the party's Policy Affairs Research Council (PARC), had 154.¹ The former in particular provides a concrete numerical indication of the full complement of LDP agricultural Diet members. Clearly, 200 or so government party members regard themselves as having a large enough farm component in their electorates to nominate for this committee. Joint membership of both committees is common. Regardless of any active Nokyo role in elections and policy representation, the significance of the rural vote to the government party is sufficient to endow Japan's major rural organisation with enormous residual influence. This, to some extent, reduces the need for direct agricultural cooperative representation.

Secondly, Nokyo benefits from a highly developed system of contacts with the MAF. In the first instance, this derives from the agricultural cooperatives' statutory origins, which require that agriculture and forestry bureaucrats monitor Nokyo's activities closely. This has been enhanced by the organisation's long-standing functions as a semi-administrative arm of government. The cooperatives have become so well integrated within the administration of the farm sector that one of the key targets of interest group pressure (the relevant ministry) is already 'subsumed' within a day-to-day working relationship between two professional bureaucracies. The need to supplement this highly developed system

¹ Both these sets of figures were taken from Jiyū Minshutō, Seimu Chōsakai Meiho (Liberal Democratic Party, Policy Affairs Research Council Membership List), 1974, pp.26-28, and pp.51-53.
of contacts with mediation and pressure from Nokyo politicians as such, is perhaps not as great as in the case of some other interest groups which do not enjoy such favoured status within their respective ministries.\(^1\) In addition, the weight of rural interests within the government party assists generally in the constant presentation of Nokyo's demands to MAF officials by LDP politicians.

Furthermore, although Nokyo Diet members represent an important sub-category of farm politician, there are a large number of other agricultural organisations in Japan which maintain representation in the Diet. These groups perform economic and other functions complementary to those of the cooperatives. Their affiliations to Nokyo are various, ranging from formal organisational ties and joint leadership, to personal connections and overlapping membership. Those officially listed as Nokyo-related groups number almost 100.\(^2\)

Two possible rivals to Nokyo for the position of farm spokesman have already been mentioned: the farmers' unions and the agricultural committee system. Executives from both sets of groups combine their

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\(^1\) Two examples are the Japan Medical Association and the Welfare Ministry, and the Japan Teachers' Union and the Ministry of Education, where the dominant relationship has often been one of confrontation rather than cooperation.

\(^2\) A formal listing of these groups can be found in Zenkoku Nōgyō Kyōdō Kumiai Yakushokuin Renmei (ed.), Nōgyō Kyōdō Kumiai Rengōkai Yakushokuin Meibō (National Agricultural Cooperative Union Executive and Staff Members' League, Agricultural Cooperative Union Federations' Executive and Staff Members' List), 1976, Tokyo, Kyōdō Kumiai Tsushinsha, pp.4-8.
professional roles with Diet office. In the case of the agricultural committee system, the link with Nokyo is institutionalised within its formal organisational structure; in contrast, the relationship between Nokyo and the farmers' unions on the official level is more one of temporary alliance formation for the purpose of joint presentation of demands to government.

The majority of these other agricultural organisations, however, belong in the category of 'extra-departmental groups' (gaikaku dantai), which exist to supplement the functions of central government. They are administratively parasitic in the sense that they are attached to different ministries and operate by means of allocations from the national budget. They also provide employment for retired ex-bureaucrats and other administrative nominees. Some have specific functions within agricultural legislation. The range of interests they encompass is extensive, ranging from administration of special subsidies for agricultural development and price stabilisation, to

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1 Diet representation of the farmers' unions was discussed more extensively in Chapter 3. With the National Chamber of Agriculture, its prefectural agricultural councils and local agricultural committees, political representation of all levels in the Diet has been common. Some examples are: Nabeshima Naotsugu, LDP member in the Upper House for Saga Prefecture from 1959 onwards, Chairman of the National Chamber of Agriculture and Saga Prefecture Agricultural Council; Horimoto Senjitsu, LDP member in the Upper House for Ehime Prefecture between 1956 and 1974, Vice-Chairman and Chairman of the National Chamber of Agriculture and Chairman of the Ehime Prefectural Agricultural Council; Someya Makoto, LDP member in the Lower House for Chiba (1) and (4) from 1972 onwards, Chairman of Chiba Prefecture Agricultural Council and member of the National Chamber of Agriculture; and Shimada Takuro, JSP member in the Lower House for Hokkaido (5) from 1972 onwards, Chairman of a town agricultural committee, and divisional chairman of Hokkaido Prefecture Agricultural Council.
technical, advisory, informational and promotional roles. It is common for these groups to nominate prominent Diet politicians into top positions within their own organisational leadership.

The functions, leadership structure, membership and connections of these groups place their political representatives within the orbit of Nokyo's influence, thereby augmenting the total number of Diet members to whom the cooperatives are linked. This also helps to explain why the absolute number of Nokyo officials in the Diet is small in proportion to the very numerous Nokyo electorate. In addition to their own direct official representation, the cooperatives maintain very close ties with politicians connected to these other agricultural organisations.

There are various informal ways of describing farm politicians, including 'rural Diet members' (nōson giin) (i.e. Parliamentarians who represent rural and semi-rural constituencies; 'agricultural and forestry Diet members' (nōrin giin); and 'agricultural policy Diet members' (nōsei giin).

Former bureaucrats from the MAF who successfully attain Diet office are usually known as nōrin giin, as are the members of Diet Standing Committees on Agriculture, Forestry and Fisheries (Nōrin Suisan Iinkai), members of party agricultural and forestry policy-making organs, and supporters of informal Diet groupings centring on more specific

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1 These include the National Association for a Price Stabilisation Fund for Beef (Nikuyōgyū Kakaku Antei Kikin Zenkoku Kyōkai), the Central and Prefectural Livestock Associations (Chūō Chikusankai, Ken Chikusankai), the National Beef Association (Zenkoku Nikuyōgyū Kyōkai), the Federation of Land Development Corporations (Tochi Katryō Jigyō Dantai Rengōkai), the Agriculture and Forestry Statistics Association (Nōrin Tōkei Kyōkai) and the National Agricultural Mutual Aid Association (Zenkoku Nōgyō Kyōsai Kyōkai).
agricultural policy issues. The members of these committees and
groups are also referred to as nösei giin. Clearly there is substantial
overlap amongst all these categories, which are not used with any great
precision in general speech, partly because it is possible to belong to
all four categories (Nökyō giin, nörin giin, nösei giin and nösən giin),
at the same time. The first classification in this list is the only
one defined restrictively for purposes of this analysis.

All these different categories of agricultural Diet member belong,
to a greater or lesser degree, within the agricultural cooperative
sphere of influence. This is due not only to the various connections
amongst different farm organisations, but also to the fact that Nokyo's
leaders and members are actively engaged in providing electoral support
for a whole range of agricultural candidates in addition to their own
officials.

Categories of Nokyo-supported Diet Member

The literature on Nokyo's electoral involvement, although scanty,
does contain references to connections between farm politicians and
agricultural cooperative organisations which have supported them in
elections. It is, however, difficult to place a precise figure on
this group in any particular Diet, because of the complexities of the
relationships involved, and the difficulties of tracing what in many
cases is a matter of personal political connection and not official
electoral activity.

One writer claimed that 'politically, Nōkyō claims the loyalty
of all dietmen from rural constituencies . . . .'1 Another put the

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total number of Diet members who owed some sort of electoral debt to Nokyo at around 150.\(^1\) These large but unsubstantiated figures are balanced by specific references to the actual numbers of Diet candidates supported by the agricultural cooperatives in individual elections. According to one source, *Zenshiren* (the forerunner of *Zenchü*), recommended 53 Nokyo-connected candidates (*Nökyō kankei kōhosha*) in the 1952 Lower House election.\(^2\) Elsewhere it was stated that in the 1958 Lower House election, *Zenchü* put up 110 candidates for election\(^3\) and that there were 30 Nokyo-connected candidates in the 1959 Upper House election.\(^4\) Logically enough these figures vary for each election, but the numbers involved do show that agricultural cooperative electoral support is not given solely to Nokyo leaders.

A more accurate and consistent indicator of the numbers of Diet members who receive electoral backing from the cooperatives, is the organised grouping of Nokyo Diet supporters, the Agricultural Policy Research Association (*Nösei Kenkyükai*). This is the only extra-Parliamentary Diet members' grouping connected to the Nokyo system. It has existed continuously since 1920 when it was known as the Rural Diet Members' League (*Nöson Giin Renmei*). It adopted its current title in 1947.

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The Agricultural Policy Research Association (APRA) is led from an office inside Nokyo's central headquarters in Tokyo. It includes individual Diet members on the one hand, and agricultural groups (nōgyō dantai), on the other. National Nokyo organisations such as Zenchū, Zenno, and Zenkyōren make up these 'agricultural groups'.

The overt and publicised aim of the APRA as set down in its organisational charter is to undertake joint research and investigation into agricultural policy problems. In practice it serves as a two-way information channel between Nokyo and its political supporters in the Diet enabling Zenchū and other key national agricultural cooperative organisations to present Nokyo policy demands, particularly in relation to the MAF budget. It also provides a means for Diet members to obtain the necessary information and intelligence about current agricultural problems for effective performance of their supportive activities within the Diet and political parties on Nokyo's behalf.

A questionnaire was distributed by the writer to the members of the APRA in December 1976, and again in May 1977 to those who had not replied. Out of a total of 84 members, 35 replies were received (i.e. a 41 per cent reply rate). To the question: 'What do you think is the main function of the Nōsei Kenkyūkai?', the respondents were virtually united

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in the 'policy emphasis' of the organisation.¹

A distinctive feature of APRA membership appeared to be an electoral connection to the agricultural cooperatives. This was substantiated by replies received in answer to the question: 'Have Nokyo groups (for example, Nokyo leaders and members) supported your election campaigns?'. Out of a total of 35 replies received 31, or 88.5 per cent, responded in the affirmative.² For nearly all of those who answered the questionnaire, membership of the APRA was therefore coincident with some form of backing from the cooperatives in elections.

¹ Twenty respondents answered this question (the remaining 15 gave no answer). Their replies ranged as follows:

'To promote a comprehensive and constructive agriculture',
'research and inquiry into agricultural policy',
'agricultural promotion',
a pipeline to the agricultural policies of government and opposition parties',
'members plan for policy promotion',
'the study of agricultural policy',
to investigate new agricultural policies',
'research on an agricultural policy framework',
to treat topics in agricultural policy in order to realise and resolve food problems etc. in such a way as to improve the farmers' livelihood',
'general research on agricultural policy and liaison with Nokyo',
to establish a national agricultural policy',
to promote an agricultural policy for the farmers',
in order to guarantee food for the nation, the APRA negotiates with the administration on matters relating to agricultural policy in general',
it performs political activities for the advancement agriculture',
to improve the farmers' livelihood and build prosperous rural villages',
promotion of agricultural policy activities',
proposals concerning agricultural policy, the improvement of agricultural finance and budget acquisitions',
it functions as a pipeline between the farmers and politics',
to advance the promotion of agriculture',
the APRA is inactive except during budget time when it holds formal meetings'.

² Two answered in the negative, and two failed to answer the question.
Replies to the questionnaire also confirmed that the agricultural cooperatives were engaged in support activities for a much wider range of candidates than their own leaders and officials. Of the 31 members who admitted having received electoral support from Nokyo, only 14, or 45 per cent, were Nōkyō giin.

On the other hand, further examination of the backgrounds of APRA members between 1963 and 1977 revealed that a majority but not all Nokyo Diet members in any one year were members of the organisation. In this period, 72 per cent of Lower House Nokyo Diet members belonged to the APRA and 86 per cent of Upper House Nokyo Diet members. On these grounds, the APRA could be described as offering a representative rather than a comprehensive sample of Nokyo-backed Diet members.

An organisation and career analysis of the members of the APRA is attempted below with the aim of establishing the strength of Nokyo's official contingent of supporters in the Diet, the type of farm politician for which the agricultural cooperatives provide electoral backing, and indirectly, the criteria on which this support is based.

Between 1963 and 1977, APRA membership averaged 94 members in the Diet, 63 in the Lower House and 31 in the Upper House. This constituted an average of 13 per cent of Diet membership over this period, and displayed comparatively balanced representation over both Houses relative to the total membership of each. For this reason, it would appear that the agricultural cooperatives do not concentrate their electoral support activities on Parliamentarians of either House.

A cross-sectional analysis of APRA members for a selected time period (from the Lower House election of December 1972 to the Upper House election of July 1974) reveals that they fall within one of three type-categories of Nokyo-connected Diet members (Nōkyō kankeisha).
These are largely organisationally-based, and correspond to the close­ness of Diet members' affiliations to Nokyo and other agricultural groups.

Type I is the category of 鳥羽 giin: that is, Diet members 'with direct connections to Nokyo'. Between 1972 and 1974, there were 29 鳥羽 giin in the APRA out of a total of 92, or 31.5 per cent of the total average membership of the APRA for the same period.

Type II and Type III have several factors in common. They represent categories of Nokyo sympathisers (鳥羽 sympa): politicians with no career background in agricultural cooperative organisations, but who wish to undertake activities supportive of Nokyo in the Diet in exchange for Nokyo's electoral backing outside it.

Using Tanaka's phraseology, Type II is a category of politician 'with a deep understanding of Nokyo'. It is made up of Diet members with indirect connections to the agricultural cooperatives, and this group falls into two fairly distinct types. One is the Diet member with a specialist expertise in agricultural policy as a result of long career experience, the former MAF bureaucrat or nōrin giin. Amongst APRA members between 1972 and 1974, there were 14 in this category (or 15 per cent of the total), almost all from the MAF bureaucracy. The other is the Diet member with connections to agricultural groups other than Nokyo mainstream organisations. Between 1972 and 1974, the membership affili­ations of this sub-category of APRA members spanned a range of groups

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1 These type-categories correspond to a classification proposed by Tanaka, and his wording is quoted here. Op. cit., p.437.
2 Between 1963 and 1977 they averaged 30 out of a total average membership for the same period of 94.
most of which had links to the cooperatives. Diet members with connections to agriculturally-related industries also belong amongst agricultural organisation representatives. Between 1972 and 1974, this sub-category within APRA membership numbered 31, or 33.6 per cent of the total. On these figures, it would appear that total representation of other agricultural organisations in the APRA is equivalent to that of the Nokyo leadership.

The total number within Type II, including former bureaucrats, was 45, or 49 per cent of APRA membership. This constitutes the largest category of members in the APRA. Nōkyō giin are in fact outnumbered by Diet members representing other agricultural groups and the MAF bureaucracy.

The third category of APRA members, or Type III, are those with no specific connections to Nokyo or other agricultural groups (i.e. no career or organisational role in agricultural groups, institutions or industries), but who nevertheless possess a strong constituency-dictated interest in agricultural policy as representatives of rural and semi-rural electorates. In Tanaka's terminology, they constitute the group

1 These were: the Central Cooperative Bank for Agriculture and Forestry, the Agriculture, Forestry and Fisheries Finance Corporation, the National Agricultural Mutual Aid Association, the National Federation of Forestry Associations, the National Beef Association, the National Japanese Beef Cattle ( Wagyu ) Association, the Central Livestock Association, the National Chamber of Agriculture and prefectural Agricultural Councils, the Food Demand and Supply Research Centre, the National League for the Promotion of Mountain Villages, prefectural farmers' political leagues, farmers' unions, the National Land Development Association, the National Federation of Land Development Corporations, the Agriculture and Forestry Statistics Association and the National Federation of Timber Associations.

2 Amongst APRA members between 1972 and 1974, there were Diet representatives of the Timber Industries Co. (Moku sai Kōgyōsha), the Imperial Afforestation Co. (Teikoku Zōrinsa), Kyōwa Fisheries, and Tōhoku Agricultural Construction Co. (Tōhoku Nōken).
'with a relative understanding of Nokyo'. There were 18 members in this group of *noson giin* within the APRA between 1972 and 1974, or 19.5 per cent of the total. This was the least numerous of all three type-categories. This emphasises the organisationally-based representation of Japanese agriculture in the Diet, at least as indicated by the background of APRA members.

The party affiliations of Nokyo-supported Diet members within the APRA between 1963 and 1977 reflect almost exactly the same proportions of political support as Nokyo Diet members for the period 1949 to 1977. Table 4.1 illustrates this phenomenon.

The Nokyo Diet members' survey covered the period prior to 1955 when Independent and minor party representation was relatively more common, but at least 80 per cent of the latter group could be considered in fact pro-conservative in political orientation. Added on to the Upper and Lower House totals of Nokyo Diet members, they bring each up to almost exactly the LDP APRA figures for each House. In other words, this group of APRA members, connected with and electorally supported by Nokyo, reflects the same ratio of majority-conservative to minority-socialist political alignment as Nōkyō giin as a whole. The absence of JCP- and Kömeitō-affiliated members in the APRA is also consistent with their absence amongst Nōkyō giin and the urban concentration of these parties.

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2 Amongst this group were a number of so-called 'rice Diet members' (*kome giin*): Tamura Hajime from Mie (2); Tamura Ryōhei from Kōchi; and Nakagawa Ichirō from Hokkaidō (5). Other constituencies represented by farm-politicians in the APRA were Tottori, Gumma (3), Aichi (3), Fukushima (1), Akita (1), Kumamoto (2), Aomori (2), Gumma (3), Kagawa (1), Kumamoto (1) (an urban constituency), Fukushima (2), Aichi (2), Gifu (2), Iwate (1), Hyōgo (5).
Table 4.1
A COMPARISON OF THE PARTY AFFILIATIONS OF APRA AND NOKYO DIET MEMBERS
(unit:%)

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<th>Lower House Parties</th>
<th>APRA Members</th>
<th>Nokyo Diet Members</th>
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<tr>
<td>LDP (conservatives)(^{(a)})</td>
<td>64.8</td>
<td>59.0</td>
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<tr>
<td>JSP (Socialists)(^{(b)})</td>
<td>22.6</td>
<td>25.0</td>
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<tr>
<td>DSP</td>
<td>12.2</td>
<td>10.0</td>
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<tr>
<td>Independents and Minor Parties</td>
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<td>6.0</td>
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<table>
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<th>Upper House Parties</th>
<th>APRA Members</th>
<th>Nokyo Diet Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>LDP (conservatives)(^{(a)})</td>
<td>85.6</td>
<td>68.0</td>
</tr>
<tr>
<td>JSP (Socialists)(^{(b)})</td>
<td>10.4</td>
<td>11.0</td>
</tr>
<tr>
<td>DSP</td>
<td>2.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Independents and Minor Parties</td>
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<td>21.0</td>
</tr>
</tbody>
</table>

\(^{(a)}\) This includes pre-LDP (before 1955) conservative parties as does the Upper House figure. This is relevant only to the Nokyo Diet member category (1949-1977).

\(^{(b)}\) This includes the JSP and pre-1955 Right and Left Socialist Parties as does the Socialist percentage for the Upper House. This is relevant only to the Nokyo Diet member category (1949-1977).

On the question of the factional alignment of APRA LDP members, there appears to be an element of proportionality which corresponds to the relative strength of the different LDP factions in the Diet, with the sole exception of the Miki faction which was disproportionately more numerous.\footnote{The Miki faction outnumbered all others in the APRA, not because of its overall Diet strength, but because of Miki's historical and career contacts with the Japanese cooperative movement as the former leader of the People's Cooperative Party.} In the sample members' listing for 1972-74, the Miki faction had 17, the Fukuda faction 14, the Tanaka faction 10, the Ôhira faction eight, the Nakasone faction seven, the Shiina faction three, and the Mizuta and Funada factions two each. There were three non factionally-aligned members.

Another distinctive feature of APRA membership was seniority in the ranks of Diet members and experience in party agricultural and forestry leadership positions. LDP APRA members for instance, occupied a disproportionately large number of positions of power in the government executive. In the period 1972-74, almost one quarter of this group had held the position of minister, including that of Minister of Agriculture and Forestry. About the same number had been Parliamentary Vice-Ministers of Agriculture and Forestry, and Chairmen of Diet Agriculture, Forestry and Fisheries Committees.

These were outnumbered, however, by the even greater number who had been prominent in LDP policy committees on agriculture and forestry. More than a third of the LDP APRA membership in this period had been chairmen or vice-chairmen of PARC agriculture and forestry committees. These figures were repeated in JSP and DSP agriculture and forestry policy-making groups. One quarter of the JSP membership had been party PARC Agriculture and Forestry Division Chairmen (Nōrin Buchō) and almost
one third had been party Farmers' Division Chairmen or Vice-Chairmen (Nōmin Bucho). The same proportion (one quarter) had been Chairmen or Vice-Chairmen of the DSP Policy Committee on Agriculture, Forestry and Fisheries (Nōrin Gyogyō Taisaku Iinkai).

These figures support the emphasis of the APRA as a policy-oriented organisation whose membership is dominated by those who occupy important positions in party agricultural policy-making organs. This testifies to the strong connection between Nokyo and influential party agriculture, forestry and fishery leaders. Although one should maintain an analytical division between the distinctive features of APRA members as a group, and the criteria on which electoral backing from the cooperatives is made, it is difficult to escape the conclusion that Nokyo is inclined towards support for those with these particular attributes.

The Nature of Agricultural Cooperative Electoral Support Activities

The participation of the agricultural cooperatives in elections takes two forms: informal, unofficial involvement largely through the medium of agricultural cooperative leaders; and official, organisational involvement. This division is useful for analytical purposes but in practice, these two types of behaviour are highly interrelated and much more difficult to separate.

According to the original analysis by Kobayashi, Shinohara and Soma, one of the most important ingredients in Japanese elections is that of the voting base (jiban). A jiban represents a core of voters who give their consistent and reliable support — what has been styled a 'hard' vote

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1 Kobayashi Naoki, Shinohara Hajime and Soma Masao, Senkyo (Elections), Tokyo, Iwanami Shoten, 1960, p.91.
(kotei hyō) to a particular candidate as a result of personal connections (kankei). Kankei arise from 'numerous sources and contexts - kinship, geographical, occupational, organizational, obligatory and so on - which operate to join diverse groups and individuals to a particular candidate through chains of personal relationships which claim the individual's loyalty quite apart from considerations of public policy.' These 'hard' or committed votes within the jiban are not open to change by rhetoric and persuasion from other candidates making more 'rational' and programmatic appeals for support. They are immutable because the motivations underlying them are constant.

The corollary of the 'hard' vote is the 'gathered' vote, which represents a bloc of voter support collected by local leaders, bosses, or 'men of influence' (yūryokusha) on behalf of election candidates. It is based on the same set of personal obligations and relationships which mould the 'hard' vote. Flanagan has described it in terms of 'a system of multiple hierarchies . . . which links faction leaders and Dietmen to the local yūryokusha (men of influence) at the grass roots'. Diet members enlist lower level political figures as core organisers of their jiban. The kankei that motivate the grass roots voter are very often with the local leader himself, whose role is that of an intermediary.


2 Scott Flanagan has built a model of Japanese electoral behaviour around the concept of personal connections (kankei), which relates it to both traditional and modern voting patterns. See his article 'The Japanese Party System in Transition', Comparative Politics, Vol. 3, No.2, January 1971, pp.238-240.

3 Ibid., p.238.

4 Curtis, op. cit., pp.40-41.

He is the pivot of an interlocking framework of personal contacts and reciprocal political obligations linking local political figureheads at city, town and village level, to prefectural politicians, who in turn have closer connections with members of the national Diet.

This analysis places rural political elites in a crucial position to mobilise votes and collect blocs of voting support. It is in this role that local co-op leaders figure prominently in election activities.

In the prewar era, this hierarchical system centred at the grassroots on leadership patterns characteristic of Japanese village hamlets (buraku), which constituted the primary social grouping in the countryside. Landlords dominated executive positions within the wide range of buraku-organised cooperative associations, and their ability to 'gather the vote' and commit it to certain political candidates was one facet of their total leadership role within the hamlet and the forces of consensus that operated to sustain it. Their powers rested on the internal cohesiveness of the buraku unit. The traditions of group solidarity and cooperative activity within the hamlet upheld motivations to act for the good of the whole community, whether it related to farming, road building, irrigation or politics.

The Occupation-instituted land reform program helped to undermine buraku-centred power structures and dispossess landlords of their political leadership. A new political elite emerged: local bosses and other local leaders such as mayors and members of village, town and city assemblies and the elected leaders of major rural organisations. Agricultural cooperative executives became an integral part of this new leadership structure. In the absence of legal restrictions preventing them from holding political office concurrently with their professional roles, large numbers of them successfully obtained positions in local
government. According to research on 5,408 cooperatives conducted by the MAF in August 1969, 140 prefectural assembly members were serving concurrently as agricultural cooperative chairmen: 900 city, town and village assembly members as co-op chairmen or full-time officials; and 73 city, town and village mayors as co-op chairmen.¹

With so many Nokyo officials either politicians in their own right holding electoral office as prefectural, city, town or village mayors, governors, assembly members or chairmen, or with extremely close connections to these various branches of local government, the dividing line between Nokyo activity and political activity became almost indistinguishable. Local government and Nokyo office often became fused in one and the same individual.² As a result, agricultural cooperative leaders played a pivotal role in the vote mobilisation networks of Diet politicians, and also launched themselves into national politics in this manner.

One factor facilitating the development of political networks linking Diet politicians to local political leaders was the function of local government in Japan in administering and distributing subsidies dispensed by central government from the national budget. According to Kobayashi, Shinohara and Soma, a *jiban* can be built up with the carefully selected use of these subsidies for political purposes. In this way, a position in local government can be used to create a voting base by generating obligations and motivations on the part of voters to repay their

¹ This was reported in Tanaka, *op. cit.*, p.427.
² Robert Ward made this point in his article: 'Urban-Rural Differences and the Process of Political Modernization in Japan: A Case Study', *Economic Development and Cultural Change*, Vol. 9, Part 2, October 1960, p.144. He wrote: 'One does not usually distinguish at the village level among a community's political, economic, and social leaders. There is a high probability that they will be the same individuals.'
benefactors in the form of votes. Flanagan also noted the importance of finance flows between central and local government as a key ingredient in voter mobilisation: 'local, prefectural, and national leaders serve as the multiple links... to the same central political, bureaucratic, and financial sources of power. The impetus of the system is unitary, with all groups seeking to tap the flow of benefits from the centre.'

Nokyo's function as a channel for a variety of government subsidies into the farm sector also enhances the vote mobilisation powers of agricultural cooperative leaders. They are in a position to justify political support in terms of likely policy outcomes in the form of grants, investments, subsidies and improvements via local government and the cooperatives. In this manner, the Nokyo office can be utilised as a means of creating and maintaining local power bases.

The LDP operates and benefits most from the use of the budgetary lever as a means of winning votes. As the government party, it is the chief distributor of political largesse: it controls budgetary allocations and hence the flow of subsidies, grants and price supports to agriculture and the agricultural cooperatives. This is the dominant factor underlying and reinforcing the government party-Nokyo relationship. A vote for the LDP can be directly translated into a vote for increased assistance to the farmers and the cooperatives. This philosophy is behind Zenchū's publicised Diet strategy of emphasising links with government party members, and numerous campaign statements emanating from local cooperative executives such as: 'A vote for an

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opposition candidate is a dead vote'; 'the opposition parties have no powers of decision in either the budget or the rice price'; and 'to put people into the government party who understand us is to prevent policies being formulated which ignore the farmers'.¹ These considerations are often powerful enough to override virulent opposition to LDP agricultural policies coming from certain sections of Nokyo.²

The political activities which Nokyo leaders, either as politicians in their own right or as Nokyo officials, undertake in mobilising votes, in creating jiban, and in committing their own core of supporters to Diet candidates, often take place through the medium of personal support groups (kōenkai). Agricultural cooperative leaders are invited to become 'advisers' or 'officials' of kōenkai. Their involvement is sought as an indispensable part of a campaign strategy aimed at reaching a multitude of farm voters. Their local influence and political connections are invaluable as a means of communicating with cooperative farming members and opening up channels for effective voter mobilisation. Large numbers of Nokyo leaders and members also become party supporters and officials of local party organisations. These are important in determining party endorsements.

This type of political activity is rightly considered part of agricultural cooperative electioneering, but it is conducted largely through the personal medium of the Nokyo leadership, a sort of political

¹ Tanaka, op. cit., p.428.

² In the face of the producer rice price freeze instituted by the LDP in 1969 for example, there emerged a threat by the Ishikawa Nokyo Youth Division to institute a mass withdrawal of its members from the LDP. The prefectural Nokyo leadership, however, argued that although voting for the LDP might mean compromising the Nokyo stance, without representatives in the government party, the rural voice within the LDP would diminish and inevitably the farmers would be disadvantaged. Ibid.
participation by proxy. Those Nokyo officials who engage in support mobilisation activities, and particularly those who jointly hold both Nokyo leadership positions and political office, do it not in their official capacity as agricultural cooperative executives. Political functions such as these do not come within the purview of their official duties as laid down by Nokyo Law. They act as private, unofficial and informal representatives of the agricultural cooperative organisation. The unofficial involvement of Nokyo leaders in vote mobilisation and campaign activities is one method whereby the cooperatives participate in electoral support activity in a camouflaged manner.

Unofficial Nokyo involvement is not, however, limited to the role played by agricultural cooperative leaders. It can extend to the actual campaign engagement of large numbers of executives, staff members and farmers within a Nokyo organisation or several Nokyo organisations in a given constituency. The latter type of activity constitutes what has been described as 'conducting an election from an organisational base': the phenomenon of the *soshiki senkyo*.¹ This occurs most often when a candidate centres his *jiban* around the Nokyo organisation. Where the identification of Nokyo interest is made easy by an official Nokyo candidacy, the campaign may involve a full-scale electoral mobilisation of agricultural cooperatives within an electorate. In these circumstances a political campaign takes on the appearance of an intra-organisational agricultural cooperative operation with a cross-section of the more highly motivated and supportive Nokyo executives, staff members and farmers recruited to work in the campaign. The latter

become part of the volunteer campaign force (undōin) under the guidance of Nokyo leaders. All are volunteers in keeping with their right to freedom of political conscience and the cooperatives' official doctrine of political neutrality, but there is often a subtle kind of coercion at work, such as appeals to group loyalties, duty, and obligation to the parent organisation, and pressure to participate as Nokyo supporters (yūshi) in order to further the interests of Nokyo itself.

This sort of large scale operation is often undertaken within the framework of a kōenkai, in which Nokyo leaders and kuniaiin participate as formal members, and organise the campaign as if it were a Nokyo operation. Amongst the respondents to the questionnaire distributed to APRA members, kōenkai participation appeared to be one of the principal forms whereby agricultural cooperative leaders, staff members and farmers became unofficially involved in electoral support activities. Of the 35 APRA members who responded to the questionnaire, 31 or 88.5 per cent had kōenkai. Twenty five, or 71 per cent, offered a breakdown of the Nokyo composition of their personal support groups. The results were as follows:

Table 4.2
THE COMPOSITION OF APRA MEMBERS' KŌENKAI

| Kōenkai with Nokyo leaders, staff and farming members | 20 |
| Kōenkai with Nokyo leaders only | 1 |
| Kōenkai with Nokyo leaders and staff members only | 1 |
| Kōenkai with Nokyo leaders and co-op members only | 2 |
| Kōenkai with co-op members only |

TOTAL ... 25

Source: APRA questionnaire results.
Table 4.2 demonstrates that almost all of those respondents who offered a breakdown of their personal support group had kōenkai which embraced the totality of the Nokyo leadership-membership structure.1

The range of private, unofficial electoral support activity by agricultural cooperative officials and members described above is widespread throughout the Japanese countryside in elections to all levels of government. Analytically it should be viewed quite separately from more official, organised forms of support which agricultural cooperatives undertake. One of these is formal 'recommendation' (suisen). Official recommendation of candidates by non-political groups which do not normally participate in politics on an official level is extremely common in Japan. According to Flanagan, the mechanism of group recommendation performs the function of mobilising the vote in the same way as traditional local leaders once did. He attributes the strength of this type of vote direction to the weakness of the Japanese party system and the consequent lack of identification between voter and party: 'the Japanese voter' he maintains, 'identifies with a primary or secondary group which then directs his voting decision by means of the suisensei

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1 This can be illustrated by the example of Okamura Fumijirō's campaign strategy for a seat in the House of Councillors' national constituency in 1965. As Chairman of Zenkyōren, Okamura's whole campaign organisation and kōenkai were staffed predominantly by executives and staff members of Zenkyōren. His electoral organisation in fact centred directly on the Zenkyōren organisation. His election office leaders were the Zenkyōren Information Section Chief and the Office Chief of the APRA. Other section heads of Zenkyōren, prefectural kyōsaien staff and Zenahū managers were also involved in campaign work, such as producing posters and handbills and organising local electioneering tours. His kōenkai office chief was a Zenkyōren manager, and staff workers of Zenkyōren toured the tankyō in Kagawa Prefecture, making calls on each cooperative, conducting Zenkyōren business and electoral support activities simultaneously amongst co-op union members. The handling and organisation of Okamura's campaign was typical of an election based on organisationally-generated support (soshiki senkyo). It also exemplified the 'organisational' route followed by many so-called vocational representatives (shokunō daihyō) in the House of Councillors.
(recommendation system).\(^1\) The influence of these group ties derives from *kankei*. The latter serves as 'the mechanism which allows the more modern functionally specific associations to deliver the vote in much the same way as the traditional local notables once did - and still do in some rural areas.'\(^2\)

One should, however, distinguish in this context between an organisation's official action in making formal recommendations to its members, and the crucial but informal role played by its leaders in recommending candidates. It is the leadership group which personifies the organisational ties of the membership and which directs their votes on the basis of mutual connections or *kankei*.

Official recommendations of the cooperatives are made known on campaign posters and handbills distributed to electoral offices. These are put up on public display together with similar recommendations from other organisations to the candidate concerned. The names of recommended candidates may also be publicised by internal Nokyo public relations activities, a purpose for which the agricultural cooperative communications system - its newspapers, TV programs, telephone networks and publications output - can be put to good use.

Another form of organised participation of the cooperatives in elections is through the medium of the farmers' political leagues (*nōseiren*). These enable the agricultural cooperatives to engage in electoral support activities in substance, although not in name. In the latter half of the 1950s, local Nokyo leaders recognised the need for prefecturally-based agricultural cooperative electoral support groups to

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exist on a continuous basis and handle a range of elections, local, prefectural and national. Unlike köenkai, these organisations were not linked to any specific candidates, but were able to offer a variety of support and commitment to one or a number of candidates in any constituency.

With the establishment of the farmers' leagues, Nokyo's electioneering role underwent a very significant historical development. In the gubernatorial elections of this period, and even more in the expansion of their operations to the general elections of 1959, 1960 and 1962, the farmers' political leagues' efforts in 'mobilising the political power of the farmers' increasingly began to bear fruit in terms of the numbers of Nokyo officials elected to public office.1

It was in the testing ground of the gubernatorial elections that concrete evidence of vote 'control' by the cooperatives increasingly began to be observed. What was particularly impressive about the performance of the farmers' political leagues in these elections was the fact that by means of judicious alliances with opposition and breakaway LDP groups, they proved themselves able to defeat incumbent LDP candidates in heavily agricultural prefectures such as Fukushima and Ibaragi.

Electorally, the role of the nōseiren should be viewed as supplementary to the wide-ranging direct involvement by Nokyo officials: an additional strategy whereby farm voters can be mobilised in support of candidates with close ties to Nokyo. Their activities were aimed as much at the farmers themselves and at raising their level of political consciousness and involvement, as they were at governmental authorities.

1 This subject was explored in Chapter 3.
The creation of the farmers' political leagues was also historically significant from the point of view of the development of the electoral relationship between the agricultural cooperatives and the LDP at the grass-roots level. The leagues provided an organised context in which LDP candidates could recruit agricultural cooperative leaders into their campaigns. According to one writer, the nōseiren acted as effective substitutes for LDP grass-roots organisations in elections for rural seats ('Jimintō no senkyo soshiki'). This was done by enlisting the support of the nōseiren leadership in many of the prefectures in which the groups operated. In the light of this more restricted role as substructural organisations (kabu soshiki) of the LDP, the same writer questioned whether the nōseiren were fulfilling the original purpose for which they were founded.

The policies and electoral support activities of the nōseiren, however, did not always coincide with those of the LDP or the mainstream Nokyo leadership. On occasions candidates from these different organisations were rivals for the Nokyo vote. In terms of political alignment, the nōseiren tended to back candidates in a fashion that was more independent of considerations of party alignment. In practice this meant supporting a range of candidates - conservative, Independent and socialist: any candidate in fact, who guaranteed to further the organisational objectives of the nōseiren. What was particularly significant about the political alignment of the nōseiren, was that some of their more prominent leaders, and a number of their more successful candidates promoted to Diet and gubernatorial office, were not members of the LDP, and proportionally, displayed more progressive orientations.

1 'Senkyo to Nomin', op. cit., p.92.
2 Ibid.
Other examples of political organisations similarly based on Nokyo and structured along the same lines as the nōseiren but with a more restricted membership, are the Japan Dairy Farmers' Political League (Nihon Rakunō Seiji Renmei) and the Japan Settlers' League (Nihon Kaitakusha Renmei). The former is the political organisation of the specialist dairy cooperatives (rakunō kumiai). It selects its own candidates for recommendation and electoral support and has special links with Diet members from dairy farming constituencies. Although its executives and members overlap with the Nokyo organisation, decisions on electoral backing are made independently, and candidates are chosen on the basis of their ability to promote specialist dairy interests. The Japan Settlers' League incorporates members of the specialist settlers' agricultural cooperatives and is generally regarded as being inclined towards the progressives.

Case Study of a Nokyo Diet Member's Electoral Support Groups

The patterns of political support evident in agricultural cooperative electoral behaviour: private, unofficial campaigning and vote mobilisation, combined with formal recommendation and organised support through Nokyo-based political groups, were exemplified in the election campaign of Nokyo Diet member Someya Makoto, for a seat in Chiba (4) constituency in the 1976 House of Representatives' election. Someya was contesting his second election as a Nokyo-backed candidate, and was well known in Chiba as the prefectural Nokyo Central Union Chairman, Chairman of the prefectural Agricultural Council (Ken Nōgyō Kaigi), member of the National Chamber of Agriculture (Zenkoku Nōgyō Kaigiho), Chairman of the

Details of this organisation are also given in Chapter 6.
prefectural Agricultural Residential Association (Ken Nōjū Kyōkai), former Chairman of Chiba Prefecture Assembly, and Secretary-General of the LDP prefectural federation. He had more than 50 formal recommendations (suisenjo) from organisations and their leaders posted up on the walls of his campaign headquarters.¹

¹ These included:
1. Chiba Prefecture Nokyo Central Union
2. Chiba Prefecture Nokyo Chairmen's Association
3. Chiba Prefecture Nokyo Economic Federation
4. Chiba Prefecture Nokyo Insurance Federation
5. Chiba Prefecture Nokyo Trust Federation
6. Chiba Prefecture Nokyo Women's Division Council
7. Chiba Prefecture Agriculture, Forestry and Fisheries Groups' Liaison Council
8. National Chamber of Agriculture
9. Japan Dairy Farmers' Political League
10. Chairman of the Central Livestock Association - Akagi Munenori
11. Agricultural Policy Promotion Council (Nōsei Suishin Kyōgikai)
12. Japan Dentists' Political League
13. Chiba Prefecture Dentists' Political League
14. Chiba Prefecture Dental Technicians' Political League
15. Hospital Nurses' Political Association
16. Chairman of the All-Japan and Chiba Prefecture Pharmaceutical League
17. Association to Protect Farmers' Health
18. All-Japan Environmental Sanitation Service Traders' Association
19. Japan Doctors' League
20. Chiba Prefecture Doctors' League
22. Japan Private Kindergarten Federation
23. Chiba Prefecture Kindergarten Association
24. Chiba Prefecture Specialist Schools' Association
25. Japan League of Nurseries
26. Chiba Prefecture Federation of Private School Groups
27. Japan Federation of Handicapped and Retarded Groups
28. Japan Wounded Soldiers' Political League
29. Wounded Soldiers' Wives' Association
30. President of the Japan Bereaved Families' Association
31. International Anti-Communist League
32. The House of Growth (Seichō no Ie)
33. Shinto Political League
34. World Salvation Army Organisation
35. Japan Retired Government Officers' Political League
36. All-Japan Land Agents' Political League
37. Chiba Prefecture Accountants' Political League
38. National League of the Self-Employed
39. National Seaweed and Shells Cooperative Union
40. Chiba Prefecture Public Bath Owners' Political League (contd)
When interviewed, Someya, as a Nōkyō giin, defined the groups he received support from in the elections as 'agricultural groups' (nōgyō dantai), 'land development groups' (tochi kairyō dantai), and social welfare councils (shakai fukushi kyōgikai). He also claimed a special link with dairy farmers through the Dairy Farmers' Political League. He maintained that his kōenkai centred on Nokyo and agricultural groups in general, and that his main electoral strategy focussed on his personal support group activities (kōenkai katsudō). Nokyo members, staff and leaders, he claimed, participated in his election campaign through membership in his kōenkai. He categorised this as the chief avenue by which agricultural cooperatives participated in elections.

Although a representative from an urban electorate, Someya acknowledged that given his primary organisational links, his campaign emphasised rural interests. He endeavoured to balance this, however, with a general appeal aimed at the whole electorate in the light of the contraction of rural areas and the decline in rural population. He described his interests as essentially a combination of agricultural and

(from previous page)

41. National Public Bath Owners' Political League
42. Chiba Prefecture Small and Medium Enterprise League
43. Matsudo City Industrial Federation
44. Chiba Prefecture Branch of the National Oil Political League
45. LDP Secretary-General
46. Someya's factional leader - Shiina Etsusaburō
47. Governor of Chiba Prefecture - Kawakami Kichi
48. Member of the House of Councillors - Saito Esaburo
49. Member of the House of Councillors - Kashima Toshio
50. A former member of the House of Councillors
51. A Chiba Prefectural Assembly member
52. Kashiwa City Mayor
53. Nagareyama City Mayor
54. Former Chief, Bureau of Rivers, Construction Ministry

1 Tokyo, January 7, 1977.

2 As a former wounded soldier he took particular care of returned soldiers' groups, handicapped groups, health centres (hokenjō) and groups concerned with food nutrition.
social welfare interests, and he regarded his Diet member's duties as consisting chiefly of acting as intermediary for his constituents with two ministries: the MAF, and the Ministry of Social Welfare.

Someya added a further crucial observation to the discussion on agricultural cooperative electoral support activity. He maintained that the type of support he received from Nokyo varied according to the organisational level from which it was derived. At prefectural level and below, agricultural cooperative election activity involved the supply of manpower: votes and campaign workers (*undōhin*), including the role of Nokyo leaders in nurturing a *jiban* and mobilising votes. These were primarily locally-oriented activities where personal political and organisational connections could be utilised. Moreover, it was chiefly at the tankyō level that agricultural cooperative leaders had face-to-face contact with the farm voter.

On the other hand, the task of prefectural federations and central unions, and national level Nokyo organisations also, was to furnish the formal 'recommendations' (*suisen*) for candidates. Because prefectural Nokyo organisations incorporated the tankyō within the prefecture which related to their particular area of business, it was unnecessary for each agricultural cooperative within these broader-based groups to issue its own recommendation. Recommendation from national level federations or the National Central Union on the other hand, carried great areal significance and prestige, and was valued by candidates on these grounds. Someya also acknowledged that he received assistance from the cooperatives in the form of political funds (*seiji kenkin*).

He summarised the types of organisational support he received from Nokyo in the following terms: from *Zenmō*, he received recommendation and political funds; and as Chiba Prefecture Nokyo Central Union Chairman,
he received recommendation, political funds and campaigners from prefectural-level Nokyo organisations. In Someya's election campaign, political funding was conducted by both national and prefectural agricultural cooperative organisations.

Nokyo as a Source of Political Funds

Concrete details regarding Nokyo's political funding activities are extremely difficult to find, and usually emerge as part of the disclosed circumstances of election scandals involving breaches of the Political Funds Regulation Law (Seiji Shikin Kiseihō).

The agricultural cooperatives, as cooperatives, are barred from making political donations under the provisions of the Political Funds Regulation Law which restricts this activity to 'political groups' duly registered under the law. Also, as juridical persons (hōjin) and as beneficiaries of a variety of subsidies from government, they cannot make political donations. A further restriction is the official auditing process to which all agricultural cooperative accounts are subject.

There are, however, a number of ways in which political donations can be made by Nokyo organisations. In terms of the internal auditing process, budget loopholes such as 'expenses for activities', 'contributions and subscriptions' (kifu), 'miscellaneous expenses' and 'obligation payments' can be used to channel political contributions. This is counterbalanced by certain practical organisational considerations which limit the amounts certain cooperatives can divert in this fashion. The tankyō for instance each have a relatively small turnover compared to the prefectural and national federations, which prevents them from channelling large sums into political contributions. At this level, active agricultural cooperative electoral support is fundamentally geared
to the maintenance of *jiban* and organisational back-up in the form of campaign involvement and the mobilisation of volunteer workers. If a candidate has access to the volunteer labour of the cooperatives, this will in any case tend to lower his campaign expenses to some extent.¹

The central unions are limited in the amount of finance they have available for political purposes. Their primary functions relate to guidance, management and policy, not turnover. Direct subsidies from government for central union operations also means fairly close supervision from government auditors. Those cooperative organisations that do, however, handle vast sums as part of their daily economic operations are Zennō, Zenkyōren, and Chūkin. There is, moreover, an additional lucrative source of funds to which Nokyo is connected: the large number of 'cooperative companies' (*kyōdō kaisha*). These maintain close financial, managerial, and personnel links to their parent Nokyo organisations, whose executives often serve simultaneously in extremely well paid positions as company directors.² Such officials are ideally placed to divert company profits and use them for political purposes.

The fact that Diet members concurrently serve as Nokyo executives also gives them access to agricultural cooperative funds. The executive powers vested in the agricultural cooperative leadership structure allow

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¹ Kobayashi, Shinohara and Soma made the point that if there is a *jiban*, it can partially make up for a deficiency in *kaban* (funds). *Op. cit.*, p.71.

² The Zennō Chairman in 1974, Mihashi Makoto, for example, was President (*Shacho*) of 13 Zennō-related companies, Chairman of the Board of Directors of four more, Chairman (*Kaicho*) of a further five, and Director of two others. The same was true of other Zennō Managing Directors (*Jōmi Bijō*). See Yoshihara Shizuo, *Zennō o Kiru* (I Attack Zennō), Tokyo, Nisshin Hōdō, 1975, p.50.
officials considerable freedom of action in determining where in fact co-op finances go.¹

The main channel which Nokyo has utilised for the transference of political funds to election candidates has been through the establishment of political associations (seiji kessha) or political groups (seiji dantai) created for this specific purpose, and formally separate from the Nokyo organisation itself.

According to one source, an organisation entitled the Agricultural Problems Research Association (Nōgyō Mondai Kenkyūkai) was established by Zenchū prior to the 1958 House of Representatives' elections, with the objective of collecting political funds.² Its Chairman (Irohaō) was a Zenchū Manager (Kanji).³ It supported 110 candidates from all political parties in the 1958 elections, of which 103 were elected.⁴ In the House of Councillors' elections in the following year, it supplied a total of about 10 million yen to 30 candidates from both the LDP and JSP.⁵

The Nōgyō Mondai Kenkyūkai was created as the result of a corruption scandal involving Zenkōren (the National Nokyo Purchasing Federation that

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¹ In the case of an incident of electoral violations involving Okamura Fumijirō in 1965, for instance, Okamura was serving concurrently as Chairman of Zenkyōren. His kōenkai received a formal donation from Zenkyōren after a conference of executives, in addition to a certain sum in the form of concealed donations (tsutsumigane) not officially reported in the expenses of his electoral office. This money was distributed amongst various national Zenkyōren and prefectural kyōsairen officials and staff members for campaign purposes.

² 'Senkyō to Nōmin', op. cit., p.91.

³ Ibid.

⁴ Ibid., p.87.

⁵ Ibid., p.91.
existed prior to the 1972 founding of Zennō) in 1957. The whole affair brought to light for the first time hard evidence of financial contributions being lavished on politicians by agricultural groups. An enormous amount was allegedly distributed to a number of Diet members as a secret supply of election funds (jinchi mimai) as well as to MAF officials (kanbu). This took two forms: covert funding (ura shikin) amounting to 70 million yen, and secret 'interest payments' (rieikikin) amounting to 1.1 billion yen.1

The creation of a specific political group such as the Nōgyō Mondai Kenkyūkai as an organ for pooling donations (kenkin puru kikan) for the benefit of Nokyo-sponsored candidates, was designed to avoid a repeat of the 1957 scandal by putting Nokyo's funding operations on an official level. Its title was later altered to Agricultural Policy Research Association (Nōgyō Seisaku Kenkyūkai).2

Another writer has cited this group as one of two Nokyo organisations currently involved in political funding.3 According to this source, the Nōgyō Seisaku Kenkyūkai (or Nōseikyū) operated a 'dual-structure' (nijū kōza) donations' system in concert with another organisation: the National Nokyo Council (Zenkoku Nōgyō Kyōdō Kumiai Kyōgikai, or Zennōkyō).4 Zennōkyō is a 'society' or 'association' (kessha) which

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1 Kobayashi, Shinohara and Soma, op. cit., p.76.

2 This has been translated by Fukuji Taguchi in his article 'Pressure Groups in Japanese Politics', The Developing Economies, Vol.VI, No.4, December 1968, p.480, as the Farm Policy Association, which he describes as part of the Nokyo political wing. Taguchi dates Nokyo's roles of 'active electioneering agent' from the 1958 elections, prior to which this group was founded.

3 Yoshihara, op. cit., pp.61-62.

4 Ibid. See also Nishimoto, op. cit., p.325.
has its headquarters in the building which houses the Nokyo publications' association: the *Ie no Hikari Kaikan* in Tokyo. It is a juridical person (*hōjin*), composed of members who belong to the full-time managing director (*jōmu riji*) class of Nokyo central organisations, such as *Zemnō*, *Zenōhū*, *Zenkyōren*, and *Ie no Hikari Kyōkai*.\(^1\) Funds gathered by these officials from Nokyo sources, are channelled to *Nōsei kyū* which operates within the Nokyo Building in Tokyo. *Nōsei kyū* is a 'political group' (*seiji dantai*) registered under the Political Funds Regulation Law. It can therefore, legally distribute money to election candidates. It has, however, the same members as *Zennōkyō* operating in a different legal capacity. It is composed of 25 Nokyo officials who are full-time managing directors (*jōmu riji*) of the central Nokyo organs: *Zenōhū*, *Zemnō*, *Zenkyōren* etc. These executives created the *Nōsei kyū*, and operate within it in a private capacity.\(^2\)

The 'political group' *Nōgyō Seisaku Kenkyūkai* (*Nōsei kyū*\(^\) and *Nōsei Kenkyūkai* with its membership of Diet politicians, have titles which are almost identical, and this presents a confusing picture.\(^3\) The *Nōsei Kenkyūkai* has a long organisational history going back to 1920. Its organisational charter specifies that it 'liaises with agricultural groups'.\(^4\)

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3. The confusion appears to stem from the frequency with which 'nōgyō seisaku' is shortened to 'nōsei' in the Japanese. One writer in fact referred to *Nōsei kyū* as the *Nōsei Kenkyūkai* in his discussion of Nokyo's political funding organisations. See Nishimoto, *op. cit.*, p.325. The Secretary of the *Nōsei Kenkyūkai* when interviewed (Tokyo, November 3, 1973) denied any involvement of the organisation in political funding. One of the agricultural editors of the *Nihon Keizai Shinbun*, Tomioka Yoshiyuki (interviewed in Tokyo, July 4, 1974), also maintained that *Nōsei Kenkyūkai* funds were used for research and conference purposes only.
4. 'Nōsei Kenkyūkai Kaisoku', *op. cit.*
but all its leaders, apart from its office staff, are Diet members. The replies elicited to the questionnaire distributed by the writer to APRA members, made it clear that the type of electoral assistance they reported as having received from the cooperatives did not always include political funds. Of the 31 respondents who answered the question on electoral support, only seven, or 22.5 per cent, referred to political funds.2

Information that came to light in 1973 as a result of the Zenmō 'black mist' scandal (Zenmō Kuroi kiri jiken) uncovered details of extensive involvement by full-time Zenmō executives in covert election funding (ura shikin).3 Large sums were allegedly collected from Zenmō-related companies and reported in the Zenmō accounts as 'miscellaneous income'. Part of the money was subsequently channelled to candidates in both the 1971 and 1972 Upper and Lower House elections. At the same time, it was reported that prior to the 1971 House of Councillors' election, the sum of 23.3 million yen was contributed by Zenmōkyō to Nōseikyū, and 95.6 million yen in the following year before the 1972 House of Representatives' election.4 Nōseikyū, as the official 'window' for Nokyo political funds, redirected the money to LDP, JSP and DSP candidates in both elections.5

1 Nōgyō Kyōdō Kumiai Rengōkai Yakushokuin Meibo, op. cit., p.910.
2 This low percentage may of course have been influenced by the reluctance on the part of APRA respondents to admit receipt of political donations from the agricultural cooperatives.
3 This information is presented at length in Yoshihara, op. cit., p.40, et s
4 Ibid., p.62.
5 A full list of candidates and the amount each received is given in ibid., Appendix I, pp.247-251.
If we compare the sum donated by Nōsēkyū to LDP candidates in 1972 (68.8 million yen to 133 candidates)\(^1\) with the official figures of the LDP's election funding organisation, the Kokumin Kyōkai, then it compares not unfavourably with some of the larger donations made by Japanese business and industrial groups to the LDP.\(^2\) Nokyo must therefore, figure in LDP calculations as a not insignificant source of election funds.

This to some extent, challenges the customary view of electoral support for the LDP which identifies big business as the primary source of funds and the rural areas as the primary source of votes. Clearly, not only big business but also agriculture has made substantial contributions to LDP and other party's election funds from time to time.\(^3\)

Criteria of Electoral Support

Having discussed a range of electoral support activities involving both agricultural cooperative leaders and organisations, the question which logically follows is whether the quality of support varies according to the nature of the relationship between the political candidate and Nokyo.

Tanaka for instance linked relationship to Nokyo, party affiliation and type of electoral support received from the cooperatives, in a classification of Nokyo-connected Diet members.\(^4\) He also noted that the Nōgyō

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\(^1\) These figures were calculated from details given in *ibid*.

\(^2\) The sum of 30 million yen is generally considered as qualifying a political group as one of the larger contributors to LDP election funds. See *Asahi Nenkan*, 1974, p.263.

\(^3\) A true comparison is of course, impossible, because of the researcher's reliance on 'official' figures such as those reported by the Kokumin Kyōkai and Nōsēkyū. It is common knowledge that these do not reflect the real amounts donated to the LDP by its election sponsors.

Mondai Kenkyūkai graded recipients of funds from its donations' pool into an ABC ranking and used this to calculate the amounts donated.¹

Tanaka points first to the category of current Nokyo chairmen or full-time officials who are endorsed by the conservative government party.² This group receives the all-out (senmenteki) backing (ōen) of the cooperatives to which they are connected.³ Such candidates often use Nokyo as a foothold to obtain LDP endorsement to stand for election.⁴ The electoral campaigns of these candidates take on the appearance of organisationally-based elections (soshiki senkyo) involving a range of cooperatives from prefectural level downwards.⁵ It is at this time, Tanaka argues, that Nokyo demonstrates its power as the organiser of a voting base in support of a clearly identifiable Nokyo candidate.⁶

Tanaka's second category is that of 'positive backing for specific candidates of the conservative party, where there is no direct connection to Nokyo',⁷ but where as Diet members sympathetic to Nokyo (Nōkyō shimpa giin) electoral support is given in the expectation of policy favours. Tanaka maintains that this represents by far the most common type of electoral bargain struck between Nokyo and the LDP. Diet members in this

¹ Ibid., p.450.
² Ibid., p.425.
³ Ibid.
⁴ Ibid., p.426.
⁵ Ibid.
⁶ Ibid.
⁷ Tanaka was able to cite only one instance in the period he surveyed from 1949 to 1969, of a current Nokyo official being defeated at the polls in a General Election. Ibid.
category of conservative pro-Nokyo sympathisers vastly outnumber those
in the category of current Nokyo officials.

The third category of support is common in constituencies where
there is no specific connection or agreement between candidates and
Nokyo. In this situation, recommendation (*suisen*) is offered to can­
didates who have a special interest in agriculture and forestry with party
affiliation being a secondary consideration. Recommendation in these
cases tends to be formal.¹ Even here, however, electoral assistance
goes in the majority of cases to government party candidates. In single­
member Upper House prefectural constituencies for example, where one-to-
one battles between conservatives and progressives are common, Nokyo's
backing customarily goes to conservative candidates. Tanaka
emphasises the fact that in this category, no instances of JCP or *komeitō*
candidates having received the recommendation of Nokyo have been
recorded. He estimated that this type of electoral backing was compara­
tively less common than the two preceding types.

The key distinction incorporated in Tanaka's classification of Nokyo­
supported Diet members appears to be one between current Nokyo officials,
and politicians with more indirect ties to the cooperatives, including
former executives and staff members. It is the former group which in
Tanaka's estimation, receives the full-scale backing of the agricultural
cooperatives in elections. He indirectly discounts one-time service in
the ranks of agricultural cooperative leadership as being as vital a
qualification for electoral support as current employment. Although
unstated, his reasoning is obvious: current Nokyo officials are in the
best position through their joint professional and political roles to

conduct the vital liaison between Nokyo and central government. It is this category which merits the label of 'Nokyo giin'.

Results of the limited survey of APRA members by the writer did not support the general thesis incorporated in Tanaka's classification. No marked variation in agricultural support emerged relative to the status of current or former Nokyo official, or to the presence or absence of an official connection to the cooperatives. This is illustrated in Table 4.3.

Several conclusions emerge from this table. All Nōkyō giin amongst the APRA respondents received some form of electoral support from the cooperatives. The very small number (2) who gave 'no support' replies claimed no leadership connection to Nokyo either before or after entry into the Diet. On the other hand, Nōkyō giin and non-Nōkyō giin scored exactly equal in the receipt of recommendation (suisen) from the

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1 Nishimoto, op. cit., p.325, makes a distinction between two groups: 'Diet members of Nokyo', and the '200 LDP members of both houses who hold seats from rural districts' and who also represent Nokyo's interests in the Diet. Robert A. Scalapino and Junnosuke Masumi in Parties and Politics in Contemporary Japan, Berkeley and Los Angeles, University of California Press, 1962, pp.164-167, however, refer to 'agricultural cooperative association leaders' as listed in the Shūgiin Yoran (House of Representatives' Survey), which includes past and present professional affiliations.

2 One must bear in mind, however, that the questionnaire covered a limited number of respondents; that it was designed to elicit 'type' rather than 'degree' of support; and that APRA membership signified in almost all cases a basic electoral support connection to the agricultural cooperatives and as a result, the differences that emerged could be expected to be only marginal. It should also be remembered that queries as to the nature of agricultural cooperative electoral support activities touched on a politically sensitive area for many Diet members who could not be expected to be entirely open in their replies as a result. This was balanced by the fact that the 35 respondents to the questionnaire represented a cross-section of APRA membership in terms of the nature of their connections to the agricultural cooperatives. Eight were current Nokyo officials, six were ex-Nokyo officials (making a total of 14 Nōkyō giin), and 21 claimed no connection to the agricultural cooperatives that conformed to the definitional requirements of 'Nokyo Diet member'.
### Table 4.3

<table>
<thead>
<tr>
<th>Type of Support</th>
<th>A: Current Nokyo Officials</th>
<th>B: Former Nokyo Officials</th>
<th>C: Nōkyō gīn (A+B)</th>
<th>D: No Nokyo Leadership Connection</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendation only</td>
<td>1 (12.5%)</td>
<td>3 (50%)</td>
<td>4 (28.5%)</td>
<td>6 (28.5%)</td>
<td>10 (28.5%)</td>
</tr>
<tr>
<td>Recommendation and Campaign Assistance</td>
<td>5 (62.5%)</td>
<td>0 (0%)</td>
<td>5 (35.7%)</td>
<td>6 (27.5%)</td>
<td>11 (31.4%)</td>
</tr>
<tr>
<td>Recommendation and Political Funds</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>1 (4.7%)</td>
<td>1 (2.8%)</td>
</tr>
<tr>
<td>Recommendation, Campaign Assistance and Political</td>
<td>2 (25%)</td>
<td>3 (50%)</td>
<td>5 (35.7%)</td>
<td>2 (9.5%)</td>
<td>7 (20%)</td>
</tr>
<tr>
<td>Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other e.g. Private Support Activities by Nokyo</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>2 (9.5%)</td>
<td>2 (5.7%)</td>
</tr>
<tr>
<td>Executives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Support</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>2 (9.5%)</td>
<td>2 (5.7%)</td>
</tr>
<tr>
<td>No Answer</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>0 (0%)</td>
<td>2 (9.5%)</td>
<td>2 (5.7%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>8 (22.8%)</td>
<td>6 (17.2%)</td>
<td>14 (40%)</td>
<td>21 (60%)</td>
<td>35 (100%)</td>
</tr>
</tbody>
</table>

Source: APRA Questionnaire results.
cooperatives (28.5 per cent of both groups), but the latter group did register a lower percentage for campaign assistance and lower again for political funds in combination with other forms of support. There were no significant differences between former and current Nokyo officials. As a general comment, one might conclude that the quality of Nokyo assistance as shown by this table was marginally lower for those with no career connections to the agricultural cooperatives. The combinations of types of support were also more variable for this group.

The only major area of difference between Nōkyō giin and non-Nōkyō giin which the questionnaire produced concerned the origins of electoral support relationships between candidates and cooperatives. Respondents were asked whether they were offered Nokyo support, or whether they had requested it. Twelve, or 80 per cent, of the Nōkyō giin group replied that they had received electoral backing from the cooperatives without having had to make a direct request for it. Amongst the group of non-Nokyo officials, this was true in only four, or 20 per cent, of cases: two of these were former cooperative union members (kumiaiin), a third was a special member of the Upper House Nokyo Problem Conference (Nōkyō Mondai Kondankai), and the other was affiliated to Chūkin. Ten, or 50 per cent, of this group had to request Nokyo's support, two both requested and were offered it, two received no support, and two gave no answer. On these results, it would appear that past or

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1 This is an informal Diet members' grouping which by and large restricts its membership to current Nokyo officials. The Diet member referred to here is Higaki Tokutarō, former Permanent Vice-Minister for Agriculture and Forestry and Director-General of the Food Agency, whose connections to Nokyo were considered close enough to qualify for membership of this group.

2 On these grounds it would appear that the definition of Nōkyō giin set down in the previous chapter (i.e. current or former Nokyo official) is a restrictive one.
present Nokyo officials are virtually assured of Nokyo's backing, whereas for other rural candidates, the situation is much more uncertain.

Quite apart from the question of connection to the agricultural cooperatives as a criterion of quality of electoral backing, is the issue of party alignment. The table below relates type of electoral support to party affiliation.

Table 4.4

<table>
<thead>
<tr>
<th>Type of Support</th>
<th>LDP</th>
<th>JSP</th>
<th>DSP</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendation only</td>
<td>9</td>
<td>1</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Recommendation only</td>
<td>33.3%</td>
<td>14.2%</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>Recommendation and Campaign Assistance</td>
<td>8</td>
<td>2</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>Recommendation and Campaign Assistance</td>
<td>29.6%</td>
<td>28.5%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Recommendation, Campaign Assistance and Political Funds</td>
<td>5</td>
<td>2</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td>Recommendation and Political Funds</td>
<td>18.5%</td>
<td>28.5%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Recommendation and Political Funds</td>
<td>3.7%</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Private Nokyo executive and Local Support Activities</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Private Nokyo executive and Local Support Activities</td>
<td>3.7%</td>
<td>14.2%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>No Support</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>No Support</td>
<td>3.7%</td>
<td>14.2%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>No Answer</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>No Answer</td>
<td>7.4%</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>27</td>
<td>7</td>
<td>1</td>
<td>35</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: APRA Questionnaire results.

This table shows that the distribution of types of agricultural cooperative electoral backing was remarkably even for candidates of both...
major parties. Amongst this group of committed Nokyo supporters (as evidenced by their membership in the APRA), the issue of party affiliation therefore ranked even lower than their connection to the agricultural cooperatives as a criterion for political backing.

An examination of the list of Nōseikyū political donations to individual candidates in the 1971 House of Councillors' election and the 1972 House of Representatives' election confirms this general thesis. The following analysis attempts to derive the criteria on which agricultural cooperative funding is based, from the party, career, organisational and Diet characteristics of the recipients of Nōseikyū funds.

Amongst Lower House candidates, Nōseikyū's contributions ranged from a maximum of four million yen to a minimum of 100,000 yen. Amongst Upper House candidates it varied from two million yen to 100,000 yen. The fact that there were 179 recipients amongst Lower House candidates and only 23 amongst Upper House candidates speaks volumes in itself for Nokyo's election funding strategy. The Lower House as controller of legislation was clearly regarded as a key target of pressure.

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1 The major parties referred to here are the LDP and JSP. The DSP hardly counts with only one respondent.


3 This point was emphasised by Someya Makoto in an interview, Tokyo, January 10, 1977. He stated that in order to make basic agricultural policy, it was indispensable to be a member of the Lower House because it was the superior legislative body, although it was generally thought that Nokyo's support functioned better in Upper House elections. The latter supposition is not, however, borne out by the facts. Over the 30-year period surveyed in the previous chapter, the number of Lower House Nokyo Diet members was almost double their Upper House counterparts, which is in direct proportion to the relative numerical size of each House.
The emphasis on establishing close links with Lower House members dictated Nokyo’s priorities in guiding the bulk of Nōseikyū contributions to Lower House candidates. The latter received a total of 92.6 million yen, and Upper House candidates 13.5 million yen. The criteria of electoral support which emerged from a grading of the recipients according to the amount received, confirmed the priority given elsewhere by Nokyo (as was clear from APRA membership) to enlisting the support of agricultural policy leaders within the various parties. This appeared to be the single most important principle guiding the quantity of Nōseikyū political funding, not quality of connection to Nokyo, although this figured as a second-ranking criterion. Party considerations were not crucial, although it was apparent that the basic formula of ‘two thirds conservative to one third opposition socialist (JSP and DSP)’ was observed; just as it was evident in overall APRA membership, and the party affiliations of Nōkyō gijn as a whole. No funds were donated by Nōseikyū to either Kōmeitō or JCP candidates.

The top-ranking group of recipients of Nōseikyū funds had in common proven experience and influence over agricultural policy-making within relevant party decision-making structures (LDP, JSP and DSP) and/or in prominent Diet agricultural policy positions, such as former Ministers of Agriculture and Forestry, and Chairmen and Directors of Agriculture, Forestry and Fisheries Standing Committees of the Diet. A large proportion of this group had also held the Chairmanship or Vice-Chairmanship of the LDP Agriculture and Forestry Division and its Comprehensive Agriculture Policy Investigation Committee, and the JSP and DSP

1 These figures were calculated from the list given in Appendix I, Yoshihara, op. cit., pp.247-251. They vary somewhat from the figures he quoted (p.62) regarding the amounts transferred in 1971 and 1972 from Zenmōkyō to Nōseikyū.
equivalents: the JSP Farmers' Office (Nōmin Kyoku) and its PARC Agriculture and Forestry Committee; and the DSP's Agriculture, Forestry and Fisheries Industries' Policy Committee and its PARC Agriculture, Forestry and Fisheries Division and Special Committees on Livestock Policy and Food Policy. There were 23 recipients in the House of Representatives' group who received one million yen or more, and of these, 16, or 70 per cent, had been either chairmen or vice-chairmen of party committees relating to agriculture and forestry. The remainder were important either as Nokyo Diet members, former Ministers of Agriculture and Forestry, or leaders of prominent Nokyo-connected organisations. This group averaged a donation of 1.4 million yen each against an average of 400,000 yen per candidate over the whole group.

The second-ranking criterion appeared to be a long-standing and high-level position in the Nokyo organisation. Twenty six Nokyo executives (or 15 per cent of the total number supported by Nōseikyū) received 20.9 million yen. This represented 23 per cent of the total amount given, or an average of approximately 800,000 yen each, which was considerably higher than the average over the whole group. Within this group of Nokyo officials, there were no significant variations in the amounts given relative to party affiliation. Two thirds were LDP members and the remaining third JSP and DSP. JSP Nokyo candidates

1 The only one without an obvious connection to agricultural interests was Narita Tomomi, Secretary-General of the JSP.

2 The recipient of the largest sum given to a Nokyo candidate (2.5 million yen), (also the second highest recipient overall), was a JSP candidate with long associations with the Nokyo movement and close connections to Zennō. This was Nakazawa Moichi, Socialist Diet member for Nagano (1) from 1952 to 1955, and 1958 to 1976. He was former Secretary to Yonekura Tatsuya (the first Chairman of Zenchū and Diet member), permanent consultant to the Nokyo-based prefectural farmers' league, and a part-time staff member of the prefectural branch of Zennō, the Nagano Prefecture Nokyo Economic Federation.
averaged 1.1 million yen each, which was higher than the overall average of the Nokyo group. LDP Nokyo candidates averaged 760,000 yen each, while DSP Nokyo recipients averaged 660,000 yen each.

Not all successful Nokyo Diet candidates standing in the 1972 elections benefited from Nōseikyū donations. Eight, or 30 per cent of Nokyo candidates who gained Diet office, were not supported out of a total of 27. Almost all amongst this non-supported group had not risen above the position of tankyō chairman, and were therefore, on the lowest rung of the Nokyo organisational ladder. Half of them were standing for the first time, and were probably doubtful winners according to Nōseikyū calculations. Candidates who, on the other hand, were supported by Nōseikyū in the same constituencies as the unsupported Nokyo aspirants, were all either agricultural policy leaders or experienced Diet hands with consequent importance in general party executive hierarchies. Power within party agricultural policy-making structures and in similar groupings within the Diet, and in party leadership positions in general, appeared to weigh more heavily with Nokyo than agricultural cooperative connections alone. In other words, Nokyo in its electoral funding strategy aimed at enlisting the support of influential politicians, rather than building up agricultural cooperative representation in the Diet per se.

Amongst the group of Nōseikyū-supported prospective Nokyo Diet members, the most important consideration appeared to be actual Nokyo position, not party affiliation. Comparatively large amounts were donated to national Nokyo organisation staff members (and very often in consequence, to members of opposition socialist parties¹), and also to Nokyo

¹ The conservative-progressive division within Nokyo tends to parallel executive-staff lines. This subject is given greater coverage later in the chapter. Amongst the group referred to here were Nakazawa Moichi whose staff connection to Zenno has already been pointed out, and Suzuki Hajime, a DSP member and former Zenkōren Production Materials Section Chief, who received 1.5 million yen.
Diet members who had successfully contested one election already (in 1969) and were standing again. This suggests a priority of maintaining proven Nokyo representation. This group of second-time runners, however, was the least successful amongst all the Nokyo candidates. It is possible that Nōseikyū detected an electoral threat and sought to rectify it. Those with connections to the Nokyo marketing and purchasing (kō-han) network also received marginal preference in terms of the amount of funds received.

The third-ranking criterion determining the quantity of Nokyo funds was that of power within party hierarchies in general: that is, party leaders, regardless of the actual party in question. Both JSP and DSP Secretaries-General were on Nōseikyū's list.

The fourth-ranking criterion was that of lower-level party policy leaders: LDP Executive Board Directors and Assistant Secretaries-General for example; lower-level agricultural policy members such as Agriculture, Forestry and Fisheries Committee Directors and members; and former bureaucrats with expertise in financial and tax affairs.

The fifth-ranking criterion was factional leadership in the LDP, JSP and DSP. Within the LDP for example, Miki, Fukuda, Ōhira, Nakasone and Funada all received donations from Nōseikyū.

Other less important factors appeared to be APRA membership, the achievement of an equitable geographic distribution of support, and coverage of all types of electorates: rural, semi-rural, urban and metropolitan in decreasing order of preference. Nōseikyū made contributions to 75 candidates in 39 rural constituencies, 51 candidates in 29 semi-rural constituencies, 40 candidates in 31 urban constituencies and 10 candidates in 25 metropolitan constituencies. In other words, 44 per cent of its supported candidates were standing in rural districts, 28 per cent in semi-rural districts, 22 per cent in urban districts, and six per cent in
metropolitan districts. The weighting in favour of rural areas was naturally predicated on the other criteria determining Nōseikyū's funding.

Nokyo's Electoral Support Measured in Terms of Votes

Measuring Nokyo's capacities for vote 'control' and the efficiency of the agricultural cooperatives as vote-gathering organisations presents formidable methodological problems if results are required in concrete quantifiable terms. The questionnaire distributed to APRA members endeavoured to tackle this problem by asking those who had received electoral backing from the cooperatives what percentage of their supporting votes they calculated as being due to Nokyo. The question was worded as follows: 'If you received (electoral) support from Nokyo groups, do you think it contributed to your successful election?' This was followed by another question which asked: 'If "yes", then what percentage of the votes you received do you think was due to support from Nokyo groups?' There were 31 replies in the affirmative to the first question (or 88.5 per cent). The remainder were 'No Answers'. In other words, no respondent maintained that Nokyo's support in the election did not contribute to their success. In reply to the follow-up question, 16 respondents answered that they did not know what percentage of the votes they received was due to Nokyo's support, two gave 'No Answer', and 13 offered some estimate of what Nokyo's support at the polls meant in terms of actual votes. Their estimations ranged from 5 per cent to 60-70 per cent of their supporting votes, with an average of 43 per cent overall. (See Table 4.5 below.) Percentages varied quite significantly according to party, with LDP members estimating their Nokyo vote at an average of 49 per cent, with JSP members at 25 per cent. The composition of agricultural cooperative
supporting votes was therefore, more strongly conservative. Socialists generally felt they owed less to the Nokyo connection. This was particularly true of those who were not Nōkyō giin.

The figures also showed that a majority of respondents who were willing to calculate in percentage terms what Nokyo's support meant to them, estimated it to be worth at least half their supporting votes or more. It would appear that the greater the number of votes derived from Nokyo support, the greater a Diet member's knowledge of the composition and quality of agricultural cooperative electoral assistance. This probably reflected closer ties to the agricultural cooperative organisation. It was, however, balanced by the fact that more than half of those who acknowledged that Nokyo's support was instrumental in their success (16 out of 31 respondents), still had no idea just how this was translated into a percentage of their polling rate. It would obviously be an extremely difficult thing to establish, and at best the percentages given by the 13 APRA members must be considered as only approximate.

Nine of the 13 who attempted percentage guesses were Nōkyō giin. In other words, 64 per cent of current or former Nokyo officials who answered the questionnaire had some idea in percentage terms what Nokyo's support meant to them. One could argue logically that this was due not only to their direct contacts with the agricultural cooperative organisation, but to their possession of a Nokyo-based jiban. The calculations of these Nokyo leaders averaged 49 per cent which was marginally higher than the average, over the whole group of 43 per cent. More than half the LDP Nokyo Diet members estimated their Nokyo vote dependence at 60 per cent or above. Of the total number of Nokyo officials, irrespective of party, two thirds put their vote dependence on Nokyo at 50 per cent or above. Although this survey had a limited number of respondents, it does throw
some light on the question of how much support a particular group of Nokyo officials thought they drew from their own organisation at the polls. This can be taken further to the actual number of votes generated by Nokyo for each candidate, as shown in Table 4.5.

The variations in the actual size of the Nokyo vote as depicted in Table 4.5, are difficult to compare directly because of differences in the size of constituencies: from the large, populous, prefectural constituencies of the House of Councillors to the medium-sized districts of the House of Representatives. Nevertheless, the results do allow for a certain amount of generalisation. Firstly, the actual numbers of agricultural cooperative votes was much lower for JSP members than for LDP members, even amongst non-agricultural cooperative Diet members. Secondly, the size of the Nokyo-directed vote did not decrease in the more populous prefectural constituencies of the Upper House. In fact the percentages represented by the Nokyo vote in the latter type of constituency averaged 49 per cent, with an average of 40 per cent in the House of Representatives. In other words, the results showed no great variation in Nokyo's electoral capacities between the two Houses of the Diet. Moreover, within each type of electorate, Nokyo's vote mobilisation capacities appeared to be remarkably consistent. The even efficiency of agricultural cooperative vote 'control' was also substantiated by comparisons of the percentages of Nokyo vote relative to constituency classification, which, according to the categorisation of the respondents themselves, varied from urban (U) to rural (R). A majority of respondents regarded themselves as representing semi-rural (S-R) seats, but the Nokyo vote did not diminish with the transition from rural through semi-rural to urban districts.
Table 4.5
APRA MEMBERS' ESTIMATES OF AGRICULTURAL COOPERATIVE VOTE-MOBILISATION CAPACITY

<table>
<thead>
<tr>
<th>Name (NG) = Nōkyō giin</th>
<th>Party</th>
<th>House</th>
<th>District and Type (a) ( )</th>
<th>Total Votes Gained in Poll prior to Questionnaire and Placing ( )</th>
<th>% due to Nokyo</th>
<th>Estimated Nokyo Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Suzuki Seigo (NG)</td>
<td>LDP</td>
<td>U.H.</td>
<td>Fukushima (R)</td>
<td>291,767 (2)</td>
<td>60-70</td>
<td>189,000</td>
</tr>
<tr>
<td>2. Someya Makoto (NG)</td>
<td>LDP</td>
<td>L.H.</td>
<td>Chiba (4) (U)</td>
<td>119,902 (3)</td>
<td>60</td>
<td>71,000</td>
</tr>
<tr>
<td>3. Inoue Kichio (NG)</td>
<td>LDP</td>
<td>U.H.</td>
<td>Kagoshima (S-R)</td>
<td>313,751 (1)</td>
<td>60</td>
<td>188,000</td>
</tr>
<tr>
<td>4. Kurihara Yūkō (NG)</td>
<td>LDP</td>
<td>L.H.</td>
<td>Shizuoka (2)(S-R)</td>
<td>86,612 (2)</td>
<td>60</td>
<td>51,000</td>
</tr>
<tr>
<td>5. Chūman Tatsui</td>
<td>LDP</td>
<td>L.H.</td>
<td>Kagoshima(2)(S-R)</td>
<td>64,957 (1)</td>
<td>50</td>
<td>32,000</td>
</tr>
<tr>
<td>6. Yasuda Takaaki</td>
<td>LDP</td>
<td>U.H.</td>
<td>Ishikawa (S-R)</td>
<td>300,002 (1)</td>
<td>50</td>
<td>150,000</td>
</tr>
<tr>
<td>7. Amari Tadashi (NG)</td>
<td>NLC(b)</td>
<td>L.H.</td>
<td>Kanagawa (3)(S-R)</td>
<td>162,129 (1)</td>
<td>50</td>
<td>81,000</td>
</tr>
<tr>
<td>8. Shimada Takurō (NG)</td>
<td>JSP</td>
<td>L.H.</td>
<td>Hokkaidō (5)(S-R)</td>
<td>88,145 (4)</td>
<td>50</td>
<td>44,000</td>
</tr>
<tr>
<td>9. Yagi Ichirō (NG)</td>
<td>LDP</td>
<td>U.H.</td>
<td>Aichi (S-R)</td>
<td>387,082 (1)</td>
<td>40</td>
<td>154,000</td>
</tr>
<tr>
<td>10. Yoshida Minoru (NG)</td>
<td>LDP</td>
<td>U.H.</td>
<td>Toyama (S-R)</td>
<td>334,762 (1)</td>
<td>30</td>
<td>100,000</td>
</tr>
<tr>
<td>11. Morita Kinji (NG)</td>
<td>LDP</td>
<td>L.H.</td>
<td>Fukuoka (1)(U)</td>
<td>90,642 (5)</td>
<td>25</td>
<td>22,000</td>
</tr>
<tr>
<td>12. Takeuchi Takeshi</td>
<td>JSP</td>
<td>L.H.</td>
<td>Ibaragi (3)(S-R)</td>
<td>51,074 (5)</td>
<td>20</td>
<td>10,000</td>
</tr>
<tr>
<td>13. Nosaka Kōken</td>
<td>JSP</td>
<td>L.H.</td>
<td>Tottori (R)</td>
<td>49,594 (4)</td>
<td>5</td>
<td>2,500</td>
</tr>
</tbody>
</table>

(a) The classification of electorates used here is that of the APRA members themselves.
(b) NLC = New Liberal Club.
(R) = rural
(S-R) = semi-rural
(U) = urban
Source: Percentages - APRA questionnaire results; actual voting figures - Asahi Nenkan, relevant years.
The highest percentage (60-70 per cent) was found to be operating in Fukushima prefectural constituency (R) of the House of Councillors, and the lowest percentage was also derived from a rural prefectural-sized electorate of the Lower House - Tottori. More vital factors operating here were clearly connection to the agricultural cooperatives and party affiliations. Suzuki Seigo, representing Fukushima for instance, was a member of the LDP and a Nōkyō giin, while Nosaka Kōken from Tottori, was a member of the JSP with no special connections to the agricultural cooperatives. Someya Makoto, also an LDP Nōkyō giin, derived 60 per cent of his supporting votes from his agricultural cooperative connection in an urban electorate - Chiba (4). Another feature evident in the above table was that the lower the percentage of the Nokyo vote, the lower on the polling list a Diet member tended to be.

Variations in Nokyo Vote 'Control' Relative to Constituency

One category which Table 4.5 does not include is an estimate of Nokyo's performance in the national constituency.

One contemporary political analyst when commenting on Nokyo's vote mobilisation capacities, remarked that agricultural cooperative vote control declined drastically at the national level, and operated much more reliably within smaller geographical areas such as prefectural constituencies of the Upper House, or the prefectural sub-regions of Lower House medium-sized constituencies.¹

A breakdown of the constituencies represented by Nokyo Diet members in the Upper House between 1950 and 1977 provides support for this view.

¹ Interview with Tomioka Yoshiyuki, Agricultural Editor, Nihon Keizai Shinbun, Tokyo, July 4, 1974.
Prefectural district Nokyo politicians almost completely monopolised agricultural cooperative Upper House membership during this period. It would appear that Nokyo's efficiency rate as an electoral machine varies considerably between the national and other types of constituency; and that its vote mobilisation capacity as a national backing organisation is much less than has been commonly supposed. Curtis for example, argued that 'like many interest groups, the agricultural cooperative union organisation functions most effectively in support of Upper House candidates in the national constituency elections who run with the backing of the national organization...'. The data presented in Table 4.6 below does not support this view.

The most obvious conclusion that can be drawn from this table is that apart from 1950 when there were two Nokyo officials elected to the national constituency, no more than one Nokyo leader has been successfully elected to the national constituency in an Upper House poll. The large number of candidates in 1950 was probably a reflection at the time of the relative inexperience of the agricultural cooperative organisation in fielding candidates in national constituency Upper House elections. In that early period it was not yet clear how many national constituency candidates could successfully be elected as Nokyo representatives. The overall picture from 1950 to 1977 is one of declining performance. In the last three Upper House elections (1971, 1974 and 1977), no Nokyo officials have contested the national constituency poll.²

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² This is really only a decline from one Nokyo representative per national constituency poll, to no Nokyo contestant at all. The absence of agricultural cooperative candidates in the three most recent Upper House elections of 1971, 1974 and 1977, is due to personal factors, rather than any significant decline in Nokyo's electoral performance. It hinged on the personal decision of Miyawaki Asao, Zenōhū Chairman in 1974, not to replace Mori. Prime Minister Tanaka offered LDP endorsement to cont.
<table>
<thead>
<tr>
<th>Election</th>
<th>Nokyo Candidate</th>
<th>Official Position(s) in Nokyo</th>
<th>Party</th>
<th>Votes Received</th>
<th>Placing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>Ishikawa Seiichi</td>
<td>Kamikawa Nôkyôren Chairman</td>
<td>Farmers' Co-op Party</td>
<td>238,339</td>
<td>25(a)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Zennôsiren Vice-Chairman</td>
<td>Ind.</td>
<td>150,244</td>
<td>51(b)</td>
</tr>
<tr>
<td></td>
<td>Mori Yasoichi</td>
<td>Zenhãnren Manager</td>
<td>Ryokufûkai</td>
<td>102,548</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kuroda Shinichirô</td>
<td>Zenkôren Vice-Chairman</td>
<td>Ind.</td>
<td>42,771</td>
<td>(172)</td>
</tr>
<tr>
<td></td>
<td>Hirao Ujirô</td>
<td>Zenahren Manager</td>
<td>Ind.</td>
<td>11,039</td>
<td>(285)</td>
</tr>
<tr>
<td></td>
<td>Okita Tadayoshi</td>
<td>Zenhanren Vice-Chairman</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>544,941</td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>Sekine Kyûzô</td>
<td>Zenyôren Chairman</td>
<td>Liberal</td>
<td>164,701</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>Okamura Fumijirô</td>
<td>Zenkyôren Chairman</td>
<td>Progressive</td>
<td>151,859</td>
<td>(59)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>316,560</td>
<td></td>
</tr>
<tr>
<td>1956</td>
<td>(Ishiguro Tadayuki)(c)</td>
<td>Zennôren Chairman</td>
<td>Ind.</td>
<td>283,469</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>Mori Yasoichi</td>
<td>Zenhanren Manager</td>
<td>Ryokufûkai</td>
<td>259,010</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td>Okamura Fumijirô</td>
<td>Zenkyôren Chairman</td>
<td>Ind.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mori Masao</td>
<td>Former Hokkaidô Pref. Chuôkai</td>
<td>LDP</td>
<td>222,737</td>
<td>(60)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice-Chairman</td>
<td>JSP</td>
<td>152,437</td>
<td>(93)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>634,184</td>
<td></td>
</tr>
<tr>
<td>1959</td>
<td>Okamura Fumijirô</td>
<td>Zenkyôren Chairman</td>
<td>LDP</td>
<td>350,124</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Takemasa Sôichirô</td>
<td>Saitama Pref. Chuôkai Chairman</td>
<td>LDP</td>
<td>158,792</td>
<td>(72)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>508,916</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>Mori Yasoichi</td>
<td>Zenôhû Director</td>
<td>Ind.</td>
<td>536,727</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Aichi Pref. Chuôkai Chairman</td>
<td>Total</td>
<td>536,727</td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>Okamura Fumijirô</td>
<td>Zenkyôren Chairman</td>
<td>Ind.</td>
<td>565,000</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>(Nakamura Yoshijirô)</td>
<td>Zensôsiren Secretary-General</td>
<td>DSP</td>
<td>273,000</td>
<td>(67)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>838,000</td>
<td></td>
</tr>
<tr>
<td>1968</td>
<td>Mori Yasoichi</td>
<td>Zenôhû Chairman</td>
<td>LDP</td>
<td>720,000</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>720,000</td>
<td></td>
</tr>
<tr>
<td>1971</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1974</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1977</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(a) According to Tanaka, op. cit., p.436, Ishikawa received 228,010 votes, and was placed 24th.
(b) Tanaka, ibid., puts Mori Yasoichi in 50th place.
(c) Those candidates whose names have been entered in brackets were standing as representatives of voluntary farmers' organisations affiliated to Nokyo and therefore they should be considered as recipients of a certain proportion of the Nokyo vote.

Source: Vote tallies - Asahi Nenkan, relevant years; Asahi Shinbun, June 6, 1950.
Tanaka, writing in the wake of the 1968 election, made the point that as a rule, there was always one Nokyo candidate in national constituency elections, and success required mobilising as much support as possible within the Nokyo organisation. He acknowledged Nokyo's status as a national prominent pressure group, but he noted that success for Nokyo leaders in the national constituency did not necessarily follow. Even electing one representative sometimes proved a difficult task.

The House of Councillors' national constituency is the one section of the Japanese electoral system which truly reflects population increase. The rise in the absolute numerical size of the national voting population between 1950 and 1977 raised the number of votes a national constituency candidate requires to get elected in the top 50 positions from 144,000 in 1950, to 582,847 in 1977. This factor may be relevant to Nokyo's diminishing powers in national constituency elections, but not as much as appears at first glance. It is true that the farming electorate has declined absolutely and relatively to national voting population numbers. This is particularly striking if measured in terms of the agricultural

(continuing from previous page)

Miyawaki in the 1974 elections to carry on in Mori's footsteps and take over as national Nokyo representative in the Diet. Miyawaki refused, however. His past record as Socialist candidate for Kagawa in the 1964 elections has been one of failure. The reason he gave for declining Tanaka's offer was the political neutrality of the Nokyo organisation which he claimed prevented him from identifying with any particular party, and the demands of his job as Zenchū Chairman.

1 Op. cit., p.426

2 Ibid., p.461. In comparison with the Japan Teachers' Union (JTU) for example, Nokyo's performance has been inferior. The JTU consistently supported and successfully elected a larger number of candidates with one twelfth of Nokyo's membership (555,000 as against seven million). On a pro rata basis, Nokyo should be able to organise the election of many times more candidates. To some extent JTU national constituency performance also underwent a relative decline in the two decades prior to 1971. It elected four candidates in 1956, but by 1971, this had fallen to only two. Thurston's explanation for this cited a combination of factors: a decline in JTU supporting votes along with increases in the national constituency voting populace. Op. cit., pp.229-230.
workforce. It is far less so, however, in the case of farm household population, or in terms of the third indicator of social structure within the farm sector: the number of farm households (which is a basic category of agricultural cooperative membership). The actual number of farms in Japan is not falling at a comparable rate to the percentage of population engaged in agriculture, owing mainly to the growth in part-time farming. Furthermore, the earlier calculation regarding the size of the national Nokyo electorate, demonstrated its impressive dimensions as a percentage of the national voting population even in 1975.

If we compare the 720,000 votes garnered by Mori Yasoichi as Zenchū Chairman in 1968, however, with the total number in the national Nokyo electorate, it falls far short of the maximum possible numerical range. This reinforces the assessment of Nokyo's lack-lustre performance in the national constituency. Tanaka's explanation for Nokyo's relatively poor showing in this type of electorate compared to prefectural constituencies, was the powerful combination of Nokyo recommendation and party (usually LDP) endorsement in the latter. He pointed out the relative frequency with which national constituency Nokyo candidates stood as Independents: Ishikawa in 1950, Mori in 1950, 1956 and 1962, and Okamura in 1968.

He went on to comment that in 1968, Mori received the endorsement of the LDP for the first time and it was in this election that he recorded his

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3 It was supposedly Mori's political independence for 18 years that identified him as 'Nokyo's representative' in the Diet. This was reinforced by his chairmanship of Zenchū, the national guiding body of the whole Nokyo organisation. His political independence also enabled him to operate in the 'demilitarised zone' between government agricultural Diet members and opposition parties.
highest vote tally ever. What he failed to mention, however, were additional contributory factors in Mori's polling rate in 1968: the fact that it was his fourth election and that he was standing as **Zenkoku** Chairman for the first time in his electoral career. Tanaka also ignored the poor record of Nokyo candidates who lost in spite of party endorsement. Clearly success or failure of agricultural cooperative leaders in national constituency elections does not hinge solely on the factor of party endorsement. A total explanation must include what at first glance would appear to be Nokyo's greatest electoral asset: its size, and its all-encompassing role in the agricultural sector. Nokyo is too complex and unwieldy an organisation to be able to formulate a comprehensive electoral strategy suitable for national constituency elections and to operate effectively on a nationwide scale for electoral purposes. The competition between Okamura Fumijirō and Nakamura Yoshijirō for the national constituency 'Nokyo' seat in 1965 exemplified the general lack of co-ordination of Nokyo as a national electoral machine. Each represented different branches of the agricultural cooperative organisation. It was generally acknowledged within Nokyo at the time that, going on previous national constituency experience, only one official Nokyo candidate could successfully stand. Nakamura's campaign for a Diet seat as the **Zenshigoren** representative was regarded as breaking all precedent because it meant two Nokyo candidates competing for the Nokyo vote.¹ Okamura and Nakamura ended up splitting the agricultural

¹ Although there was a general support base agreement between Okamura and Nakamura, it was insufficient to prevent competition between the two candidates. Okamura as **Zenkyōren** Chairman agreed to utilise the backing of the insurance (**kyōsairen**) and trust (**shinren**) federations, and the Nakamura faction chose to base its campaign on the economic (**keizairen**) federations. This was practicable as far as it went in terms of the assistance and support of the executive and staff of the national and prefectural branches of these organisations, but when the campaign reached the level of the grass-roots farm voter, there was an unavoidable clash of interests, because of concentration of these agricultural cooperative activities within the same units - the **tankyō**. The **Zenshigoren**, similarly, was the national political leadership organisation of **tankyō** members, creating yet another intra-organisational cleavage.
cooperative vote and Nakamura lost. A combined organisational and geographical support base agreement between them of the sort operated by candidates representing pure interest associations such as the JTU, where no intra-group, cross-cutting loyalties exist to divide the nationwide organisation vertically, was not possible. Any such geographical area would contain on a smaller scale a sample of each of the different Nokyo group interests. Okamura and Nakamura attempted a geographic agreement of sorts, but according to Tanaka, the number of areas where they undertook to avoid competition was insufficient in terms of a percentage of regions nationwide to ensure the election of both candidates.

The Okamura-Nakamura election struggle exemplifies an additional impediment preventing Nokyo from operating a cohesive, well co-ordinated, national electoral strategy. As a group representing the farmers \textit{in toto}, Nokyo necessarily encompasses within its membership a wide range of political convictions. The official position of Nokyo on its relationship with Parliamentary parties has always been one of political neutrality. Membership of the agricultural cooperatives does not carry with it a uniform political conviction as it does in the case of the farmers' unions or the JTU; nor does Nokyo operate closed electoral alliances with political parties. The Okamura-Nakamura rivalry was therefore, reinforced by political divisions: between LDP-aligned Nokyo leaders and members supporting Okamura on the one hand, and DSP-aligned leaders and members supporting Nakamura on the other. Nakamura was clearly identified within Nokyo as a progressive and as a representative of the \textit{Zennōsōren}, which traditionally had rather more radical orientations than its parent organisation. He was also known as a spokesman for the younger generation of Nokyo leaders. Okamura on the other hand, was equally well known as a conservative old-guard Nokyo leader. He was in his seventies and had until 1965 stood with conservative party endorsement.
The national farming electorate which Nokyo represents as a whole embraces diverse economic commodity, and regional interests. Generally speaking there is an agricultural cooperative organisation for each of these. Hence, the multitude of groupings operating within the total Nokyo organisation and the divisions amongst them are a potential source of electoral as well as organisational conflict. Intra-group loyalties can and often do contribute to successful agricultural cooperative campaigns in elections, but they can have the reverse effect when in national constituency elections, Nokyo has to operate like a single, closely-knit, unified organisation.

Another difficulty which Nokyo faces in Upper House national constituency elections is divisions in the farm vote. It is customary for a number of 'agricultural candidates', each representing a smaller, more specialist section of a very broad-based agricultural electorate, to compete for votes in the national constituency. Former MAF officials for example, specialise in representing 'extra-departmental' agricultural organisations in the Diet. They tend to choose organisations with which

1 With one or two exceptions, retired MAF bureaucrats do not move into mainstream Nokyo organisations. Those that have, include Katayanagi Naoyoshi, former Permanent Vice-Minister of the MAF and Upper House national constituency Diet member for the Green Breeze Society (Ryōkufūkai) between 1950 and 1956, who later became Chairman of the Board of Directors of Chūkin, an executive of Zenoh (from Chūkin), Chairman of the Livestock Industry Promotion Corporation (LIPC), and in 1976, Chairman of the Central Dairy Council (Chūō Rakunō Kai), an organisation of Nokyo dairy marketing groups (see Chapter 6); Yagi Ichirō, former (prewar) MAF Silk Bureau official, who became Chairman of the National Silk Nokyo Federation; Tanaka Keikichi, former MAF official who became a prefectural Nokyo marketing and purchasing federation chairman; Sakurai Shiro, former MAF Agricultural Land Bureau Construction Division Chief, who became a Nokyo chairman after entering the Diet; Hayashida Yukio, former MAF Horticultural Bureau Chief, who became a Zenhanren advisor (komon); and Sasayama Shigetaro, former permanent Vice-Minister for the MAF, who became an executive of the National Welfare Nokyo Federation (Zenkorōren). Katayanagi was the only Diet member representing the national constituency amongst this group.

Former bureaucrats do, however, take up positions in Nokyo-affiliated groups such as Chūkin. Examples are: Oya Hanjirō, former Chief of the Ministry of Finance Tax Bureau, who became Vice-Chairman of the Board of Directors of Chūkin; Kusumi Yoshio, former Permanent Vice-Minister of the (contd.)
they had close dealings in the course of their careers and in whose fields of interest they have some expertise. In almost every case, a strong link exists between former administrative background and current organisational representation. These Diet members linked to agricultural and forestry affairs compete directly with Nokyo candidates for a seat in the Upper House as national constituency members. They are often more successful

(From previous page)

MAF who later became Chairman of the Board of Directors of Chūkin, and Tanigaki Seiichi, former Chief of the MAF Livestock Bureau, who became a Director of Chūkin. The reason for this is that Chūkin has many of the characteristics of a gakaku dantai. It operates under ministerial supervision, and is a receiver of government funds and subsidies.

1 Yamasaki Hitoshi, former Director-General of the Forestry Agency elected to the national constituency in 1962, became an adviser to the National Forestry Association; Nochi Hiroyuki, former Chief of the MAF Reclamation Section also elected to the national constituency in 1962, became adviser to the National Land Development Federation; Wakabayashi Masatake, former Director-General of the Forestry Agency, elected to the national constituency in 1968 became adviser to the National Forestry Association; Shigemasa Tsuneyoshi, former Okayama Agricultural Land Office Chief, elected to the national constituency in 1953, became Vice-Chairman of the National Land Development Federation; Kajiwara Shigeyoshi, former Director-General of the Food Agency, elected to the national constituency in 1953, became Chairman of the National Food Business Cooperative Union Federation; Kanbayashi Tadatsugu, former Japan Monopoly Corporation Production Office Chief, elected to the national constituency in 1953, became adviser to the Central Association of Tobacco Cultivators' Unions; Ishitani Toshio, former Director-General of the Forestry Agency, elected to the national constituency in 1959, became adviser to the Forestry Technical Association; Kajiki Matazō, former Chief of the MAF Construction Division, elected to the national constituency in 1971, became adviser to the Fédération of Land Development Corporations.

2 In 1959 for example, there were six main contenders for farmers' votes including the two Nokyo leaders, Okamura Fumijirō and Takehana Sōichirō. The remainder included three former MAF officials who represented the National Food Business Cooperative Union Federation, the National Agriculture and Forestry Workers' Labour Union, and the Forestry Technical Association respectively, plus one other full-time official from the National Chamber of Agriculture. The four agriculture and forestry organisation candidates were successful along with Okamura. Similar competition for the farm vote occurred in 1962, in which there was a national constituency electoral confrontation between Mori Yasuichirō and Yasuda Zen'ichirō, former Director-General of the Food Agency, who was a member of the Kōno faction, and a consequent proponent of the Kōno 'free rice' plan. Nokyo virulently opposed the latter because of its threat to the Food Control system. Their rivalry was complicated by the addition to the race of a former Director-General of the Forestry Agency and a former National Chamber of Agriculture Office Chief. In 1971, there were no
than Nokyo contenders for the agricultural vote because they almost always represent nationally-oriented groups dealing in specialised areas of activity. The strength of these groups is their organisation around a single interest nationwide, which combines the advantage of geographical breadth with unity of interest. Such groups can call upon the more easily identifiable and limited concerns of their membership as a basis for support. Their smaller overall membership is not a disadvantage in this situation, but quite the opposite. A narrower, more clearly definable interest may be more effective in mobilising votes in support of national representatives, than a massive nationwide membership and a multitude of interests. The latter is simply too large and conglomerate to organise easily.  

(from previous page) 

officials from Nokyo standing in the national constituency for the first time. Instead, the agricultural field was made up of successful contenders from the National Federation of Land Development Corporations (a former MAF agricultural Land Office Construction Division Chief who gained 9th place with 725,501 votes); from the National Food Livelihood Improvement Association (a former Permanent Vice-Minister of Agriculture and Forestry who gained 34th place with 575,959 votes); from the National Forestry Association (a former Director-General of the Forestry Agency who gained 35th place with 570,993 votes); and from the National Agriculture and Forestry Workers' Labour Union (a JSP candidate who won 46th place with 487,161 votes).

The power of narrower sectional interests and more specific and immediate organisational loyalties was demonstrated in the 1968 election when Mori Yasoichi, standing as the national Nokyo candidate, was beaten at the hustings by Kobayashi Kuniji, a former MAF Agricultural Land Office Construction Division Chief and agriculture and forestry engineering technical official, who became adviser to the National Federation of Land Development Corporations on retirement. Mori scored his highest vote tally ever in 1968 with 720,000 votes. It was his fourth election. Kobayashi on the other hand, was an unknown new candidate. He gained 780,000 votes and sixth place, the highest score of any agriculture and forestry candidate. His supremacy over Mori, who was at the time Chairman of Zencho, was attributed to the well-organised supporting votes he received from agriculture and forestry engineering technicians' associations, plus the backing of the Land Development Political League (Tochi Kairyō Seiji Renmei) (the political arm of the Land Development Corporations) and the Agricultural Land League (Tochi Dōmei), which incorporated farmers involved in land development units (tochi kairyōku). As the land development industry depended enormously on government subsidy to finance its operations, political representation in the Diet was regarded as vital to (contd.)
The Nokyo vote in the national constituency is also vulnerable to internal divisions. This occurred not only in 1965 in the Okamura/Nakamura débâcle, but earlier in 1956 in Okamura's second bid for election.¹

Success for Nokyo leaders in the national constituency generally requires a combination of two types of votes: organisationally-generated votes, which derive from official positions in national agricultural cooperative organisations (this constitutes the vertical campaign strategy); and locality- (jimoto) or commodity-generated votes, which appeal to closer, more meaningful interests and connections within the Nokyo system (this forms the horizontal campaign strategy which utilises direct regional and/or commodity loyalties). Okamura's successful election in 1959 in which he received 350,000 votes, rested upon a voting base organised around the Nokyo mutual aid business (Nōkyō kyōsai) and the Hokkaidō-based dairy industry. The latter reputedly contributed 150,000 votes to his total.²

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¹ Although he stood as Chairman of Zenkyōren, Okamura's local support base was Hokkaidō where he had previously been Chairman of the Hokkaidō Agricultural Association (Hokkaidō Nōgōkai) and where he was also Director of Snow Brand Milk, a company which began as a Hokkaidō-based dairy cooperative. Okamura shared this same regional support base with a JSP national constituency Nokyo candidate Mori Masao, who was Vice-Chairman of the Hokkaidō Nokyo Central Union at the time. The result of their competition for local Hokkaidō farmers' votes was defeat for them both.

The merging of these two types of interest was evident in all successful Nokyo national constituency candidacies almost without exception. In 1950 for example, Mori Yasoichi who was at the time a Zenhanren Manager, combined the scattered votes of the national Zenhanren system with support from his local Aichi voting base, which as a first-time candidate, was the only region in which he was personally well known. To these he added the commodity-generated votes of the potato belt of each prefecture in Kyūshū and other regions associated with rice straw products (the two commodities with which he had special connections). The result was that he managed to scrape in on the lowest rung of national constituency elected Diet members with 150,000 votes. In his second election in 1956, however, he stood as the organisational representative (soshiki daihyō) of the network of Nokyo federations (keitō Nokyō soshiki) and to this he added the electoral advantage of standing as Chairman of the Aichi Prefecture Nokyo Central Union. He added another 100,000 votes to his 1950 vote tally as a result (earning 259,000 votes and 46th place). In 1962, still as Aichi Prefecture Nokyo Central Union Chairman and a Zenchū Director, he doubled his vote tally to 500,000 votes and 19th place. And, as was noted above, in 1968 as Zenchū Chairman with LDP endorsement, he scored his greatest success with 720,000 votes and 13th place.  

The lack of either one of these ingredients for success: national Nokyo organisational position plus strong regional or commodity

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1 Ishikawa Seiichi's candidacy in 1950 also exemplified the successful amalgamation of national organisation-and locality-generated votes. Ishikawa held the position of a county (gun) Nokyo federation chairman, but he also benefited electorally from his position as Chairman of the Hokkaidō Farmers' League, and in consequence, a majority of the votes he received came from the Hokkaidō area. He also utilised his national connections as Vice-Chairman of the Zennōseiren to enlarge the scope of his appeal beyond Hokkaidō prefecture.
orientation, engenders failure for agricultural cooperative candidates. As a result, prefectural Nokyo leaders do not on the whole, do well in national constituency elections: witness the failures of Mori Masao from the Hokkaidō Nokyo Central Union in 1956 and Takemasa Sōichirō, Saitama Prefecture Nokyo Central Union Chairman in 1959. Similarly, national Nokyo positions alone are not generally sufficient to guarantee election either. The three unsuccessful Nokyo candidates in 1950 for example, traded solely on their positions in national agricultural cooperative organisations. In combination, however, these twin attributes are usually successful. As with most organisationally-backed national constituency candidates, Nokyo representatives have all been leaders of national agricultural cooperative organisations. Thurston reasoned logically that 'since such top leaders during their incumbency as national officers became known beyond the confines of the single prefecture from which they rise to national leadership, they are obvious choices for candidacy in the national constituency.'

The Regional Emphasis of Agricultural Cooperative Electoral Activities

As a percentage of total Nokyo Diet membership in the House of Councillors, national constituency members are a very small minority. Between 1950 and 1977, they averaged 1.7 members per election, as against 11.9 successful prefectural constituency Nokyo leaders. In prefectural Upper House districts and in the smaller regional constituencies of the Lower House, the organisational powers of the agricultural cooperatives as political back-up groups are reinforced by all the vital regionally-


2 These figures are based on data for all Nokyo Diet members between 1950 and 1977. See Chapter 3, footnote 2, p.141.
based ingredients that are part of the *jiban*. According to Kobayashi, Shinohara and Soma, the factor that has the greatest influence on voting base formation within Nokyo is 'regionalism' (*chikikisei*).\(^1\) They argue that Nokyo's political activities take place principally at prefectural level and below, especially within rural blocs which have a regionally unified character. The main reason why agricultural cooperative political activities manifest themselves so clearly within prefectural units is because local and regional Nokyo management structures and agricultural cooperative executive and staff systems culminate at the prefectural vertex with key executives decided at this level. In addition, prefectural Nokyo executives have the task of adjusting confrontations between groups and the regional antagonisms of blocs of groups within their area.\(^2\) It is their job to provide internal Nokyo political leadership, which is an ideal training ground for later Diet representation of the region. Furthermore, politically, administratively and organisationally, the structure of local government and the agricultural cooperatives coincide, with a good deal of professional overlap between them, thus reinforcing the regional focus of political activity, particularly as it involves cooperative leaders and farmer voters. Nokyo candidates to all levels of political office can take advantage of regional factors to win political allegiance and voting support.

The strength and activism of the prefecturally-based farmers' political leagues are evidence of this. One writer maintained that: 'for the most part, the central Nokyo groups do not undertake election campaign activities. On the contrary, the *nōseiren* . . . which were

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organised around Nokyo in each prefecture, demonstrated a considerable degree of activism, with the result that prefectural federation chairmen who launched themselves into national politics by means of those organisations, were conspicuously numerous.¹

The import of this general argument, is that electoral activities by agricultural cooperatives are very much regionally-oriented. Further evidence of this is the comparatively high level of representation in the Diet of the prefectural Nokyo leadership structure. Seventy seven per cent of all prefectural constituency Upper House Nokyo Diet members between 1950 and 1977 had held or were holding official positions in prefectural Nokyo organisations² at the time of election, with the central unions best represented politically, perhaps because of the policy emphasis of this branch of the agricultural cooperatives. The corresponding figure for national Nokyo organisational representation was 39.5 per cent.³

An additional explanation for the prefectural leadership focus of national Diet representation is, as one commentator put it, because 'national Nokyo leaders are so powerful they do not have to enter politics to get their opinions heard.'⁴ Based on data collected for Nōkyō giin, the best represented national Nokyo organisation was Zenhanren with 31.5 per cent (prior to 1972), to which should be added the 10.5 per cent for

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1 'Senkyo to Nomin', op. cit., p.91.
2 These figures were obtained from background studies of all Nōkyō giin for this period. See Chapter 3, footnote 2 p.141.
3 Although these categories of leadership were separated for purposes of calculation, in practice, both levels of leadership were often represented in one and the same person.
4 Interview with the Secretary of the Nōsei Kenkyūkai, Tokyo, November 3, 1973.
Zenmō since 1972, making a total of 42 per cent for national Nokyo marketing and purchasing bodies. A total of 15.7 per cent of Nokyo Diet members were associated with specialist national Nokyo federations, particularly the National Livestock Nokyo Federation (Zenchikuren) and the National Silk Nokyo Federation (Zenyōren), and 10.5 per cent with Zenchū. The low figure for Zenchū may be partially attributable to the factor mentioned above regarding the relative power of different agricultural cooperative organisations on the national scene. Unlike prefectural Nokyo central union leaders, Zenchū executives carry enormous political weight in their own right.\footnote{It was well known for instance, that during Miyawaki Asao's tenure as Chairman of Zenchū that he had an open line to Prime Minister Tanaka.}

Two other indicators confirm the general locality-orientation of Nokyo Deir politicians: the percentage with a career background in local politics; and the proportion in local party organisations. According to the data collected on the personal histories of Nōkyō giin, 52 per cent of their Upper House members had held positions in local government: 6.25 per cent had risen to the position of prefectural governor; 41.6 per cent to positions in prefectural assemblies (almost half of this group had held the job of prefectural assembly chairman); two per cent to the city mayoralty and the same percentage to the village mayoralty. In other words, a majority of the ex-local politicians group of Nokyo Diet members had achieved prominence in prefectural government. The fact that most had climaxed their local political careers in prefectural assemblies merely emphasises the focus of Nokyo political leaders on prefectural level politics, and the strong element of regionalism in their political support bases. According to Tanaka, the trend amongst currently serving
prefectural Nokyo executives until 1969 was to choose prefectural constituency representation in the House of Councillors. One of the reasons for this was the coincidence in boundaries between prefectural Upper House constituencies and prefectural Nokyo organisations which facilitated the formation of a prefecturally-based jiban. This enabled Nokyo leaders to utilise their Nokyo-centred activities to form the connections and establish the obligations translatable into votes on polling day.

The careers in local politics of a majority of Upper House Nokyo representatives was also often oriented towards local party politics. One third of prefectural constituency House of Councillors' Nokyo Diet members had held the position of party prefectural federation leader, with 77 per cent of this group combining this role with experience in prefectural assembly politics.

The same sort of local political career background was also evident amongst Lower House Nokyo members. Amongst this group, prefectural Nokyo organisations were the best represented of any strata of the agricultural cooperative organisation. Between 1949 and 1976, they constituted 71 per cent of all Nokyo Lower House Diet members. Amongst these prefectural representatives, the central unions dominated with 31 per cent. Other Nokyo federations (for example, economic, insurance, welfare etc.) gained 44 per cent, including specialist Nokyo federations at 24 per cent. Of the last group, livestock federations were the most

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1 In the Lower House election of that year, however, there was a spate of prefectural federation chairmen elected to House of Representatives' seats. Hitherto this class of local Nokyo 'big shots' (dmono), as Tanaka described them, had avoided the House of Representatives and it had been an unwritten rule to aim at Upper House prefectural representation. Tanaka, op. cit., p.478.
common, with 73 per cent of specialist Nokyo Diet members affiliated to prefectural livestock federations.

National Nokyo leaders represented 17 per cent of the total Nokyo membership in the Lower House over this period. Of these, National Purchasing Nokyo Federation leaders constituted 36 per cent, Zenhanren 18 per cent and the national Nokyo specialist federations 18 per cent.

Lower House Nokyo members also exhibited extremely strong local political orientations with ex-prefectural assembly members predominating. Two thirds (exactly 66.6 per cent) of Lower House Nokyo representatives had held local government positions, and of these, 83 per cent had gravitated to the prefectural assembly with 20 per cent of this group reaching the position of chairman; 9.5 per cent had been prefectural governor, five per cent former mayors, and two per cent city, town or village assembly members.

The statistics also demonstrated a strong local party organisational background amongst Lower House Nokyo Diet members: 35 per cent had held leading positions in party prefectural federations, in most cases the chairmanship. The three-way combination of prefectural Nokyo organisation, prefectural political position and prefectural party organisation leadership was also common. Of the total number of Lower House Nokyo members in this period, 20 per cent had amalgamated experience in these three political leadership positions during their careers, but amongst former Nokyo local politicians, the figure was 29 per cent. The ex-town or village assembly or mayoralty and town or village Nokyo leadership combination, occurred in 17 per cent of cases amongst this group; city assembly or mayoralty and city Nokyo combination, in five per cent of cases. Overall, the prefectural Nokyo organisation and local or prefectural
politics combination, or local Nokyo organisation and prefectural politics combination, was evident amongst 50 per cent of the former local politician Nokyo Diet members' group.

The dominant 'locality-orientation' of Nokyo Diet members has in some instances been reinforced by the strong element of regionalism in Japanese agriculture owing to climatic and geographic variations. Farm politicians from a number of rural and semi-rural constituencies (not only Nokyo Diet members), have become strongly identified with certain agricultural industries and commodities: for example, the 'beef politicians' of Kyūshū, Tōhoku and Southern Kantō; the 'grapefruit' and 'mikan' Diet members from Shikoku, Western Honshū and Kyūshū; the 'dairy' politicians from Hokkaidō and Southern Kantō; and the 'rice Diet members' from the single crop (i.e. rice) producing areas (tansaku chitai) of Tōhoku and Hokuriku.

Regional and Organisational Concentrations of Nokyo Socialist Support

The Socialist Party is relatively more popular amongst farmers in a limited number of agricultural electorates, and receives comparatively more support in certain parts of the Nokyo organisation.

In some prefectures such as Hokkaidō, Nagano, Niigata, Toyama and Tottori, the JSP has electoral superiority in the 'agricultural belt' (nōgyō chitai). Similarly, the conservative influence is overwhelmingly strong in Shikoku, Northern Kantō, Kyūshū, and Hokuriku. Those electorates in which there are close associations between the Socialists and the farmers usually coincide with regions in which the farmers' union organisation

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1 Ibid., p.470.
2 Ibid.
continues to be active. *Zennichinō*’s influence is relatively strong in Northern Japan for instance, and farmers’ union candidates have almost continuously represented Lower House constituencies such as Niigata (2), Niigata (3), Miyagi (1), Miyagi (2), Akita (2), Yamagata (2), Nagano (3), Okayama (1), Aomori (1), Fukushima (2) and Hokkaidō (4) since the early ‘fifties, and similarly Upper House prefectural constituencies such as Niigata, Fukushima and Okayama. Likewise, there has been a very strong progressive influence within the Nokyo organisation in a number of prefectures such as Tottori, Shimane, Hokkaidō, Chiba, Aomori and Akita.

In some specific constituencies such as Hokkaidō (2) in the House of Representatives, a series of agricultural politicians have had close links with the left-wing in Japanese politics and farmers' organisations including Nokyo, particularly the Kamikawa district farmers' groups.¹

In those areas where the farmers' unions are more active, there may be close ties between these organisations and Nokyo via the joint affiliations of the same Diet members who have served on the executives of both groups. In Tottori for example, Ashika Kaku, a former Zenhanren Vice-Chairman and prefectural Nokyo Economic Federation Chairman was, early in his career, closely allied to *Nichinō*. His continuing electoral successes over almost two decades were due to a support base agreement with the labour union representative from the JSP as to Ashika's electoral concentration in rural areas and the labour union candidate's in more urban areas. When this support base agreement broke down Ashika was

¹ These include the Kamikawa Farmers' League (*Kamikawa Nōmin Domei* - a branch of the *Hokkaidō Nōmin Domei*), whose one-time Chairman and *Nōkyō giin* Haga Mitsugu has occupied a Hokkaidō (2) Lower House seat since 1952 for the JSP; and the Kamikawa District Federation of Agricultural Committees which backed its Chairman Yasui Yoshinori as a JSP member for the same constituency from 1958 (Yasui also had membership in the *Kamikawa Nōmin Domei*). Ishikawa Seichi, House of Councillors' national constituency Independent member between 1950 and 1956, was Kamikawa Nokyo Federation Chairman.
defeated for the House of Representatives' seat and then chose to run for the House of Councillors. This particular candidacy in 1968 produced a major conservative-progressive split within the Nokyo organisation in Tottori which was styled the 'Japan Sea Showdown'.

Ashika's success over the conservative incumbent in this election was considerably assisted by the powerful Nichinō organisation within Tottori with which Ashika had past ties. In those areas where farmers' organisations are strong, they can be vital to the electoral success of progressive Nokyo candidates. They both reflect and contribute to more progressive orientations amongst farm voters within a prefecture.

Diet representatives who have served on the executives of both the agricultural cooperatives and the farmers' unions are, however, only a minute proportion of the total number of Nokyo Diet members between 1949

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1 Ashika's candidacy for the prefectural constituency seat as a Socialist directly undermined the candidacy of the conservative incumbent who was also a Nokyo ginin. Until 1968, Nokyo Diet representation for Tottori had been shouldered by Ashika in the House of Representatives and Nakahara Yōichi, an LDP member in the House of Councillors. This personal combat between Ashika and Nakahara operating from the same organisational base split the Nokyo world within Tottori into two camps, each aligned with a different party. It was a reluctant confrontation for both men. The conference of agricultural cooperative chairmen within the prefecture decided that current Nokyo executives would recommend the LDP candidate Nakahara, but the Nokyo staff employees within Tottori decided to support Ashika. Nakahara's support lay with conservative farmers and city, town and village 'men of influence'. Ashika's support, on the other hand, was not a complete contrast. It derived from both young and old, and was born of a history of association with farmers' movements and campaigns over many years. Ashika was presented to the electorate as 'A man we can trust'. With rural votes split 50/50, in the final count, city votes were the deciding factor, and worker-farmer cooperation which combined agricultural votes with those of the prefectural labour council involving the teachers' unions, national railway and postal workers, proved successful. Tanaka describes this electoral battle in detail, op. cit., p. 467.

2 It was the reverse of this situation in Iwate Prefecture in 1968, which was largely responsible for the electoral result going in favour of the LDP candidate. The Chairman of the Iwate Prefecture Nokyo Central Union stated in an interview (June 11, 1973), that the farmers' union organisation in the prefecture was 'totally weak' (totemo yowai).
and 1977. Nevertheless, this lack of joint leadership affiliation at the Diet representation level does not preclude a close working alliance between the two groupings on policy matters. The support of the farmers' unions is actively sought by Nokyo in particular areas of its farmers' campaigns (nōmin undō) and agricultural policy activities (nōsei katsudō). The farmers' unions tend to be much more outspoken and outrageous in their demands to government and so serve a useful purpose in making Nokyo's demands appear more moderate. This is especially true during the producer rice price campaign when Zennichinō's support is enlisted in the Nokyo-sponsored mass mobilisations of farmers in Tokyo, and in administrative councils, such as the Rice Price Advisory Council. A similar sort of willingness to engage the support of farmers' organisations whatever their political colours is also reflected in the presence of JSP and DSP farmers' union executives in the APRA. A certain level of mutual interest between Nokyo and other more progressive farmers' bodies such as the farmers' unions, the migrant farm workers' (dekasegisha) associations and the Settlers' League (Kaitakusha Renmei), is inevitable given the overlap in their respective memberships. Farmers who belong to these other groups are also agricultural cooperative members and are therefore subject to the countervailing political influences of dual sets

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1 This group includes Ashika Kaku and Haga Mitsugu mentioned above. Jitsukawa Kiyoshi, JSP member in the Lower House for Chiba (3) 1958 to 1969; Ogawa Toyoaki, JSP member in the Lower House for Chiba (2) 1952-1962; Tanaka Tsunetoshi, JSP member in the Lower House for Ehime (3) 1969-1972; and Sasa Eizaburō, JSP member in the Lower House for Kagawa (2) 1967-1969.

2 The All-Japan Federation of Migrant Farm Workers' Associations (Zennihon Dekasegisha Kumiai Rengōkai) is a JSP-aligned organisation. Its Chairman is a JSP House of Representatives' Diet member for Akita (2), Kuribayashi Saburō (also an executive member of Zennichinō), who held this seat between 1958 and 1969, and was re-elected again in 1976.
of leadership. Internally, this contributes to the variety of political orientations within Nokyo and to its general political complexity and non-uniformity.

In terms of its own organisational structure, the conservative-progressive division within Nokyo so far as it exists, tends to follow the fundamental divide between the executive and staff classes. According to the Secretary-General of the JSP in an interview, one of the main supporting groups of the Socialist Party in the countryside is that of agricultural cooperative staff employees, along with school teachers, postal and railway workers, and the ever-increasing number of part-time farmer wage earners who have joined unions. All Nokyo staff members who have successfully contested Diet seats over the past 30 years have sought the endorsement of socialist parties. The distribution of known Nokyo positions amongst JSP Lower House Nokyo Diet members was as follows: executives 47 per cent, local agricultural cooperative chairmen (kumiaichō) 42 per cent, and staff members 10 per cent. Amongst the DSP, the figures were: executives 40 per cent, cooperative chairmen 40 per cent, and staff members 20 per cent. This distribution contrasts with that of LDP Nōkyō gин: executives 90 per cent, kumiaichō 10 per cent and staff members zero. LDP Nokyo Diet members occupy not only higher positions in the Nokyo executive ladder than their progressive counterparts (i.e. they represent a lower proportion of local co-op chairmen), but all LDP Nokyo Diet members have been executives at some level within the agricultural cooperative organisation. Representation

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1 Ishibashi Masashi, Canberra, December 1975.

2 Migrant farm workers (dekasegisha) in contrast, do not tend to become unionised because they form the day labour force in the big cities. As temporary workers they are non-unionised.
of the Nokyo staff structure is held exclusively by progressives. The distribution of agricultural cooperative leadership roles amongst progressive Nokyo Diet members is much more even. Although executive positions are in a majority, almost half of these in the case of JSP and DSP members are local cooperative (tankyō) chairmanships. The small proportion of staff members as a whole amongst Nokyo Diet members is a reflection of the low rate of representation of this group generally. This is not a role which is associated with political leadership to anything like the same degree as Nokyo executive positions.

Evidence of the conservative-executive, progressive-staff cleavage within Nokyo also appeared in answers to the questionnaire distributed to APRA members. Two JSP respondents were the only Nokyo-supported Diet members to state specifically that the electoral backing they received came from staff groupings. These Diet members were affiliated to Zennichinō.¹

Logically enough the Nokyo staff members' labour organisation, the National Federation of Nokyo Labour Unions (Zenkoku Nōkyō Rōdō Kumiai Rengōkai, or Zennōkyōrōren), is generally regarded as being progressively-aligned, but it is more active in some prefectures than in others.² Those prefectures in which it is weakest include the predominantly agricultural prefectures such as Fukushima, Tokushima, Kumamoto and Kagoshima.

¹ Watanabe Yukio, JSP member in the Lower House for Fukushima (2), and Zennichinō Prefectural Federation Chairman, reported that he received the recommendation of Nokyo staff unions (Nōkyō shokuin kumiai) and campaign assistance (shōdō) by agricultural cooperative members and one section of the Nokyo management (Nōkyō kanbu) - presumably the progressive section; and Nosaka Kōken, JSP member in the Lower House for Tottori, and a member of the Central Executive Committee of Zennichinō, who stated that he receive recommendation and campaign assistance from Nokyo staff members (Nōkyō shokuin).

² Its predominant concern is staff wage levels and improved working conditions in agricultural cooperatives.
Tanaka argues, however, that in spite of occasional clashes and differences of political opinion within Nokyo along conservative-executive, progressive-staff lines, on the question of which candidate(s) to support in elections, conservative factions usually carry the day: '(i)n a majority of the electorates in which current Nokyo officials stand for election, the conservative influence is overwhelmingly strong, and opposition progressive groups within Nokyo and its federated organisation hardly become a problem'. More often than not, the final recommendation of the Nokyo groups involved is based on the decision of the prefectoral Nokyo Chairmen's Association (Ken Nōkyō Chōkai) and is taken up by the Prefectural Nokyo Executive and Staff Members League (Ken Nōkyō Yakushokuin Renmei) in which the executive section is dominant. The latter often acts as a spearhead of the agricultural cooperatives within the prefecture in election activities. The forces of electoral realism and the entrenched adherence to the principle of support for government party candidates tends to override requests for back-up for a progressively-aligned Nokyo staff candidates.


2 In the 1968 House of Councillors' election in Iwate for example, progressive and conservative Nokyo forces confronted each other over the question of support for a JSP Nokyo incumbent and former Zenōhū staff member, Watanabe Sadayoshi. The latter had based his 1962 electoral victory on labour-farmer cooperation and was competing in this election against the previously defeated LDP candidate who was making a particular effort to win farmer-Nokyo votes. As far as the Nokyo federations were concerned, their final political support decision was an equivocal one. The Central Union and the Prefectural Nokyo Economic Federation took a neutral position, but the management of the Prefectural Nokyo Trust Federation and the Prefectural Nokyo Mutual Aid Federation gave positive backing to the conservative candidate, and the general trend amongst tankyō chairmen was also in that direction. The Iwate Prefecture Executive and Staff League (Yakushokuin Renmei), which had supported the JSP Nokyo candidate in the previous election, refrained from any organisational decision on support in the 1968 election. Unfortunately for the progressively-aligned Nokyo candidate, the farmers' unions in Iwate did not have the numerical strength to compensate for the lack of support from the bulk of Nokyo organisations within the prefecture, and Watanabe's second attempt at election was unsuccessful. It was a consensus of opinion amongst the Iwate agricultural cooperatives that he would have won if he had not stood on a JSP ticket. Tanaka, Op. cit., p.469.
There are two other organisational sub-groupings within Nokyo which reputedly tend to be more progressively-oriented. In contrast to the Nokyo Women’s Division (Nōkyō Fujinbu) which is uniformly conservative, the Nokyo Youth Division (Nōkyō Seinenbu) has on occasions been vocal in expressing discontent with LDP agricultural policies and advocating a re-evaluation of the predominant government party-conservative connection. 1 It is not unusual for the Youth Division to support or put up candidates in opposition to those backed by the mainstream Nokyo organisation. 2

Perhaps the most serious qualification of the political independence of the Nokyo Youth Division as a whole, is its financial dependence on Nokyo itself. Eighty per cent of the campaign budgets of this branch derives from funds given by the mainstream agricultural cooperatives, and this prevents any truly independent decisions on which candidate(s) to support in elections. Although the Youth Division offers its own recommendations and other forms of electoral assistance to candidates in elections to all levels of government, in actual fact, the Nokyo executive leadership within each prefecture has a measure of veto power over these 'independent' farmer political activities. According to Tanaka, this contributes in practice to Nokyo Youth Division support for

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1 The most publicised instance of this occurred in 1969 in the aftermath of the LDP producer rice price increase deferment. The Ishikawa Prefecture Nokyo Youth Division threatened to withdraw collectively from the LDP in protest against this policy, a move made all the more serious by the fact that a full-time Director of the Ishikawa Prefecture Nokyo Central Union was running for election at the same time with the endorsement of the LDP.

2 In the 1969 election in Saga Prefecture, the prefectural Youth Division made a point of supporting DSP candidate Nakamura Yoshijirō, Secretary-General of the Zennōsōren, because of its desire to assert its independence from the mainstream Nokyo organisation and its executives.
conservative candidates, in spite of regional pockets of support for the progressives. On some occasions, too deep an involvement of Youth Divisions in elections has produced some internal dissension within the movement and resulted in the collapse of the organisation in certain prefectures.

As was mentioned earlier, the farmers' political leagues (nōseirei) also have a history of more radical and politically independent electoral activity. As late as 1969, the Fukushima Prefecture Agricultural Policy Promotion League (Nōsei Sasshin Renmei) expressed the opinion that 'We are not a sub-contracting organisation of the LDP, so let us recommend candidates connected with the progressives as well'. The political configurations that emerged amongst the various nōseirei operating in different prefectures in the 1969 General Election tend to bear out this view. In that election, Nokyo-based farmers' political leagues recommended a total of 33 candidates over the whole country. The various proportions amongst the parties were as follows: LDP - 14, JSP - 11, DSP - seven, and one Independent. On these figures, progressively-aligned nōseirei-recommended candidates outnumbered conservative candidates. The Hokkaidō Nōmin Dōmei did not recommend any LDP candidates at all. Of the seven candidates nominated over the whole prefecture, six belonged to the JSP and one was a DSP member. Conservative-progressive proportions differed from prefecture to prefecture. Miyagi and Nagano Prefecture nōseirei recommended the same number of government and opposition party candidates each, the Fukushima Prefecture group recommended nine LDP candidates (in spite of its rejection of the notion that

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1 Tanaka, op. cit., pp.474-475.
2 Ibid., p.474.
its relationship with the LDP was one of a sub-contractural organisation), the Saga Prefecture Nōsei Kyōgikai recommended all four LDP candidates after a conscious decision to exclude support for Nakamura Yoshijirō because he was standing on a DSP ticket (unlike the Nokyo Youth Division within the same prefecture). The farmers' political leagues in Akita, Nagano and Yamagata avoided making recommendations for any candidates, but active elements within the leagues gave positive backing to progressively-connected candidates.

In the 1969 gubernatorial election in Miyagi Prefecture, the progressive allegiance of the Nōkyō Seiji Renmei produced a major split in the Nokyo organisation within the prefecture.1

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1 Because of a private friendship between the progressive candidate jointly backed by the JSP and the JCP, and the Joint Chairman of the Prefectural Nokyo Federations within Miyagi who was also the Chairman of the prefectoral nōseiren, there was a call for the Nokyo organisation within the prefecture to back the progressive candidate at the combined executives meeting (yakuinkai) of the prefectural level federations. The prefectoral nōseiren organisation was strongly behind its Chairman particularly in the light of the recent LDP policy on rice production cutbacks and deferment of producer rice price increases, but it was opposed by a group of conservative Nokyo executives who organised their own farmers' political league: the prefectural Agriculture, Forestry and Fishery Industries' General Political League (Nōrin Gyōgyō Seiji Sōrenmei, or Nōseisōren). The result was a battle between the two Nokyo-based political organisations for the support of agricultural cooperative chairmen within the prefecture. The latter group's tactics involved a general mobilisation of LDP kōenkai organisations, trading associations, city, town and village mayors with conservative connections, neighbourhood associations, buraku organisations and buraku industrial unions. The battle virtually split the Nokyo organisation within the prefecture into two, with geographic concentrations of political support for one faction or the other. The differences between the LDP-connected nōseisōren and their opponents, the nōseiren, were only resolved after the election in which the official Nokyo-backed progressive candidate lost. At the time, the three-way alliance amongst Nokyo, the JSP and the JCP was regarded as exceptional for any election. Ibid., p.449.
The Discrete Nature of Agricultural Cooperative Electoral Activity

Although it is true to say that Nokyo in general has to some extent become an LDP voting base - the ji\text{ban} of the conservatives - there are many individuals and groups within Nokyo with close connections to progressive parties, making uniformity of political allegiance within the organisation impossible. Even if one grants that Nokyo's role in generating support for the LDP is a vital one, because of regional particularities, the candidate- rather than party-related nature of ji\text{ban}, and variations in the political affiliations of the Nokyo management and membership, Nokyo's electoral support function is highly diverse and varies according to individual cases and circumstances. Factors such as the vast scope of the organisation, its nationwide spread, and the disparity of function of the groups within it, also prevent Nokyo from behaving in a fashion which exhibits singularity of party support or a 'holistic' approach to electoral activity. The key attribute of Nokyo's electoral activity is that it is diffuse, and that even imputing an electoral strategy to Nokyo as a whole is misleading because it implies that the agricultural cooperative organisation becomes involved in support activities in a collective and organised fashion. There are in fact no instances in which 'Nokyo as Nokyo' has conducted a campaign, or made a recommendation as one body.

Nokyo's sheer immensity can be a political and electoral advantage (particularly its incorporation of the entire farm population) but equally so a disadvantage, as was evident from Nokyo's poor record in national constituency elections. When internal cleavages in the organisation reinforce and aggravate political differences and rivalries amongst its leaders and members, then an official majority decision to give electoral backing to a particular candidate may in fact provoke a
split within certain cooperatives which seriously impairs their electoral capacities. These divisions, however, illustrate yet another of Nokyo's electoral characteristics: the fact that candidate support is conducted by groups of agricultural cooperatives and their leaders. These groups may be organisationally-, regionally- or commodity-linked, or a mixture of these elements. Each agricultural cooperative is virtually a decisional unit unto itself in political affairs, and each election, to whatever level of government, involving the farmers as voters within the jurisdiction of a Nokyo organisation, poses the question of participation and support, or non-involvement to the agricultural cooperative leadership in question.

Gubernatorial and national elections are usually a matter for decision centring on prefectural level Nokyo organisations as to what electoral procedures, if any, are going to be adopted officially and/or unofficially. Prefecturally-based executive bodies such as the combined executives meeting (the leaders of all the Nokyo federations within the prefecture plus those of the central union - Nōkyō kaku-ren yakuinkai), the Nokyo Chairman's Association, the Executive and Staff Members League, play a crucial role in this, deciding the degree of commitment, and who is going to receive it. This is quite apart from the personal political connections and support activities of these leaders themselves. The other organisational offshoots of Nokyo: the farmers' political leagues, the Youth and Women's Divisions, and the staff labour unions conduct their own autonomous decision procedures. The end result may not be uniformity of political support by Nokyo organisations within a particular constituency. Nor is there necessarily a consensus within each of these groupings on the question of electoral assistance. Opinion may be divided as to which candidate(s) should be recommended, and different
groups may agree to operate independently of each other, or to conduct rival campaigns. In other words, there are no hard and fast rules as to which candidates from which party should receive Nokyo support, although in Diet elections, the personal political connections of the prefectural leadership are a vital factor and usually predominate. Generally speaking, decisions on electoral backing are guided by a range of considerations: personal, career, party, geographic, constituency, intra-organisational, commodity-related and philosophical. They are not predicated on matters of party ideology. Nokyo is not tied exclusively to any particular political party.

Tanaka's description of Nokyo's role in elections as being that of 'an intermediary linking conservative party Diet members to their rural village voting base' is acceptable enough as a generalisation which describes a majority pattern. The relationship between Nokyo and the LDP is a highly interdependent one and mutually advantageous to both sides. It is based on a system of reciprocal favours whereby the agricultural cooperatives, in substance if not always in name, in addition to their allied organisations, provide various forms of electoral assistance for large numbers of LDP candidates, both actively in campaigns, and in influencing a much wider spectrum of voters through vote mobilisation procedures and the personal political connections of Nokyo leaders. In exchange, Nokyo benefits from the political patronage of the government party, which the latter distributes not only to the farmers themselves, but also to the agricultural cooperatives as separate and independent recipients. This in turn, helps to maintain LDP polling rates in the countryside, and the stability of preference for the LDP amongst

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1 Ibid., p.424.
the farmers reinforces the electoral association between the conservatives and Nokyo. It not only reduces the chances of success of candidates aligned with opposing parties, but excludes opposition candidates from the sources of power to dispense state benefits. Nokyo's dependence on these favours is balanced by LDP dependence on its rural voting base and on allied groups to function as substitute electoral organisations. But, and this is the main qualification to Tanaka's statement, Nokyo's support for conservative candidates is not automatic, and as measured in terms of the political alignment of all Nōkyō giin, or alternatively, Nōsei Kenkyūkai members, or the recipients of Nōseikyū electoral funds in 1971 and 1972, Nokyo is far from being a conservative monolith. It is merely an organisation which gives a majority of its support to the conservative government party.

Among a host of factors, it is principally the decentralised, regionally-oriented, and candidate-specific manner in which the agricultural cooperatives conduct their electoral activities that prevents exclusive party attachment and inhibits uniformity of political affiliation. The official doctrine of 'political neutrality' of the organisation provides the necessary underpinning for Nokyo's non-ideological stance. Nokyo's electoral strategies involve the sum of activities of a large number of separate groups, with formal organisational support such as recommendation and political funding usually taking place at prefectural level and above, and vote mobilisation and campaign activities centred at prefectural level and below. At no time in their history, have the agricultural cooperatives moved as one in a totally organised, coherent, unified fashion.
PART III

NOKYO AND POLICY ISSUES
CHAPTER 5

NOKYO AND RICE PRICE POLICY-MAKING

Rice has primacy over all other agricultural products in Japan as a political commodity. It is the key to the origins and development of the agricultural cooperative organisation. Functions in relation to rice collection and distribution dictated the timing and characteristic features of Nokyo's postwar reconstruction, and they have remained the substance of Nokyo's economic dependence on government. Producer rice price-setting continues as the primary focus of Nokyo's activities as an interest group.

This chapter outlines agricultural cooperative operations within the framework of the Food Control (FC) system (Shokuryō Kanri Seido, or Shokkan Seido), which governed the rice market in Japan from 1942 onwards. The issue of FC reform and the restructuring of traditional agricultural policy priorities away from rice production in the late 1960s has been selected for detailed historical examination as a policy case study. Discussion centres around a series of crucial policy decisions that were made by government between 1967 and 1970. The element of commonality in these decisions was their unacceptability to the agricultural cooperatives and the opposition amongst the farmers which they aroused. During this period of unsurpassed turmoil in Japanese agricultural policy-making, the traditional combatants in the rice price process exaggerated their policy differences and political standpoints and engaged in an unprecedented degree of political disputation. For this reason, examination of the period highlights the entrenched policy interests, established bargaining
strategies, and relative influence of the principal participants in Japan's politics of rice. Throughout, the political hand of Nokyo and its Parliamentary allies is a traceable influence in the routinised stages of decision-making on the producer rice price. This emerges as a highly institutionalised procedure which has changed remarkably little over the past three decades, either in terms of its participants or its outcome.

**Rice and the Origins of Food Control**

Rice since 1942 has been governed by the provisions of the Food Control Law (Shokuryo Kanrihō, or Shokkanhō). Severe wartime food shortages forced the Japanese Government to institute a system of administrative direction and control over the production and delivery of this vital commodity. Details regarding the quantity, location and methods of production were closely monitored and dictated by government through the Ministry of Agriculture and Forestry. All farmers were legally required to sell their rice to government-designated purchasing agents. The nationwide network of agricultural 'control' organisations, the nōgyōkai, were given the designated role as government rice collectors. Rice was sold on a rationed basis to consumers.

The price of rice paid to the producer and by the consumer was thus removed from the influence of free market forces and placed within the orbit of ministerial control. The costs of the system were borne by a Food Control Special Account (FCSA) incorporated into the national budget.

Although aspects of FC relating to consumer rationing were completely liberalised in the postwar period, the Japanese government retained its almost complete monopoly over rice collection and distribution. Ministerial intervention in the price-setting process remained the most entrenched feature of the system.
Nokyo and Postwar Food Control

The substance of the FC system established during the war was retained by the Occupation authorities. The acute food shortage in the immediate postwar period created a need for controlled rice deliveries and a fair distribution of rice to consumers. The agricultural cooperatives were allocated the role of the wartime agricultural associations as proxy agents of government in rice collection and storage. The need for farm organisations to accomplish this task was the primary objective behind the push by the Occupation Government for the speedy rehabilitation of the producer cooperative system. Although the 'control' features of the nōgyōkai were absent in the newly established nōkyō, those aspects of the agricultural associations well suited to the performance of administratively-determined tasks under FC were retained by the agricultural cooperatives. These included a convenient nationwide network of facilities for rice collection and handling, and the incorporation of practically all farming families within the cooperatives.

Nokyo's integration into the postwar FC system and its functions in relation to rice established an early focus for its interest group activity. As a decision governed by ministerial responsibility, the producer rice price became a political as well as an economic issue affecting the vast majority of farmers and cooperative union members. In the new climate of democracy established by the Occupation, rice quickly became subject to pressure from farm organisations on all sides, and the star item in an agricultural policy process in which Nokyo shared and increasingly came to dominate. The agricultural cooperatives were placed

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1 This involved delivery quotas for farmers and rationing for consumers.
in a crucial intermediary role between the nation's producers of rice and its monopoly buyer - the State.

The Rice Price Advisory Council (RPAC)

Possibilities for the public presentation of producer rice price demands to government were considerably enhanced in 1949 with the establishment of the Rice Price Advisory Council (Beika Shingikai) as an inquiry organ (shimon kikan) of the Ministry of Agriculture and Forestry. Provisions for hearing the opinions of those groups most materially affected by government rice price decisions were made through the constitution of the membership of the Council (there were seven producer representatives and seven consumer representatives). The informed advice of experts was also invited through the membership of nine 'men of learning and experience' (gakushiki keikensha), in addition to a miscellaneous category of 'other' members which included politicians from the conservative and Socialist parties.

The task of the RPAC was to receive and discuss a government-proposed producer rice price presented to it by the Minister of Agriculture and Forestry and to produce a final report containing recommendations on the government draft.

The position of the RPAC was therefore established very early on as a formal administrative channel for the presentation of producer opinions to government through Nokyo's representation on the Council. It has remained an integral part of a lively but institutionalised rice price-setting process ever since. Its opening sessions in June each year are the starting signal for the 'rice price season' and the launching of Nokyo's 'rice price campaign' (beika undo). Producer rice price demands put forward by Zenchū executives at Council sessions are supplemented by more unruly demonstrations of pressure by Nokyo rank and file outside the Council's meeting chambers.
Food Control Reform Before 1967

Prior to the most substantial period of FC reform beginning in 1967, the history of FC was punctuated by a number of attempts to de-control the system, but opposition to these political moves led by the agricultural cooperatives successfully prevented any substantial reform.

In 1955 the most important element of compulsion in the FC system was removed with the abolition of quota deliveries on rice. It was replaced by an advance sales contract system whereby producers voluntarily contracted with the cooperatives as government-designated collection agents how much rice they wished to sell to the government. The latter in turn was obliged to buy whatever quantity was offered by the farmers. The differences in the two systems are illustrated in Figure 5.1 below:

Figure 5.1

CHANGES INSTITUTED IN THE RICE TRADING SYSTEM IN 1955

Quota System Before 1955

Obligatory Selling Order

Producer " Government -> Wholesaler

Advance Sales Contract System After 1955

Advance Sales Booking

Ordered amount for sale

Producer " Government -> Wholesaler

Delivery


1 These made up the vast majority of official rice collection agencies.
The replacement of the compulsory quota system by the voluntary pre-contract system was a watered-down version of more radical reforms envisaged by the Minister of Agriculture and Forestry in the Hatoyama Government of 1955, Kōno Ichirō. He publicised plans to remove controls on rice altogether, and received considerable support for his policy from the financial world and in the press commentaries. Nokyo launched a vigorous counter-attack, however, and Kōno realised that it was too premature to contemplate abolishing FC. He enforced the pre-contractual system as a preliminary step in the direction of more substantial reform.

The changeover to the advanced sales contract system in 1955 and the more radical initiatives which it replaced, were interpreted by Nokyo as the forerunners of FC abolition, and the episode contributed to a perceptible change in Nokyo's attitude towards rice control. The reforms instituted in 1955 converted the main emphasis and objective of FC altogether. Until 1955, the system had been detested by the farmers because of its imposition of a compulsory delivery quota system, but when this element of coercion was removed, it became clear that the remaining provisions in fact amounted to a price support system for rice producers. This viewpoint was in no small part due to the substantial boosts in producer prices received by rice growers in the early 'fifties - to the point where the government's buying price compared favourably with black market prices.

The timing of the removal of the most coercive clauses in the Food Control Law and Kōno's shelving of his plans for more substantive reforms were also based on party and electoral considerations. In 1955, the LDP as a newly united political organisation, was keenly attuned to its electoral fortunes, and rural areas had already been established as a stronghold of support for the conservatives.
As Minister of Agriculture and Forestry in 1961, Kōno made a second attempt to reform the FC system. The 'Kōno Plan' envisaged 'flexible' reforms of the management of FC while maintaining the basis of the system.¹ Battle lines were drawn up between the supporters of reform (the financial world (zaikai), the Housewives' Federation and rice retailers), and those who opposed it (the DSP, JSP, the Liaison Council for a National Policy on Food (a Sōhyō-based consumers' group), and Nokyo). The agricultural cooperatives launched a nationwide campaign to prevent the Kōno Plan from being put into effect. Kōno also found himself opposed by a substantial section of his own party, which argued that the plan was premature, particularly in the light of the Upper House election due in mid-1962. This viewpoint ultimately gained acceptance in the LDP and the Plan was subsequently shelved.

During the 1960s, a fundamental reorientation in the objectives of FC magnified the political component in the producer rice price decision. During the 1950s, the aim of the system was to increase the supply of food dramatically and to maximise rice production. Regular annual increases in the producer rice price particularly from 1949 onwards, in addition to sizable over-the-quota bonus payments, had the desired effect of raising production levels. Rice output also responded to the dissemination of improved production techniques and massive injections of government funds in the form of production subsidies for projects such as land reclamation

¹ *Asahi Nenkan*, 1962, p.393. In detail, the plan involved no change in the basis of the system: that is, the government would continue to buy unlimited quantities of rice from the farmers and the distribution system to consumers would be maintained; but it also canvassed the idea of opening up new ways for the farmers to sell rice freely. In other words, what had hitherto been 'black market' rice, would be formally channelled into a free distribution system. See *ibid.*
and improved drainage systems. The long-term effects of land reform also began to materialise in the increased productivity of rice farmers. This process culminated in a record breaking harvest of 12.3 million tonnes of rice in 1955.

As a result, the rate of increase in the producer rice price between 1955 and 1960 was only marginal. The principal aim of the FC system - to secure a balance in the demand and supply of rice - had been achieved by 1955. This made use of the mechanism of price incentives to guarantee increased production levels no longer so vital.

The general economic situation changed dramatically in the latter part of the 1950s and 1960s, however, with the rapid boost in the incomes of urban wage earners as Japan underwent accelerated industrial growth. Japanese farm incomes, constrained by the limits of a small-holding system of agriculture, began to lag considerably behind those in the secondary and tertiary sectors. Farmers simply could not achieve productivity increases at a rate which matched those in industry and therefore they were unable to compete with the rising wage levels of urban workers. From 1960 onwards, one of the most fundamental problems facing the LDP government was how to increase farm incomes.

As a result, political pressures from the rural sector began to mount. First indications of this were demands from producer representatives in the RPAC to achieve a changeover from the 'parity method' for calculating the producer rice price (which took into account general price movements) to a 'Production Cost and Income Compensation formula' which compensated farmers for increases in the wages of urban workers.

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1 Between 1949 and 1955, the producer rice price for 150 kilos (koku) rose by more than 100 per cent from 4,717 yen to 10,160 yen. Between 1955 and 1960 on the other hand, it rose by only 2.4 per cent to 10,405 yen.
In addition to instituting the new producer rice price formula in 1960, the principle of income equality was enshrined in the Agricultural Basic Law passed in 1961. This Law established a number of common reference points for all agricultural policies, one of which was to narrow the gap between agriculture and other industries 'through . . . higher incomes for those engaged in agriculture so that they may expect to achieve parity in living standards with those engaged in other industries'. It also envisaged 'the selective expansion of agricultural production by increased production of commodities in growing demand' and its reverse directive: 'the diversion of production from products in decreasing demand'. These provisions did not mention rice specifically, but clearly they anticipated some measure of crop diversification and a reorientation of agricultural production away from a singular emphasis on raising rice production levels.

While simultaneously pursuing the long-term objective of crop diversification, the government fell back on the convenient mechanism of the producer rice price as a means of providing across-the-board increases in income to the largest group of Japanese agricultural producers. The result was that the producer rice price increased at an average of just under nine per cent a year between 1960 and 1968, rising from 10,405 yen per koku to 20,672 yen. This was practically a 100 per cent rise in less than a decade. The effect of this price support-cum-
farm incomes policy was to encourage rice production and hinder the re-
structuring of Japanese agriculture. Although gradual diversification
into other crops did reduce the share of rice in Japan's total agricul-
tural output, rice production increased steadily. At the same time, the
consumer demand for rice began to decline from 1962 onwards. By 1967,
rice consumption was nearly two million tonnes less than production.
The problems of rice and FC reached a climax in that year when the
staggering costs of the government's rice policies received a sudden
boost in publicity by a rice harvest of 14.45 million tonnes - the larg-
est in the nation's history.

The Situation in 1967

The massive financial burden created by the policies pursued under
FC stemmed from a complex of interrelated causes. With the large increase
in rice production, the absolute amount paid out by the government through
the FCSA grew in leaps and bounds. (The annual average increase in FCSA
expenditure between 1960 and 1967 was 41 per cent.) This was aggravated
by the fact that greatly increased prices were being paid by government
for larger quantities of rice. Furthermore, the expansion in the total
rice output coincided with a decline in consumption to create a rice sur-
plus problem which presented the government with an enormous bill in rice
storage fees and warehouse charges in addition to the large sums it was
required to outlay in payment for the rice bought from the farmers.

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1 Even as early as 1961, the deficit or 'red figures' (akaji) in the
FCSA was a topic of discussion. Between 1960 and 1961, the FCSA deficit
doubled from 30 billion to 60 billion yen. See Asahi Nenkan, 1962, p.393.
The size of this deficit and the rate of its increase was the fundamental
reason behind Kōno Ichirō's plan for FC reform announced just after the
producer rice price decision in 1961.
Over the period 1967 to 1970, the rice production surplus and deficit situation, far from improving, deteriorated as a result of further record harvests in 1968 and 1969 (each was over 14 million tonnes). In 1968, Japan was faced with a rice surplus problem of almost three million tonnes. By 1969, this quantity had almost doubled again to 5.5 million tonnes. As a result, the amount transferred from the General Account budget to the FCSA\(^1\) increased from 246.7 billion yen\(^2\) in 1967 to 356.0 billion yen\(^3\) in 1969. The latter figure raised the FCSA allocation to just over 43 per cent of the MAF budget and 5 per cent of the national budget. These figures are all the more striking if compared to the situation in 1955, when the FCSA represented only 0.3 per cent of the MAF budget, and a correspondingly smaller fraction of the national budget. As a proportion of the total outlay by government to agriculture, the rise in the FC allocation was spectacular for a period of only 10 years, with the most outstanding causal factor being the sizable yearly increases in the producer rice price.

These more urgent features of the financial and economic environment formed the background to the policy debate on FC and its reform that took place from 1968 onwards.

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1. The Food Control Special Account comprises three Sub-Accounts: the Indigenous Rice Control Sub-Account which consumes more than 90 per cent of FCSA expenditure; the Indigenous Wheat and Barley Control Sub-Account; and the Imported Food Grain Control Sub-Account which (depending on world grain prices), usually records a profit. In other words, the expenses associated with FC are devoted almost, but not entirely, to rice control.

2. *Asahi Nenkan*, 1968, pp.360-361. Budgetary figures vary somewhat according to source. In Food Agency figures supplied directly to the author, the FCSA allocation was listed at 241.5 billion yen in 1968 and 353.0 billion yen in 1969.

Participants and Vested Interests in Rice Price Decision-Making

(a) Japanese Rice Producers

In spite of the 'selective expansion' principle postulated in the Agricultural Basic Law of 1961, 3.5 million or 66 per cent of Japanese farm households still sold rice to the government in 1968. Although some areas in Northern Japan such as Tōhoku and Hokuriku were classed as 'single crop areas' (tansaku chitai) - meaning concentrated rice producing areas - rice as a crop was geographically well distributed over the entire country.

(b) The Agriculture and Forestry Bureaucracy

The Minister of Agriculture and Forestry has formal responsibility for deciding the producer rice price. The MAF as a whole has traditionally been protective of its agricultural clientele and can point to the fact that farmers in almost all industrial countries enjoy some measure of protection and price support from the State. Part of the reasoning behind the MAF's advocacy of sizable allocations of treasury funds for agriculture has been its desire to maximise its share of the national budget. In spite of the declining contribution of agriculture to the Net National Product (it was 10.2 per cent in 1960, 8.2 per cent in 1965 and 4.7 per cent in 1971), the MAF successfully defended its share of

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1 In 1968, the total number of farm households was 5.3 million. These figures were obtained from Norinshō, Tōkei Chōsabu, Poketto Nōrin Suisan Tōkei (Ministry of Agriculture and Forestry, Statistics and Research Division Pocket Agriculture, Forestry and Fisheries Statistics), 1971, Nōrin Tōkei Kyōkai, p.154. As a proportion of gross agricultural revenue of the farm household, rice accounted for 49.1 per cent in 1960 and 43 per cent in 1965. Central Union of Agricultural Cooperatives, Central Union of Agricultural Cooperatives, 1973, p.17.

2 This assessment of the most fundamental principle of ministerial budget behaviour is so widely accepted as to be almost a truism. See John Creighton Campbell, 'Japanese Budget Baransu', in Ezra F. Vogel (ed.), Modern Japanese Organization and Decision-Making, Berkeley, University of California Press, 1975, p.78.

3 Central Union of Agricultural Cooperatives, op. cit., p.16.
the national budget allocation to agriculture and even increased it during the 1960s (it rose from 7.9 per cent of the national budget in 1960, to 9.2 per cent in 1965, and 10.4 per cent in 1971). ¹

From 1961 onwards, the MAF position on producer rice price increases was to argue for 'moderate' gains for the farmers. ² Its guiding principle (legally buttressed in the Agricultural Basic Law), was its objective to maintain farm incomes at a level commensurate with workers in the cities. The 'Production Cost and Income Compensation' formula for deciding the producer rice price introduced in 1960, translated the general precepts of a farm incomes policy into more concrete guidelines for determining the MAF's 'preliminary calculated' rice price (shisan kakaku).

Although the MAF successfully set up the original framework of an agricultural incomes policy, as the political content of the producer rice price expanded in the 1960s, the Ministry was gradually dispossessed of its primary influence in producer rice price-setting by the LDP's rural politicians. The shifting balance of power between the party and the Ministry was accelerated in the second half of the decade by the increasingly apparent failure of the Agricultural Basic Law to fulfil its policy objectives. This revealed the ineffectiveness of MAF solutions to the problems of agriculture. As a result, energy for truly reformist policy proposals emanating from the agriculture and forestry bureaucracy diminished, and the MAF program for the rationalisation of agriculture lost impetus. Ministerial initiatives for reform of the FC system shifted to the financial agencies of government.

¹ Ibid.

² The meaning of the word 'moderate' as it is used here is relative, and based on the almost invariable ranking of MAF producer rice price recommendations between the lower MOF recommendation, the higher government party proposal, and the even higher Nokyo 'demand' price.
The Food Agency (Shokuryōoho) which administers the Food Control Law is a subordinate Agency within the MAF. It supplies the raw data on prices and costs for the government producer rice price proposal and for the Rice Price Advisory Council, which is attached to the Agency. Abolition of the FC Law would practically consign the Food Agency to a position of redundancy, hence it has not been a leader in pioneering changes in the system.

(c) The Liberal Democratic Party

Because of the importance of rice to a majority of Japanese farmers, and the electoral over-representation of rural interests in general, a very large number of conservative party politicians regard themselves as representing the interests of rice producers. The more vocal and active members of this group are called rice Diet members (kome giin). Focussing on rice enables LDP politicians to promote the special interests of the largest bloc of their voting supporters. The great interest the LDP shows in the producer rice price decision is also due to the widely held belief that pricing policy has a direct influence on vote-gathering, and to the primacy of rice interests within Nokyo, an organisation with which a substantial number of government party members are connected.

Given the political importance of rice under a government-administered system of FC and the electoral significance of the farm vote to the LDP from 1955 onwards, no rice price decision has been allowed to go unquestioned by the party. Not only did LDP members have a direct and public voice in RPAC sessions, but official and unofficial party organs actively involved themselves in rice price decision-making every year. This pattern became even more entrenched during the 1960s. Growing monopolisation by conservative party rural members over producer rice price determination was symptomatic of the increasing politicisation of the decision.
The greater its political consequences, the greater the political interference in what officially should have been a government decision on an 'administrative price' subject to consultation and negotiation amongst three Ministers: the Minister of Agriculture and Forestry, the Minister of Finance and the Director-General of the Economic Planning Agency. This was also reflected in RPAC sessions which became more disrupted as dissension between the supporters and critics of FC grew. This development reached a climax in 1967 and 1968 when opinions within the Council were so divided that it could not produce any recommendations at all.

In the 1967 House of Representatives' elections, voting support for the LDP fell to its hitherto lowest level. The decline, however, was much more evident in metropolitan and urban districts than in semi-rural and rural electorates. In consequence, the balance between rural and urban interests within the party became even more biased in favour of country districts.

One hundred and forty three LDP Diet candidates were elected to rural and semi-rural seats in 1967. This number roughly corresponded to the size of the informal intra-party lobby group of rice Diet members, which reportedly had around 150 members. The effectiveness but unorthodox tactics of this group during the 1960s earned it the label of 'rice Vietcong'. More formal titles such as the Rice Price Policy Conference (Beika Taisaku Kyōgikai) have also been used.

1 This figure was calculated from election data reported in Asahi Nenkan, 1969, pp.266-270, in combination with a constituency classification formulated by Okino Yasuharu, Shōwa 30 Nendai ni okeru Toshika, Kōgyōka to Tōhyō Kōdo Henka (Urbanisation, Industrialisation and Changes in Electoral Behaviour, 1955-65), Tokyo, Minshushugi Kenkyūkai, 1966, pp.18-19.

An official party committee also conducts producer rice price deliberations. It holds sessions simultaneously but quite separately from the informal party pressure group. The key negotiations and investigations leading to the party rice price decision are conducted by a sub-committee of this group, and particularly its leaders (chairman and vice-chairmen). There is considerable membership overlap between the formal and informal rice price groups. The official LDP committee currently in charge of producer rice price deliberations is the Comprehensive Agricultural Policy Investigation Committee (Sōgō Nōsei Chōsakai) with approximately 200 members. During the 1960s, the same role was performed by smaller committees set up each year with between 50 and 60 members, and variously known as the Rice Price Round Table Conference (Beika Kondankai), the Rice Price Investigation Committee (Beika Chōsakai). The power of numbers and the significance of the rural vote are such, however, that no final party decision on the producer rice price can be made without being submitted for the endorsement of the informal group of LDP rice Diet members. According to one writer, this group has 'a veto power over the decisions made by the formal Party structures and leaders'.¹ Most of its membership comes from the Sōgō Nōsei Chōsakai but with one difference: the top men in the Sōgō Nōsei Chōsakai are not members. They are in fact the object of pressure from the internal party lobby of rice politicians.

LDP groups enter rice price negotiations at about the same stage each year. Once the RPAC has made its recommendation to the Minister, the locus of decision-making shifts immediately to the government party: to the party policy committee concerned with the rice price; to the Executive

Council which determines the final party position; and to conferences of LDP leaders and the government, represented by the Minister of Agriculture and Forestry and the Minister of Finance. This process usually takes two to three days leading up to a Cabinet decision. (In the period under discussion below, it often took two to three weeks or even longer.)

The Minister of Agriculture and Forestry although charged with formal responsibility for the producer rice price decision, remains publicly silent during this crucial round of party negotiations and party-government discussions. Even if the MAF recommendation proposes an increase, the Minister's passive role in these final stages is one of deliberate intent in order that the input into the decision by the farmers' allies in the party be fully magnified. The political merit that accrues to the party each year over the producer rice price takes the form of a 'political addition' (seiji kasan) which represents the difference between the MAF recommended price and the final rice price decision that emerges after negotiations between the government and the LDP. Table 5.1 illustrates this for the years 1961-1968, which encompasses the period of the greatest gains in the producer rice price by the farmers.

In spite of annual criticisms in the press of the LDP's injection of a blatant political element into the pricing process, the same procedure is repeated year after year. Deliberate political engineering by the LDP's agricultural leaders for the benefit of their farming constituents becomes even more apparent if one is to accept the information of one participant,¹ who remarked that the upper limit of the LDP's producer rice price is already set before the rice price season gets underway. This is

¹ This information was given to the writer by a key LDP official interviewed in Tokyo, January 1977, who wishes to remain unnamed.
### Table 5.1

"POLITICAL ADDITIONS" IN THE PRODUCER RICE PRICE 1961-1968

<table>
<thead>
<tr>
<th>Year</th>
<th>Final Price (A)</th>
<th>MAF 'Preliminary' Price (B)</th>
<th>Political Addition (A-B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961</td>
<td>11,052.5</td>
<td>10,707.5</td>
<td>345</td>
</tr>
<tr>
<td>1962</td>
<td>12,177</td>
<td>12,004</td>
<td>173</td>
</tr>
<tr>
<td>1963</td>
<td>13,204</td>
<td>12,785</td>
<td>419</td>
</tr>
<tr>
<td>1964</td>
<td>15,001</td>
<td>13,888</td>
<td>1,113</td>
</tr>
<tr>
<td>1965</td>
<td>16,375</td>
<td>15,526</td>
<td>849</td>
</tr>
<tr>
<td>1966</td>
<td>17,877</td>
<td>17,484</td>
<td>393</td>
</tr>
<tr>
<td>1967</td>
<td>19,521</td>
<td>18,645#</td>
<td>876</td>
</tr>
<tr>
<td>1968</td>
<td>20,672</td>
<td>20,105</td>
<td>567</td>
</tr>
</tbody>
</table>

* Note: There were three recommended prices in 1967, which varied according to the formula used. The others were 18,881 yen.

Source: Asahi Nenkan, relevant years.
done by a select group of party agricultural leaders, namely the leaders of the Sōgō Nōsei Chōsakai, after extensive consultations with the Minister of Agriculture and Forestry and the MAF, prior to the Minister's announcement of the MAF 'preliminary calculated' rice price. In other words, the lower-level MAF recommended producer rice price, and the upper-level LDP producer rice price incorporating the 'political addition', are interrelated aspects of the same decision, and are fixed by key LDP agricultural leaders before the rice price battle. Furthermore, there is a strong political element in the MAF recommended price. It is made intentionally below what the party is actually prepared to countenance, in order that full credit falls on the LDP's rural politicians for 'persuading' the party leadership to offer a higher price. Although in the timing of producer rice price deliberations, the submission of the MAF recommended price to the RPAC is made well before the announcement of the final decision, it is nevertheless made 'relative' to the former which actually precedes it in secret. Consequently the final bargaining 'process' between the LDP leadership and its rural members has a large component of political drama. The informal rice lobby has no voice in the early crucial discussions which establish the upper limit of the party offer. For this reason, its role has been described as a necessary but ritualistic one, and exercising very little actual power over the producer rice price decision. More often than not, their activities in outflanking the LDP leadership are an embarrassment to the party.

In spite of the obvious contribution of political and electoral considerations to the rice price process, the producer rice price

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has never satisfied the demands of the farmers as presented by Nokyo and the farmers' unions.

(d) The Agricultural Cooperatives

The focus of Nokyo's economic and political power since 1947 has been rice. Its financial and economic stake in the FC system is immense. Under FC Law, the agricultural cooperatives have an officially-sanctioned share of the market that runs as high as 94 per cent.\(^1\) A practical monopoly of rice collection on behalf of government, channels the marketing commission on rice sales into the Nokyo organisation. The position of the cooperatives in the rice distribution system is illustrated in Figure 5.2.

FC has also brought the cooperatives sizable commissions in the form of handling, packing\(^1\) and storage fees and has continued to provide financial backbone to Nokyo economic operations in general. One writer estimated that Nokyo earned 'most of its operating expenses directly or indirectly from the special food control account'.\(^2\) The profits generated by cooperative functions in the FC system often made up for badly managed activities in other fields which ran at a loss.

A further indirect benefit of the system has been government utilisation of the financial network of the cooperatives for rice payment to the farmers,\(^3\) thereby channelling the principal item in co-op members' income through Nokyo savings' accounts. The Central Cooperative Bank for Agriculture and Forestry (Chūkin), acting as receipt agent of government, repays to farmers through the prefectural trust associations and unit co-ops. This gives the Nokyo financial apparatus the use of substantial funds from a guaranteed source of supply thus strengthening the cooperative banking and credit institutions, materially assisting capital investment in agriculture,\(^4\) facilitating payment to cooperative purchasing and insurance branches by farmers, and supplying Nokyo with funds for use in other business and financial fields.

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1 According to figures available in *ibid.*, as a service fee for collecting and packing the rice, Nokyo received 112 yen per 60 kilogram sack (year not specified).

2 Nishimoto put this at 1,300 billion yen for one year, although which year is not stated. *Ibid.*


4 The Central Cooperative Bank for example, makes use of the surplus of cooperative funds at harvest time by supplying the general financial market with funds by means of call loans and short-term loans to commercial banks.
Some indication of the significance of Nokyo's rice-related functions within the FC system in the total pattern of its economic operations can be gained from the following figures. In 1969, the cooperatives as rice collection agents, earned 13.3 billion yen from marketing commission on rice for government sale. Total marketing commission profits for that year were 34.7 billion yen. Rice thus represented 38.3 per cent of total marketing commission on all products. The figures for cooperative warehousing business are equally impressive. In 1969, 5,485 co-ops operated 29,449 government-designated warehouses holding 11.1 million tonnes of rice. The profit in storage fees which the cooperatives earned from warehousing this rice for government sale was 17.9 billion yen, or almost exactly half of their total marketing commission for the year. On these figures, warehousing business generated profits which exceeded those on government rice marketing, which gave the cooperatives a vested interest in storing rice. Because rice stock accumulation was a profitable business for Nokyo, there were obvious economic benefits to be gained from a rice surplus situation. This is substantiated by trends in figures corresponding to the vast increases in production that occurred between 1965 and 1970. Total profit of the agricultural cooperatives on their warehousing business in rice rose from 8.4 billion yen in 1966, to 22.4 billion yen in 1970. (Likewise, as a result of government-instituted

1 These figures were obtained from Nōrinshō, Nōrin Keizai Kyoku, Nōgyō Kyodo Kumiaika, Sōgō Nōkyō Tōkeihyō (Ministry of Agriculture and Forestry, Agriculture and Forestry Economics Bureau, Agricultural Cooperative Union Section, A Statistical Table of General-Purpose Agricultural Cooperatives), 1971, pp.122, 138.

2 Calculated from figures given in *ibid.*, pp.144, 147.

3 This figure represents 88 per cent of the total warehousing profits on rice for that year, or that percentage of rice held in government-designated warehouses. It is calculated from figures given in *ibid.*, pp.143-147.

policies of rice production adjustment from 1970 onwards, cooperative profits from rice-related warehousing business fell back to 15.8 billion yen by 1974,\(^1\) a loss of 6.6 billion yen.\(^2\)

It is not possible to measure in concrete monetary terms the economic benefits Nokyo derives from government utilisation of the cooperative banking system for rice payments, but on figures for marketing commission and rice warehousing alone, one can calculate the financial stake which the cooperatives had in rice for government sale. This is shown in Table 5.2.

### Table 5.2

<table>
<thead>
<tr>
<th>Type of Profit</th>
<th>Profit (yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing Commission on Rice for Government sale</td>
<td>13.3 billion</td>
</tr>
<tr>
<td>Profits from Warehousing</td>
<td>17.9 billion</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>31.2 billion</strong></td>
</tr>
</tbody>
</table>

Source: Norinshō, Nōrin Keizai Kyoku, Nōgyō Kyōdō Kumiaika, Sōgō Nōkyō Tōkeihyō (Ministry of Agriculture and Forestry, Agriculture and Forestry Economics Bureau, Agricultural Cooperative Union Section, A Statistical Table of General-Purpose Agricultural Cooperatives), 1971, pp.122, 143-147.

The 31.2 billion yen profit earned on two items in relation to government sale rice represented almost as much as the total profit on cooperative marketing for 1969. (This was 34.7 billion yen.) It also

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\(^1\) Sōgō Nōkyō Tōkeihyō, 1974, p.158.
represented 10.8 per cent of the total profit on all cooperative business which was 288.9 for the same year.¹

Given these facts and figures on Nokyo's financial stake in rice control, and the long-standing nature of its functions in the system, it is not surprising that it regarded the maintenance of FC as central to its very existence, and in fact as an economic prerogative.

The priority given by Nokyo to rice issues is also revealed in the tremendous emphasis on rice-related campaigns in its agricultural policy activities. The producer rice price campaign (beika undo) has been the traditional focus of Nokyo's pressure group activities. It attracts more publicity than any other Nokyo activity through the exercise of mass mobilisation techniques such as conventions, assemblies, petitions, marches, newspaper advertisements, and general 'human wave tactics', all under the aegis of Zenchū. In the period under review, the average Nokyo representatives' convention (taikai) mustered about 14,000 participants.

In its 'demand rice price' (yōkyū beika) calculations, Zenchū duplicates the process being undertaken in the MAF and the Food Agency regarding the formulation of government recommended price. Where these twin processes have traditionally tended to differ, however, has not been in the mechanics of applying 'objective' statistical formulae to a set of indices to produce a final rice price, but in the manipulation of the economic variables fed into the calculation, and in the actual selection of which particular formula to apply. Depending on these latter two subjective factors, the outcome in the form of a 'recommended' or 'demand' rice price differs greatly.

¹ Sogo Nokyo Tōkeiō, 1971, op. cit., p.60.
In the battle over 'objective' measurement of such variables as 'costs' and 'incomes', Zenchū draws on the professional expertise of its permanent executive staff backed up by its Agricultural Policy Department (Nōseibu), which conducts parallel surveys to those of the MAF on such items as production costs - the most frequently challenged factor input into the government's recommendation. It then produces its own price, which Zenchū formally presents to the RPAC.

Although the technicalities are left to Nōseibu staff, the political decisions that produce the agricultural cooperative 'demand' price are made by the Nokyo Rice Policy Central Headquarters (Nōkyō Beikoku Taisaku Chūō Honbu) after extensive consultation and canvassing of national and prefectural central union and federation leaders, and the executives of prefectural Rice Policy Headquarters. The Central Headquarters leads the rice price campaign sponsored by Zenchū, and its membership is dominated by National Central Union executives and the chairman of other national federations which are directly involved in rice handling such as Zennō. A good deal of the policy emphasis on rice within the Nokyo organisation is due to the fact that it is marketed nationally by Zennō to government. This places it as a high priority item within the national Nokyo marketing and purchasing federation. Logically enough, Zennō's policy priorities become reflected in those of Zenchū.

Official representations to government agencies, the RPAC, Parliamentary committees, LDP and other party committees conducting their own investigations into rice price policy are usually handled by Zenchū permanent executives (its Managing Directors), but Zennō is also represented on the RPAC. Zenchū's approach in the campaign is multifocussed. It ignores no section of government, the Diet, or political parties which is connected in any way to the issue.
(e) The Opposition Parties: JSP, DSP, Kōmeitō and JCP

Although the opposition parties are identified much more firmly with the urban worker and consumer sectors, they tend to ignore the fundamental contradiction inherent in seeking to satisfy both high price producer advocates and low price consumer interests by simultaneously demanding price levels that would satisfy both. The 'reverse margin' between the government's buying and selling price for rice they would finance by even larger allocations from the FCSA. Without the pressing need to balance budgets, they are in a position to outflank the LDP on such issues as price support. Opposition spokesmen, especially those within the JSP and DSP to which the agricultural cooperatives are linked both organisationally and electorally, are employed to act as critics of government policy in order to embarrass the LDP politically. The 1960s saw increasing activity by the JSP and JCP in the form of questions in the Diet on rice price policies. Until 1968, JSP members also served directly on the RPAC, and as the 'alternative' party in rural areas (in the 1967 Lower House elections, it won 75 seats, or half the LDP quota in rural and semi-rural constituencies)\(^1\), its object has been to increase its support amongst the farmers.

(f) Other Farmers' Organisations

Allied to the JSP and DSP are the farmers' union organisations Zennichinō and Zenmō which marshal their own followers in Tokyo for rice price demand conventions. Zennichinō is represented on the RPAC. Both the JSP and JCP in the 1960s tried to exert increasing power on the demand activities of Zennichinō at the RPAC conference table. The rice price

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\(^1\) This figure was obtained from election data reported in Asahi Nenkan, 1969, op. cit., pp.266-270, in combination with a constituency classification formulated by Okino, op. cit., pp.18-19.
demands of the farmers' unions are usually so unrealistic that they serve the useful purpose of making those of Nokyo appear quite moderate in comparison. The political objective behind the inflated farmers' union demands is to make the actual increases granted by the LDP appear hopelessly inadequate and thus raise the general level of discontent amongst the party's farmer supporters. Zennichinō's more exaggerated claims and strategies are reflected in the emotive and extreme nature of the terminology and tactics it uses in presenting its demands to government. In the farmers' union scheme of things, the rice price campaign is a 'rice price battle' beika töso, and the campaign to achieve their demands is described in optimistic terms as a 'national uprising'. Their mass activities tend to be more unruly and undisciplined than those hosted by Nokyo. The rice price 'battles' of the 1960s did, however, have the effect of providing a focus for action and organisation for the newly amalgamated Zennichinō, particularly in the strong rice producing areas of Hokuriku and Northern Japan. In consequence, the farmers' unions were galvanised into a more cohesive force at the national level for the first time since days of the land reform.

The Establishment-oriented National Chamber of Agriculture has representatives on the RPAC and liaises with Zenchū in the formulation of producer rice price demands. The Nokyo 'demand' price is often presented jointly with the National Chamber of Agriculture demand. With a strongly developed administrative base, however, the agricultural committee system is not in a position to mount a serious policy challenge to government. It more readily and rapidly falls into line with the MAF position on any issue, and this, on occasions, has been the cause of differences of opinion with Nokyo.
(g) **Consumer and Labour Groups**

These exercise a legitimate voice in government advisory councils, such as those on price stability, the financial system and the RPAC. Labour organisations such as Sōhyō and Zenrō, allied as they are to socialist parties and to socialist party agricultural policies, concur with the general policy of government in subsidising the difference between high producer rice prices and low consumer rice prices. Consumer organisations such as Shufuren on the other hand, without specific electoral objectives and the need to cultivate the farm vote have consistently spoken out against the government's policy of artificially inflating the price of a staple food item as a special concession to a minority sector. Consumers also foot the bill for rice control through their contributions to the national budget. They are, therefore, doubly penalised by FC. Although the consumer voice is represented on the RPAC, it does not have the political clout to act as a countervailing influence to producer interests. Part of this is attributable to its lack of organisational cohesion compared to the farm sector.

(h) **The Economic World**

Big business leaders and their several organisations, the Federation of Economic Organisations (Keidanren) and the Japan Committee for Economic Development (Keizai Dōyukai) although proponents of fiscal efficiency and economic rationality generally adopted an attitude of passive acquiescence towards the government's rice price support scheme. Marxist writers have described their tolerance towards FC as the conscience money of Japanese capitalism to the farmers\(^1\) and the price that had to be paid for a policy.

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of expanding productivity in the industrial and commercial sectors at a rapid rate. The dramatic rises in wage levels during the 'income doubling' decade of the 1960s allowed scope for sizable increases in the domestic expenditure of urban workers on rice. In other words, industry could tolerate wage levels which enabled workers to pay high prices for food. Another factor in the reasoning of Japan's business leaders was political. Although there was a clear and logical clash of economic interest between industry and agriculture over the prices of farm commodities, big business representatives had the political acumen to realise that the farmers were the base of LDP power, and the conservative party was looked on as the factor which provided them with the stability necessary for economic growth.

During the period under discussion, however, industrial spokesmen became actively involved in the debate on FC and in government advisory councils reviewing the fiscal situation. They expressed much stronger opposition to high producer rice prices than ever before.

(i) The Mass Communications Media

Consistent and vocal opposition to high producer rice prices by editors and news writers in the press was an established feature of the public discussion of rice issues during the 1960s. The mass communications world almost unanimously supported revision of the FC system from the first moves towards reform in the mid-1950s. These views were also expressed by media journalists who were an established category of participant in the RPAC.
(j) Government Financial Agencies

The Ministry of Finance and the Economic Planning Agency (EPA), both directly involved in the rice price-setting process, saw themselves as guardians of the nation's financial health. The customary stance of the MOF in negotiations on the producer rice price was to advocate little or no increase at all. It repeatedly called for drastic reform measures and even abolition of the FC system. The FCSA which financed the rice price became an increasing headache for the MOF Budget Bureau during the 1960s. By 1967, the size of the transfer payments from the General Account budget and the need for supplementary budgets to be passed every year to cover the FCSA deficit, was providing what the MOF saw as sufficient grounds for a radical change in the system.

The EPA's primary interest on the other hand was in general economic issues such as price and wage stability. It was particularly concerned with the de-stabilising effects on the economy of large producer rice increases.

Pressures for Reform

The year 1967 has been described as a period in which Japanese agriculture reached a turning point: 'Japan stood on the verge of the largest rice harvest in history and in a situation of financial inflexibility. Vigorous discussions were exchanged on all sides concerning reform of the FC system. The repercussions of producer rice price increases were felt in terms of an increased deficit in the FCSA, which in turn led to higher consumer rice prices which in turn affected prices in general'.

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The following analysis seeks to identify the major participants and arguments presented at this most critical juncture in postwar agricultural policy.

In the light of the financial and budgetary implications of the massive rice control deficit in the FCSA, it is not surprising that the first calls for reform of the FC system came from government financial agencies. As early as 1966, a report from an EPA advisory committee recommended that the government restrain both producer and consumer rice prices. Financial and business leaders reasoned that continuing producer rice price increases would inevitably push up the consumer rice price. This added to general inflationary pressures and provided additional ammunition for workers' demands in the annual spring wage offensive. The consumer rice price was in fact increased for three consecutive years beginning in 1965. The largest rise of 14.4 per cent was incorporated into the 1968 budget to take effect from the following October.

In September 1967, a newly created Council for Promoting Stable Prices (Kakaku Antei Suishin Kaigi) – an advisory organ to the Prime Minister – set up a Special Committee on the Rice Price Problem. One of its recommendations was that the 'outline' of both the producer and consumer rice prices should be decided during the annual budget negotiation period in December-January. Its report, however, was limited in its content by the confrontation between producer and women's groups in the Council.

In addition to the opinions expressed in the Council, it was reported at the time that owing to the financial burden imposed on the national budget by the FCSA allocation, discussions increasingly began to centre on the concept of a 'Budget Rice Price' (Yosan Beika) as a means of solving
the problem.\(^1\) This policy proposed that any increases in either the producer or consumer rice prices would have to be made during the budget formulation period and incorporated into the budget at that time. The Budget Rice Price would be accompanied by the introduction of a 'slide system' whereby any further increases in the producer rice price during the annual rice price season in June-July would be transferred to an equivalent increase in the consumer rice price.\(^2\)

The Economic Advisory Council (Keizai Shingikai) attached to the Prime Minister's Department also concerned itself with the rice price problem as a function of its inquiry into current problems of fiscal management. Rice was one of a series of basic prices or public charges (like postal rates, national railway fares etc.) which could be administratively manipulated as part of price stabilisation policies. Although the argument contained over-simplified notions of economic causality, it postulated that any rise in the retail price of a main consumer item like rice would have an inflationary effect on prices in general. Moreover, it was anticipated that further steep increases in the consumer rice price were a natural follow-on from higher producer rice prices if a massive rise in the FCSA allocation were to be avoided. As a result, in December 1967, the Economic Advisory Council presented to the Prime Minister proposals for sweeping reforms of the financial system centring on FC. At this very time, the Diet was passing a supplementary budget allocating an extra 118 billion yen to cover the deficit in the FCSA for the 1967 year.

\(^1\) Ibid., p.398.
\(^2\) Ibid.
In the same month, the government decided to adopt as its fundamental method of budget formulation for the 1968 year, the 'Principle of a Comprehensive Budget' or CBP (その先上目), which was a slight adaptation in title of the concept of a budget rice price. The latter had the advantage of not specifying its target for restraint. The notion of a 'comprehensive budget' was designed specifically to obviate the need for a supplementary budget to be passed later in the year. This principle aimed directly at containing the producer rice price, for it was out of the supplementary budget that producer rice price increases (not allocated in the original budget) were financed. It was argued that in 1968, a supplementary budget would not be compiled to cover the FC deficit. If the producer rice price were raised, then according to the CBP, whatever financial deficit was created would have to be covered by a rise in the consumer rice price. Because it was anticipated that considerable pressures would exist for the prevention of an increase in the consumer rice price for the fourth year in succession as part of a general policy of holding down prices, it was hoped that this would indirectly put a brake on an increase in the producer rice price.

Although termed the Comprehensive Budget Principle, the MOF's budget rice price policy aimed at a reduction in the FC deficit by means of a partial depoliticisation of the producer rice price. If there were no prospect of a supplementary budget, the decision on the amount to be allocated to the FCSA from the General Account had to incorporate projected producer and consumer rice price increases. These decisions were, therefore, implicit in the budget and had to be made during the government's negotiations on its budget draft. At this time, the General Account allocation to cover the FCSA deficit would be competing against all other MAF budget demands. In fact, the CBP was used in 1968 as a pretext for setting the FCSA at 1967 levels with the prospect of no supplementary
budget to be passed later in the year to cover any increase in the FCSA deficit caused by higher producer rice prices. This is shown in detail in Table 5.3.

Table 5.3
A COMPARISON OF FOOD CONTROL BUDGET ALLOCATIONS IN 1967 AND 1968

<table>
<thead>
<tr>
<th></th>
<th>1967</th>
<th>1968</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Budget</td>
<td>128.7 billion</td>
<td>Comprehensive Budget</td>
</tr>
<tr>
<td>Supplementary Budget</td>
<td>118.0 billion</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>246.7 billion</strong></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Note: *This was not in fact the total FCSA allocation in 1968. It was subject to an additional allocation of 37 billion yen from a supplementary budget passed later in the year.


This policy allowed for the event of later adjustments to the producer rice price as a result of the usual political negotiations, but it would be constrained by the 'slide system' which linked the producer to the consumer rice price. In other words, if the producer rice price were raised during the customary June-July period, then the burden of the increase would have to be borne by a rise of equal proportions in the consumer rice price. The logic of the slide system required that producer rice price increases be held to a minimum if only to keep a tight rein on the consumer rice price.

Linking the consumer price to the producer rice price was unprecedented in the history of the FC system. Both prices had been decided separately and according to independent sets of criteria.
Opposition to the introduction of the slide system and the insertion of the rice price into the budget was jointly displayed by both Nokyo and the MAF in December 1967 during the negotiations on the MOF's draft budget which incorporated these two new principles. Nokyo also participated in a 'National Liaison Council to Protect the FC System' sponsored by consumer organisations, which made submissions to both the MAF and MOF opposing the slide system and the incorporation of the rice price into the budget.

The Reconstitution of the RPAC

The next major break with precedent was selection by the Minister of Agriculture and Forestry, Kuraishi Tadao, of 22 members to the RPAC in January 1968, from which Diet members, producer and consumer representatives were excluded. The only important categories of membership left were academics and journalists. For this reason it was called 'The Learned and Neutral Members' (Gakushiki Chūritsu Iin) Council.

Nokyo opened the rejectionist campaign by maintaining that the exclusion of representatives of producers and consumers who had the most vital and material interest in the deliberations on the rice price was a denial of democratic politics. A Conference of Central and Prefectural Nokyo Rice Policy Headquarters' Chairmen passed a resolution proposing an alternative: that the rice price should be decided in the Diet (thus allowing scope for the injection of ample political pressure into the decision). In February, Zenchū spokesmen made representations to the

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1 The exclusion of Diet members from the RPAC was part of a general policy of removing Parliamentarians from all advisory councils, and was not confined to the RPAC.

2 'Nōgyō-Nokyo Kankei Shūyō Nisshi' (Diary of Main Events Relating to Agriculture and Nokyo), Nōgyō Kyōdo Kumi'ai, March, 1968, p.156.
Lower House Agriculture, Forestry and Fisheries Committee, the Budget Committee, and the Diet Management Committee on this proposal.

Other farmers' groups (Zennōsōren, Zennichinō and Zennō), consumer groups (Shufuren and the Liaison Council to Protect the FC System), Sōhyō, and political parties (the Kōmeitō, JSP and DSP), each expressed opposition to the government's policy. There was strong support within the JSP and LDP for the Diet rice price decision idea and for a delay in the opening of the newly constituted RPAC. Kuraishi's reply in the Diet centred on the inability of the RPAC with its four-part composition of producer and consumer representatives, Diet members, and men of learning and experience, to reach agreed recommendations for the previous two years. He argued that some sort of agreement in the Council was now imperative in the light of strong demands for reform of FC emanating from the financial world.

Although the LDP leadership remained firm on the issue of RPAC membership, in a partial concession to producer interests, it decided to set up a Rice Price Round Table Conference within the MAF and also a Rice Price Investigation Committee (Beika Chōsakai) within the LDP. The latter's specific function was to give sufficient hearing to producer demands in the light of their exclusion from the RPAC. The Party also promised Nokyo that it would produce a 'political rice price'. Having settled the issue in this fashion and after receipt of Nokyo's rice price demands by the LDP Committee in May, the RPAC was finally given the go-ahead to meet - five months after its members were appointed.

The effect of the exclusion of Diet members from the RPAC was much more drastic for opposition party JSP participation in rice price proceedings than for the LDP whose members were given scope for participation in government party policy-making machinery. The JSP was now
denied any opportunity of formally exercising influence in rice price decision-making, and the LDP gained a monopoly position.

The 1968 General Election Campaign

At the end of May, LDP Secretary-General Fukuda Takeo announced that a settlement of the producer rice price would not be made until after the election in early July. This allowed the government maximum political flexibility in its decision and avoided any potentially unfavourable electoral repercussions from an unpopular decision.

In order to put before the government a demonstration of its mass voting power before polling day, Nokyo set its rice price campaign in motion. The Nokyo Rice Price Policy Central Headquarters opened a Combined Conference of Central Union and Prefectural Nokyo Rice Policy Headquarters' Chairmen, and set its demand price for 150 kilos at 23,210 yen. This was an increase of 18.9 per cent over the previous year. Two days later, the Nokyo Rice Policy Central Headquarters as campaign leader amassed 14,000 Nokyo representatives from all over the country in a 'Convention of National Nokyo Representatives to Achieve the Demanded Rice Price'. This meeting resolved on a 'Proclamation of Demands' including the Nokyo demand price, the establishment of a food self-sufficiency policy, the maintenance of FC, and opposition to the new RPAC. The Zenchū leadership emphasised the fact that the 1968 rice price campaign would be extraordinarily tough because of the changes already made to established procedures of deciding the rice price, and because of the prevailing 'mood' within government to hold down the demand price in the light of the deterioration in the financial apparatus of FC.

With strategic timing four days before the elections on July 7, Fukuda announced that 'although there was a need for reform, there would
be no change in the 'fundamentals of the FC system'. His statement was designed to reassure farmers about to go to the polls, that there were no anticipated reforms radical enough to require changes in the FC Law. It deliberately ignored the report of the MOF Advisory Council on Finance (Zaisei Shingikai) presented as early as April, which suggested that there was a need for fundamental reform of the FC system. The Council had called for the presentation of materials from the MOF on ways to reform FC in the light of the four months surplus of 'old' rice in warehouses. It also warned that if the 'reverse margin' (gyakuzaya) between the government's buying and selling prices continued to grow, the financial burden would be substantially aggravated.

Prime Minister Satō on an election tour of rural areas endorsed Fukuda's statement with similar reassurances that it was still too premature to discuss reorganisation of the FC system, and that the LDP's record on the matter could be gauged from increases granted in the producer rice price in previous years. The government party in other words, could be relied upon not to let its traditional supporters down. Both sets of statements were patent vote-catching gestures and typified the contrast between the LDP leadership bending to the dictates of electioneering and the more rational, balanced determination to move towards reform which it showed at other times.

1 'Nōgyō · Nōkyō Kankei Shuyō Nisshi', Nōgyō Kyōdo Kumiai, September 1968, p.156.
First Steps in the Deployment of a Comprehensive Agricultural Policy (CAP)

The Minister of Agriculture and Forestry, Nishimura Naomi, delayed his policy initiative until after the elections. In a special ministerial conference of executive-level bureaucrats within the MAF, he launched a set of proposals for the structural reform of agriculture involving the deployment of a comprehensive or 'integrated' agricultural policy (sōgō nōsei). This was the MAF answer to the delicate political issue of the rice surplus and the FC deficit. It sought to attach these problems indirectly through changes in the structure of production rather than through fiscal measures.

The essence of Nishimura's suggestions were crop diversification and FC reform. He admitted that hitherto, agricultural policies had been too much inclined towards rice, and that rice production henceforth should strive for quality improvement rather than increased production. He recognised the need for a fundamental reorientation in policy thinking away from a singular emphasis on rice production, and towards a broader or more 'comprehensive' view of agriculture, giving due emphasis to the growth sectors of farming such as livestock, vegetable and fruit products. As far as rice control was concerned, he anticipated a continuation of surplus conditions. This, in his opinion, justified an investigation into possible reforms in the FC system, although he recommended moving with caution.¹

On receipt of these suggestions, the MAF set up an intra-Ministerial Agricultural Policy Promotion Council (Nōsei Suishin Kaigi), which made the Permanent Vice-Minister its Chairman and began its investigations into a CAP in mid-August.

Nishimura's announcement in July 1968 proposed a major new direction in official government thinking on agriculture. It defined in concrete commodity terms what had been anticipated in the selective expansion and reduction clauses in the 1961 Law: it specified rice as a product for de-emphasis and nominated those commodities for increased production assistance. The CAP was also an unofficial acknowledgement of the failure of the Agricultural Basic Law successfully to achieve its objectives in relation to alterations in the structure of production, the out-migration of farmers and an expansion in the overall scale of farm production. It also revealed the practical contradiction of using producer rice price increases as the basis of a farm incomes policy while encouraging crop diversification on the other.

Nishimura subsequently submitted his proposals to the Agricultural Policy Advisory Council (Nōsei Shingikai) whose function it was to inquire into all major changes in agricultural policy.

The MAF approach to solving the FC problem was followed almost immediately by proposals from the Minister of Finance, Mizuta Mikio, for a 'Free Rice Plan' (Jiyūmai Kōsō) as the first step in a change-over to the indirect control of rice. His concept of the liberalisation of rice marketing involved a series of measures which the MAF had been considering relating to less controlled buying of rice by consumers. This was the first occasion on which the MOF had formally clarified the concrete direction of reforms of the FC system.

The 1968 Rice Price Campaign

The 1968 rice price campaign was launched as soon as the general election was over. It proved to be one of the most tumultuous and protracted ever held. Nokyo began its campaign with a National Assembly of
2,300 Representatives to Achieve the Demand Rice Price' sponsored by the Nokyo Rice Policy Central Headquarters. Miyawaki Asao, Chairman of Zenchū, warned Nokyo members that in view of the mood favourable to holding down the rice price, the full power of the farmers would have to be mobilised. The next move was the transportation by truck of a petition containing 4.7 million farmers' signatures in support of Nokyo's demands to the MAF, MOF and the Prime Minister's Office. After the convention, groups of Nokyo representatives dispersed to seven different locations: the Prime Minister's Office, the MAF, MOF, and LDP, JSP, DSP and Komeito headquarters. In addition, those in attendance at the convention made calls on their local Diet members.

On the same day, Zennichinō sponsored its own 'Convention for the General Uprising of the Nation's Farmers to Achieve Rice Price Demands' which amassed 10,000 farmers' union members. Prime Minister Sato's residence in Setagaya Ward in Tokyo was visited by 500 of those in attendance, and demands were presented for a producer rice price of 28,500 yen, a 46 per cent increase over the previous year. Placards were waved expressing opposition to the neutral RPAC and to proposals to shift to indirect controls on rice. Three thousand Zennichinō marchers gatecrashed the MAF and 1,500 invaded the MOF, crowding into the corridors demanding to see the Ministers in question. One thousand five hundred farmers demonstrated outside LDP headquarters. Zennichinō members then linked up with Sōkyō and consumer group representatives opposing a rise in the consumer rice price. Approximately 15,000 attended a convention to 'Destroy the Comprehensive Budget Principle, Maintain the FC System, and Launch a Mass Uprising of Labour and Agriculture'.

At the same time, pro-producer LDP rural back benchers organised an informal intra-party pressure group, the Rice Price Policy Conference
(Beika Taisaku Kyōgikai), which outnumbered the official LDP Rice Price Investigation Committee (Beika Chōsakai) by more than three to one. The latter with only 50 or so members could not accommodate the number of Dietmen who were willing to show their support for the farm groups' demands. Although there was considerable overlap in membership, investigations by the informal LDP Rice Price Conference paralleled those being conducted by the official Investigation Committee which had begun calling on interested parties including producer and consumer representatives and ministerial officials to testify from June onwards. One of the official tasks of the Beika Chōsakai was to decide on the formula for party calculations of the producer rice price. The Rice Price Conference or 'rice Vietcong' on the other hand, called on Nishimura to explain his Ministry's attitude towards reforming the FC system at its second meeting in mid-July. Nishimura replied that the FC Law would not be amended, but that changes would be instituted in the rice distribution system under FC.

While these intra-LDP investigations were taking place, the Lower House Agriculture, Forestry and Fisheries Committee also discussed the rice price issue.

Shortly before the scheduled opening of the first RPAC deliberations at the end of July, the financial and business world expressed its views on FC and the producer rice price through a declaration from the Japan Committee for Economic Development (Keizai Dōyūkai). It acknowledged the significance of the 1968 rice price decision as a political problem involving reform of the FC system and deployment of a comprehensive agricultural policy. It recognised that the method of resolution of the rice problem

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would have an important influence on the future economic and social development of the country, and for this reason, it was time for economic groups to put forward positive proposals on the rice price problem.\(^1\)

The declaration recommended that the producer rice price decision should reflect the situation of supply and demand, the financial situation and the national economic situation. On these grounds, it advocated strict control of producer rice price increases. The Committee also recommended linking the consumer rice price to the producer rice price, a re-examination of the present FC system, and the promotion of a shift to an indirect system of control. On a more constructive note, it proposed that the necessary financial outlays and government investments be made in order to develop a comprehensive policy which revolved around the promotion of independent manager farmers with a high level of production and which moved away from a posture of dependence on rice price policies.

With yet another Nokyo rice price convention timed for the opening of the RPAC a few days later, the MAF 'preliminary calculated' rice price (shisan beika) became official at 20,105 yen per 150 kilos which represented a modest 2.9 per cent increase over the previous year. This was the lowest percentage increase recommended by the MAF for a decade and was generally a response to pressures for the introduction of fiscal restraint into the price-setting process. The MAF also clearly anticipated a favourable reception for a conservative increase from a 'neutral' RPAC. A new element introduced by the Ministry was its argument that the rice price should reflect the situation of over-supply. In recognition of this, the MAF altered its standard of calculating the producer rice price.

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\(^1\) The Keizai Dōyūkai had in fact been periodically presenting formal proposals on the state of agriculture since 1955, when it first recommended a change-over to indirect controls on rice.
price. Although decided by the 'Production Cost and Income Compensation Formula' employed since 1961 (this arrived at a producer rice price by adding together such expenses as land, production material and wage costs in rice production), it replaced the 'marginal' farmer with a low production level and high production costs as its standard of reference, with the 'average' farmer. By changing the selection of key input variables, the MAF was thus able to lower the production costs that had to be taken into account in its calculations. This had the function of depressing the standard producer rice price by 377 yen per 150 kilos. The MAF argued that it had given due deference in the past to the farmer with a low productive output, and its viewpoint received the support of the RPAC.

The MAF submission to the RPAC was followed immediately by the official presentation of the LDP recommended price from the Sub-Committee of the LDP's Rice Price Investigation Committee. This stood at 21,102 yen, almost 1,000 yen above the MAF price, and an 8.1 per cent increase over the 1967 price.

The RPAC in line with the principle of a comprehensive budget, deliberated on both the producer and consumer rice prices and issued a report which endorsed the MAF submission. It recommended that the two rice prices be linked as interrelated aspects of the same decision; that in setting the consumer rice price, there was a need to reduce as much as possible the reverse margin in the government's buying price for rice (the difference between the cost of the producer rice price to government and the price at which it sold rice to wholesalers); and that due consideration be given to the demand-supply situation for rice in the government decision on the producer rice price, and to the influence of the latter on consumer prices and on the financial situation in general.
At the same time as he submitted the report of the RPAC to the government at the end of July 1968, the Chairman of the RPAC made a number of proposals aimed at reforming the FC system. He recommended that the government should establish appropriate levels of rice production which took into account the commitment to a CAP and the outlook in the demand and supply of rice; that it should make the necessary amendments to the FC law to enable the introduction of the market mechanism into the rice trading system; and that it should examine its policies of distribution control and the purchase of the total rice crop for marketing as was currently operating under the rice control system.

After the RPAC's submission of its report, it took almost 20 days of negotiation between the government (represented by the Minister of Finance and the Minister of Agriculture and Forestry) and the LDP to finalise the producer rice price. In the political negotiations between these two groups, the government maintained that it would raise the producer rice price by a maximum of five per cent and the consumer rice price by a maximum of eight per cent, thus upholding the principle of an interrelated budget. There was strong opposition within the LDP, however, to the concept of 'holding down' the producer rice price advocated even by the MAF. It was argued that the new method of calculating the rice price would destroy the small rice farmer. Internal party dissension reached the exceptional situation where the LDP Executive Council rejected the compromise plan decided on between the government and the LDP leadership. The latter put a freeze on further discussions and decided to delay its final decision until after the close of a Diet extraordinary session scheduled for early August. Nokyo re-opened its rice price campaign, the LDP readjusted its offer and finally decided in Cabinet on a 5.9 per cent increase, or 20,672 yen per
150 kilos. This represented 0.9 of a per cent more than the government's upper limit set during the negotiations and made the 'political addition' for 1968,567 yen. The final price was, however, still below the 21,102 yen demanded by the LDP's Rice Price Investigation Committee. The government also warned that it would apply the new standard of calculation for the producer rice price from 1969 onwards.

As additional compensation for the 'low' rice price increase, it was decided in Cabinet to make a further financial outlay of 60 billion yen to farmers in the form of delivery adjustment fees, and to make a payment of 120 billion yen from the Agriculture, Forestry and Fisheries Finance Corporation as capital investment for long-term government food storage construction (i.e. warehouse policy fees). Neither of these government allocations came under the FCSA, thus helping in a limited fashion to relieve the financial pressure on this Account. The additional subsidies to farmers, however, merely shifted the budget load from one category to another. Their primary value was political: they reduced the political liability of the FCSA.

Three weeks later the RPAC began its deliberations on the consumer rice price in line with the principle of interrelated rice price management. The Cabinet subsequently endorsed the MAF recommended price increase of eight per cent, thus instituting the concept of the slide system. This provoked criticisms from the RPAC that the Government was passing the 'political addition' in the producer rice price on to the consumer.

Finalisation of a Comprehensive Agricultural Policy

Dissension within the LDP was so rife after the 1968 producer rice price negotiations that a Comprehensive Agricultural Policy Investigation Committee (Sōgō Nōsei Chōsakai) was set up within the PARC under the
leadership of Ōhira Masayoshi. Its aim was to formulate a constructive party attitude towards the impending changes in agricultural and FC policy.

Within the MAF, discussions continued under the auspices of the internal ministerial Agricultural Policy Promotion Council (Nösei Suishin Kaigi) which deliberated for more than three months from August onwards. Both groups were under pressure to translate the general provisions of the CAP into quantifiable ministerial requests for subsidies to be incorporated into the 1969 MAF draft budget. The Minister of Finance also declared his intention to confer with the MAF to determine the exact nature of prospective reforms to FC prior to the compilation of the 1969 budget. The prospect of budget negotiations on the horizon made constructive initiatives for FC reform imperative.

In the light of these pressures for reform, some minor changes were made in the rice distribution system in September de-controlling certain aspects of the trader-consumer relationship (for which the government was subsequently rebuked by the RPAC for not moving far or fast enough). Protests were held throughout the autumn by a number of groups: the consumer-based Liaison Council to Protect the FC system sponsored a demonstration of 3,000 consumer representatives; the Nokyo Rice Price Policy Central Headquarters held conferences of regional chiefs concerning the maintenance of the FC system; Zennōsōren set up a 'Committee to Fight Against the Deterioration of the FC System'; and the JSP passed a resolution at its annual conference which called for a 'check to the deterioration of FC'.

The impetus for further reforms came once again from the so-called 'financial authorities'. In October, the Advisory Council on Finance
attached to the MOF, began drafting the essentials of a plan for reforming the FC system, and in the same month, the Director-General of the EPA, Miyazawa Toshio, presented his 'New Miyazawa Plan for a Three Year Rice Price Freeze' to the LDP's Basic Policy Round Table Conference. This plan set out his fundamental ideas on the economy and financial situation for the 1969 budget. In it, he made a number of suggestions regarding FC reform. He recommended that there should be a three year producer rice price freeze and a freeze on the 1969 consumer rice price. He also proposed that a certain proportion of the rice bought by government should be placed under free distribution from the 1969 season onwards, and that the system as a whole should shift from one of direct control of rice to one of price support.

Nokyo set in motion its own discussion and consultation procedures in parallel to the processes of deliberation taking place within government and the LDP. It formed an 'Agricultural Policy Committee' (Nōgyō Taisaku Iinkai), and conferences of National and Prefectural Central Union Chairmen were held in order to decide on the agricultural cooperative attitude to prospective changes in the FC system and on demands to be presented to government. The Zenōhū Board of Directors then received the report of its Agricultural Policy Committee (its Chairman was Mihashi Makoto, National Nokyo Purchasing Federation Chairman). The Report demanded that the government increase the total amount of rice it bought from the farmers, and strongly opposed the idea of a limit on the government's rice buying. It argued that even if a small proportion of rice were shifted to a system of free trading, it would destroy the fundamentals of FC. The report did, however, recognise the existing rice over-supply situation, and for this reason supported a policy of controlling rice production, but only if the government subsidised rice farmers
with production conversion incentive payments which raised their income to the same level as if they had been producing rice. The attitude of the Nokyo Policy Committee towards rice production control was therefore, basically favourable.

The day after this report was presented to Zenohū, however, strong dissent was expressed with its conclusions by certain Nokyo leaders attending the Prefectural Central Unions' Chairmen's Conference, especially those from Hokkaidō, Tōhoku, Hokuriku and Kyūshū, Japan's most important rice producing regions. They argued that the rice surplus situation was the government's fault, and they rebuked those who had expressed opinions in the report favourable to production control. They suggested that only after the government had shown a concrete plan for a comprehensive agricultural policy, should Nokyo decide its attitude towards such changes.

The report that reflected the thinking of government financial authorities on alterations to FC came from the MOF Advisory Council on Finance at the end of November. It proposed a number of steps the government should take in order to shift from a system of direct to indirect control of rice. These included lowering the producer rice price by 20 per cent; providing subsidies for crop conversion and fallow areas in order to step up the conversion of rice to other crops; making the amount of rice bought by government negotiable between the government and agricultural groups and limited to a specific amount; and releasing the consumer rice price from price control ordinances, with the government deciding only the price at which rice was to be sold to wholesalers and not the retail price which should be determined by the free market.
The MAF's Agricultural Policy Promotion Council produced the result of its investigations at the same time as the Advisory Council on Finance. These mapped out the long-term outlook for production and supply of agricultural products taking rice production conversion as a prerequisite. The Minister submitted the Council's report to the LDP's Agriculture and Forestry Division, and to the Agricultural Policy Advisory Council in the form of an inquiry. The latter concluded that it considered the government's proposals as an appropriate policy. The long-term outlook that emerged from the MAF's Promotion Council was described as the 'compass needle' for future comprehensive agricultural policies. The Advisory Council warned that if the government did not push for a policy of production conversion and controlling the development of new paddy fields, rice production levels would reach a level of 14.25 million tonnes in an average production year, which was 1.8 million tonnes in excess of demand. The need was obvious to switch to the planting of other crops, including the conversion of farm land to residential and factory uses, so that in the space of 10 years, the total land area given over to paddy fields could be reduced by 400,000 hectares.

The next major policy development which emerged was the presentation of the MAF's 'Rice Conversion Plan' at the end of November. This anticipated a conversion of 50,000 hectares of paddy to other crops between 1969 and 1971, with a target of 10,000 hectares for 1969, in addition to a strengthening of assistance to horticultural, fruit and livestock farming. This would take the form of a series of 'Structural Improvement Works' as the appropriate budgetary title. The plan proposed the payment of 17,000 - 18,000 yen per 0.1 hectare as a machinery and equipment subsidy for conversion to other crops, and over three years, the sum of 20,000 yen per

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1 Asahi Nenkan, 1969, op. cit., p.402.
0.1 hectare (for a total of 60,000 yen) as a conversion incentive payment for paddies allowed to lie fallow or cultivated with other crops. These amounted to the concrete MAF's terms which Nokyo had been waiting for. Clearly, incentive payments were to be the means for bringing farmers into line with MAF long-term production plans. The Ministry's 'Rice Production Conversion Plan' and its estimate for subsidies went to the LDP's PARC Comprehensive Agricultural Policy Investigation Committee for the approval of its members. This body had been simultaneously producing its own report on a CAP. Explanations of the MAF proposals were also made by officials to the LDP's Agriculture and Forestry Division. The party subsequently gave the nod to the MAF plan and it was incorporated as a ministerial request in the 1969 MAF draft budget.

The response from Nokyo to these policy presentations from different sections of government was a burst of activity. The MAF had consulted with Nokyo prior to the presentation of its proposals but these were not entirely to Nokyo's satisfaction, and so it staged various forms of protest. Zenchū objected to the fact that the proposals emanating from the Advisory Council on Finance were drafted solely from the point of view of financial policy and advocated FC reform for the sole purpose of improving fiscal management. It maintained that the effects on producers and consumers were largely ignored.

The Minister of Agriculture and Forestry, Hasegawa Shirō, announced at a press conference at the end of November that as the whole basis of FC was crumbling, there was unanimous agreement amongst government and LDP leaders at the conference on the formulation of the 1969 budget, that they should proceed towards a long-term reform policy of the FC system.
Nokyo responded to this united government front with a series of mass activities in December. The Nokyo Rice Policy Central Headquarters held a national convention of Nokyo representatives in Tokyo for 'Maintaining the FC System and Establishing a Basic Agricultural Policy' followed a week later by a 'Convention for A Mass Uprising of One Million Strong to Prevent the Destruction of the FC System'. This was capped by an emergency conference of national and prefectural Nokyo central union chairmen which decided to respond to the government's initiative by threatening to oppose to the utmost any attempt to introduce a free rice trading system, and any enforced conversion of rice planting. A convention of 10,000 national Nokyo representatives was held 'To Maintain the FC System' and to 'Stage an Uprising to Preserve the MAF Budget'. The Nokyo argument was substantially weakened, however, by the announcement that 1968 had produced yet another bumper crop of 14.4 million tonnes of rice. By November 1968, the government was holding the largest amount of old rice in history, including 'old, old' rice which had become unsuitable for eating because it had been in storage for more than two rainy seasons. The rice in storage now exceeded 2.65 million tonnes which was the equivalent of five months supply. In spite of the continuous rises in the consumer rice price for the previous four years, government expenditure on the producer rice price and increases in the latter had created a financial burden in the FCSA of 300.1 billion yen at the time of the 1969 budget formulation. This figure anticipated no subsequent increases in either the producer or consumer rice prices in 1969.
The Institution of an Independent Rice Trading System

By the end of 1968, the economic constraints on policy relating to rice control had considerably tightened. Reform now appeared imperative to a government faced with a massive rice surplus and the actuality of yet another sizable increase in the FCSA deficit. Intensive discussions took place in the first half of 1969 on the organisation of an independent or autonomous trading system (じしくゆつうせい) for a certain proportion of the rice for distribution - a proposal that first appeared in the Miyazawa 'Free Rice Plan'. These changes were already formally anticipated in the 1969 budget.

With FC reform clearly in the system, Nokyo prepared its own response. 町中央 held a meeting of its Rice Policy Central and Prefectural Headquarters' Chairmen in which agreement was reached on the agricultural cooperative attitude to the establishment of an autonomous trading system in rice. The view which had majority support was that changes were inevitable, that the inauguration of an independent trading system was unavoidable, and that the task facing Nokyo was to exert as much influence as possible on the government and the LDP, to ensure that the new system would not operate to the disadvantage of Nokyo and its member-farmers. The course of action recommended by the meeting was a rapid consolidation of the cooperatives' organisational defences to enable Nokyo to take the initiative and dominate the autonomous distribution system as thoroughly as it monopolised government controlled rice.

1 This has been variously translated as rice for 'independent', 'autonomous', 'voluntary' or 'free' distribution.
The Nokyo leadership agreed to continue its overall opposition to the concept of an independent rice trading system, but there was a subtle reorientation in its position away from unconditional opposition to one of acceptance of the reality of the impending changes. The Nokyo management feared several things. If it persisted in a thoroughgoing rejection of FC reform, it might bring down the FC system altogether. In this eventuality, the government funds which Nokyo gained directly through the operations of rice control might cease entirely. On the other hand, with a voluntary marketing system under Nokyo's management, any potential takeover by independent rice wholesalers could be prevented.

This reasoning produced a subtle change of emphasis in Nokyo's campaign. Its objective shifted to one of extracting as many financial guarantees as possible from government as a condition of agricultural cooperative compliance with the establishment of a free market rice system. The result was a 'battle over terms' (joken tōso).

Continued negotiations on the establishment of an autonomous rice trading system took place between Nokyo and the MAF throughout the first half of 1969. Zenhanren as the Nokyo organisation most materially concerned with rice trading, held extensive talks involving its prefectural economic federation chairmen on how such a system could be operated within Nokyo. Miyawaki, Chairman of Zenchū, subsequently presented a series of demands to the MAF for funds for Nokyo's rice operations under a non-government controlled system. Zenhanren decided to set up a Free Market Rice Office within its organisation and detailed the route for Nokyo's Free Market Rice funds. This constructive planning contrasted with the barrage of criticism of the proposal for a free rice trading system coming from Zenichinō and Zennōsōren, both of which
engaged in various mass demonstrations of opposition to the government's plan.

The day before the announcement in May by the Minister of Agriculture and Forestry, Hasegawa, of a draft amendment to the FC Law setting up the free rice trading system, he made public the membership list of the RPAC for 1969, in which producer and consumer representatives had been reincorporated (but not Diet members). This concession to Nokyo was a deliberate move to soften the blow of the introduction of FC reform.

The establishment of the Independent Rice Trading System (Jishu Ryūtsūmai Seido), or 'rice for distribution which the government does not touch'\(^1\) required an amendment to a Ministerial Ordinance of the FC Law. It simply meant that rice producers could sell a certain proportion of their rice to the cooperatives or other designated collection dealers who could then sell to wholesalers without government intervention and at a price which was freely determined.\(^2\) All that was required for the cooperatives was prior receipt of approval of the amount for sale from the MAF in order that the movement of rice conform to its Plan for Free Traded Rice, and a subsequent report to the MAF on the amount traded. Shortly after the FC Law amendment was passed, Zenhanren announced the essentials of its own plan for handling free market rice.

Figure 5.3 summarises in graphic form the changes in the FC system instituted by these reforms.

Although the government supervised the movement of free traded rice, the independent rice marketing system aimed at exempting it from its legal obligation to buy all that the rice farmers wished to sell, thereby reducing the FC deficit.

The government's success in introducing the new scheme and in obtaining Nokyo's cooperation was much advanced by the particular strategy

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\(^2\) In practice, because the government continued to set the price for most rice sold in Japan (i.e. 'controlled' rice), the price of free market rice tended to be similar to the government-determined price. Personal communication, Ivan Roberts, Bureau of Agricultural Economics, Canberra, 16 May 1979.
### Changes Instituted in the Rice Trading System in 1969

#### Before 1969

<table>
<thead>
<tr>
<th>Producer →</th>
<th>Rice Advanced Booked for Sale</th>
<th>Nokyo → Government → Wholesaler → Retailer</th>
</tr>
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<td>Other Government Designated → Government → Wholesaler → Retailer Collection Dealers</td>
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#### After 1969

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<th>Producer →</th>
<th>Rice Advanced Booked for Sale</th>
<th>Nokyo → Government → Wholesaler → Retailer</th>
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<th>Producer →</th>
<th>Rice for the Free Market</th>
<th>Nokyo → Wholesaler → Retailer</th>
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it employed in winning the cooperative organisation over to its side in
spite of strong initial protests. The Nokyo leadership first took the
view that it was illegal to set up an independent distribution framework
for a certain proportion of the rice available for sale. It argued that
one of the fundamental principles of FC was government purchase of the
total amount of rice for distribution. The MAF's reply to this was an
effective application of the 'carrot and stick' approach. The 'stick'
was the threat that if free rice trading failed, there would be even
stronger arguments for dismantling FC entirely. The 'carrot' was the
opportunity the MAF opened up for the cooperatives to dominate the new
as well as the traditional rice collection market and the proposed
supply by government of a number of subsidies to assist the free trading
system off the ground. These were promised to Nokyo if it participated
in the scheme. According to MAF reasoning, there was no reason why the
cooperative organisation should not make substantial profits out of free
traded rice, side by side with the benefits it received from government
for handling controlled rice. Government protection would still enable
Nokyo to pick up the collection, warehousing and marketing commission on
rice handled outside the FC system. It was the logic and appeal of this
argument that won Nokyo to the government's side.

Certainly the stick that the MAF waved on this occasion was one that
they had used before. As early as 1955 and the first reforms to the FC
system, the most powerful argument which gained the acquiescence of
Nokyo to the institution of the advance sales contract system, was the
threat that 'if the precontractual system fails, then the abolition of
the FC system comes next'.

1 Itō, op. cit., p.152. Ronald P. Dore in his Land Reform in Japan,
London, Oxford University Press, 1966, p.296, also reported that the argu-
ment used by a Food Agency official in 1955 in explaining the   (contd)
Nokyo's final position was to accept the inevitability of some measure of reform to FC, on the grounds that only a revised system could survive budgetary constraints and the anti-FC lobby within government financial and big business circles. The forces pushing for change at this time were overwhelming and left Nokyo little room for manoeuvre. While opposing the general concept of an autonomous rice trading system as antipathetic to the basic principles of FC, it conceded on the details and actualities of its introduction. In order to safeguard its position within the system, Nokyo had no choice but to work within it. The force of this logic also helped to reduce opposition to the government's plans amongst Nokyo's Parliamentary allies in the ruling conservative party. Both groups redirected their efforts to extracting as far as possible terms favourable to the cooperatives for the introduction of the partially liberalised system of rice collection and distribution. As a result, the safeguards and guarantees of assistance to Nokyo built into the new system by the MAF helped to cushion any possible negative effects of the changes on the cooperatives.

Nevertheless, considerable resentment was aroused amongst Nokyo's rank and file to their leadership's acceptance of reform. They argued that Nokyo had a primary duty to act as an agent of protection of farmers, and defend the standard of living of rice producers. The Nokyo executive was accused of doing a 'U' turn: of initially directing its

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(from previous page)
pre-contractual system to farmers was that 'they should do their best to make the system work; if it should fail . . . the chances are that controls will be abolished "and you know what to expect then"'.

1 Ito, op. cit., p.153.
pressure at government and then redirecting it against cooperative members in an effort to persuade them to accept unpopular government proposals.¹

In consequence of FC reform in 1969, Nokyo's method of reporting its profits in the rice trade adapted itself to a new system of categorisation. The marketing commission received on rice was re-classified into commission on government rice and marketing commission on free rice. When added together, the two totals equalled the previous single total; evidence enough that Nokyo did not suffer in this area of profit from the changes.²

The Producer Rice Price Freeze

The 1969 producer rice price freeze was the political climax of the LDP government's attempts to control the steadily worsening problems of the FC deficit and the rice surplus. It also created a shortlived internal crisis within the Nokyo organisation and unprecedented threats from cooperative members to stage an electoral revolt at the polls. The way in which this dispute was resolved has generally been interpreted as indicative of the balance of power between the government and the cooperatives.

Of all the proposals emanating from government financial authorities and advisers as to alternative courses of action on the producer rice

¹ This was reported in ibid.

² In 1969 for example, Nokyo made 13.3 billion yen in marketing commission on rice for government sale. In 1970, Nokyo's marketing commission on rice was made up of 10.9 billion on government sale rice, and 3.0 billion on free marketed rice, which produced a combined total of 14.0 billion yen, an increase and not a fall in its marketing commission. These totals were calculated from figures given in Sōgō Nōkyō Tōkeihyō, 1971, op. cit., p.122.
price, it was the suggestion of a price freeze on rice made by Miyazawa, the Director-General of the EPA in October 1968, which the government chose as a means of containing the producer rice price. The government's approach involved the slow build-up of an impenetrable united front from which it never retreated.

Hasegawa, the Minister of Agriculture and Forestry, announced in the Upper House Agriculture, Forestry and Fisheries Committee as early as December 1968 that the government would not 'lower' the producer rice price the following year. A producer and consumer rice price freeze was also incorporated into the 1969 budget compilation in the same month. Hasegawa's announcement was followed by a speech on government policy delivered by the Prime Minister, Satō, to a plenary session of the Upper and Lower Houses at the end of December 1968. Satō emphasised recent changes in the nation's eating habits, and the need to promote a comprehensive agricultural policy which corresponded to trends in demand. He advocated a policy of moving away from the traditional preponderance of rice cultivation and 'putting a brake on rice price increases'. Deferring increases in both the producer and consumer rice prices, he maintained, would help to restrain price increases in general.

The reaction from Nokyo was immediate. Miyawaki, Chairman of Zenohū, protested to the LDP's Chief Cabinet Secretary that freezing the producer rice price was unlawful in the light of stated objectives of the FC Law. This was backed up by a general announcement from the Nokyo Rice Policy Central Headquarters questioning the propositions advanced in Satō's speech. The latter was, however, reinforced by a statement from the Minister of Finance in April which confirmed that the Ministry's policy was one of deferring rice price increases, and leaving the producer rice price at the 1968 level of 20,672 yen per 150 kilos for
three years in order to reduce the FCSA deficit and improve the demand/supply ratio for rice. He argued that a pricing policy was necessary in addition to rice planting conversion and the establishment of an independent trading system in order to achieve government objectives. These sentiments were echoed in a subsequent statement by the Minister of Agriculture and Forestry to the LDP's Rice Price Policy Council (Beika Taisaku Kyōgikai) that a deferment in producer price increases was inevitable. The informal government pro-rice producers' lobby group had been organised as early as February. The Nokyo rice price campaign for 1969 also got underway with exceptional speed. The Nokyo Rice Policy Central Headquarters held its first meeting in February and this was followed by a conference of Rice Policy Central and Prefectural Headquarters' Chairmen to settle on a plan of activities for the 1969 season. It was later supplemented by a program set up by the National Nokyo Youth Organisations' Council (Zenseikyō).

Zennichinō announced its producer rice price demand at 27,499 yen per 150 kilos, a 33 per cent increase over the previous year. The agricultural cooperative demand price was set at 24,132 yen per 150 kilos (a 16.7 per cent increase) at a Combined Conference of Chairmen of Central and Prefectural Rice Policy Headquarters, organised by the Standing Committee of the Central Headquarters.

The beginning of the RPAC's deliberations on the producer rice price in early June was the signal for the start of mass activities and conventions by Nokyo and Zennichinō. The Minister of Agriculture and Forestry incorporated a 'zero increase' into his submission on the producer rice price to the Council. This was suppressed by changes in MAF producer rice price formulation. The standard used for calculating the production costs of rice was no longer the marginal farmer (genkai
nōka), but the farmer with a level of production at the national average. This had the effect of lowering the production cost variable in the formula. The Ministry's stated justification was the rice surplus situation.

The reconstituted RPAC (no longer the 'neutral' RPAC) composed of producer and consumer representatives and men of scholarship and experience, gave the notion of a deferral in producer rice price increases its majority support. Although there was confrontation in the Council amongst the different sector representatives, the viewpoints of each were successfully incorporated into a single report. A minority recommended an increase, a majority a rice price freeze, and a further minority a lowering of the rice price. The report containing these views was presented to Hasegawa on June 7. The day before this Miyawaki had personally called on Satō and demanded a producer rice price increase.

The government and LDP leadership on receipt of the RPAC report moved towards a formal decision on a zero increase. It only remained for the LDP leadership to bring its rural Diet members into line, but within the party, the informal Rice Price Policy Council was making strong demands for a 2.1 per cent increase and would not be put off. Electoral considerations six months hence appeared to be an important consideration.

At a crucial moment in the party negotiations on June 8 (the day after the RPAC submitted its report), the Nokyo Rice Policy Central Headquarters held a conference of its Central and Prefectural Chairmen and passed a motion making an explicit electoral threat against the government. It said, '(a) confrontation between Nokyo and the LDP in the elections is unavoidable'.¹ This statement was handed to the LDP on

June 9. It represented the ultimate, last-ditch strategy available to the cooperatives in the face of the government's direct attack on the most sacred preserve of FC: the producer rice price. The following day, the sub-committee of the LDP Comprehensive Agricultural Policy Investigation Committee handling the producer rice price issue decided that the producer rice price should be 21,090 yen per 150 kilos: an increase of 1.79 per cent. It took another day of political negotiations between the government and the LDP to produce a final decision. On June 10, Cabinet announced that producer and consumer rice prices would be left at the 1968 level, but subsidies of 22.5 billion yen would be paid to rice farmers as 'Special Policy Works' Expenditure for Rice Planting' for fertiliser, chemicals and other materials.

The sum of 22.5 billion yen was the equivalent in actual terms of a 2.1 per cent producer rice price rise. It required the same amount in budgetary expenditure. The LDP's rice Diet members gave their consent to the government's price freeze only on the condition that the farmers received some other form of compensation for prospective income lost. Their concession on subsidies enabled the government to hold on to its increase deferment policy in formal terms, while conceding on its substance. The end result was a partial shift of the financial burden of rice control from one budget category to another. It was the same course of action which the government had resorted to in 1968 in order to help reduce the political liability of the FCSA deficit. Once again subsidies were used as a political lever: in this case to avert an electoral threat to the party.

Nokyo which had been demanding a 16.7 per cent increase in the producer rice price, expressed strong dissatisfaction with the LDP leadership's decision. Miyawaki as Chairman of Zenchū and the Nokyo
Policy Central Headquarters, however, also opposed the decision of the Conference of Rice Policy Central and Prefectural Headquarters to confront the LDP in the elections. He maintained that 'it violated the cooperative union principle of political neutrality'. He then resigned as Chairman of Zencho in an emergency Zencho Board of Directors' meeting, giving as his reason the fact that he took responsibility for the rice price freeze. There was, however, no one else in the Nokyo organisation who wished to take his place, and in consequence, the entire Zencho Board of Directors resigned. In an attempt to contain the internal disunity within the top level executive structure of the cooperatives, however, it was re-elected in toto two weeks later, and Miyawaki was re-elected Chairman.

Miyawaki's resignation was as much an act of protest at the prospect of an internal revolt within the Nokyo organisation as it was a protest against government policy. He was placed in the unenviable position of being attacked on both sides: he had to accept the government decision on the freeze even though it was monstrously unacceptable to large sections of his membership, and at the same time, to field criticisms from rank and file cooperative members that the central executive leadership had 'sold out' to the powers-that-be. Ultimately, the benefits granted to the cooperatives through rice control were dependent on what concessions could be extracted by farm politicians from the government party leadership with electoral considerations duly taken into account.

Although the prospect of a revolt at the polls by farmers and Nokyo members was taken seriously by certain sections of the LDP, the distance

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1 Ibid.
in time between the June producer rice price decision and the December elections and subsequent LDP concessions on agricultural subsidies was sufficient to heal the rift in government party-Nokyo relations. The most seriously disaffected group within the agricultural cooperative organisation was the Youth Division in Ishikawa. It threatened to withdraw collectively from LDP membership in protest at the government's policy, a move that had serious implications for Betsukawa Yukio, Ishikawa Nokyo Central Union Chairman who had declared his candidacy in the December elections with LDP endorsement. The prefectural Nokyo leadership, however, argued that a withdrawal of support from the government party would only weaken the farmers' and cooperative position on the national political scene, and Betsukawa was successfully elected. Even when it was potentially vulnerable as in Ishikawa, the LDP did not suffer at the polls from the Nokyo electoral threat.

**Voluntary Production Adjustment**

In spite of the reforms already instituted and the 1969 rice price freeze, there was yet another crop of 14 million tonnes in 1969, and the FCSA allocation to rice control climbed to 350 billion yen. The 'reverse margin' between the government's buying and selling prices increased from 38,000 yen to 45,000 yen per tonne in 1970. The main ingredients in the rise were increases in the rate of interest on old rice, storage charges and interim expenses. The campaign of opposition to the burden this imposed on taxpayers, rice consumers and the national budget by big business and the mass communications world continued.

The MAF's rice conversion scheme did not prove very successful in 1969 and it became clear that the government was not giving the farmers
sufficient incentives to desist from rice production. The area converted from rice fell short of the 10,000 hectare conversion target of 1969, amounting to less than 5,400 hectares. In particular, the conversion schedule proposing a diversion of 8,300 hectares of rice to feed crops brought an adjustment of only 1,700 hectares.

As a result of this poor response a whole new set of policy initiatives was prepared in time for 1970 budget formulation in order to implement a fully-fledged rice acreage reduction policy from 1970 onwards.

The Agricultural Policy Advisory Council (Nōsei Shingikai) which the Minister of Agriculture and Forestry in July 1968 had first asked to report on a comprehensive agricultural policy, and which had been asked again to report on 'Items to be Considered with Respect to Promoting Agricultural Policy' finally presented its report in September 1969. Taking this as their cue, all political parties, Nokyo and the National Chamber of Agriculture announced their respective positions on a policy of rice production adjustment in the last half of 1969. With a national poll scheduled for December, the whole matter became an election issue, particularly in the eyes of the LDP which was mindful of the Nokyo threat to confront the government party at the polls.

The MAF reconvened its Agricultural Policy Promotion Council and called on interested parties to testify. These included LDP Diet members, opposition party representatives and Nokyo executives. The Council hoped to construct a policy consensus on rice conversion. This emerged in a paper entitled 'Concerning the Deployment of a Comprehensive Agricultural Policy' at the beginning of September.

Later in the month, Zenchū held a Board of Directors meeting and set up its materials for research into 'The Establishment of a Basic Agricultural Policy' (Kihon Nōsei). On the same day, the National Chamber of Agriculture published its own paper entitled 'Concerning the Establishment of a Comprehensive Agricultural Policy'.

Farm groups were joined by political parties. The Kōmeitō at its party convention in July decided on a 'Policy for Agricultural Modernisation', and the JSP announced a '10 Year Plan for Agricultural Reform' in September. These proposals were incorporated into their policy platforms for the December 1969 election. This was also true of the LDP which produced by far the most thoroughgoing set of proposals.

Government party investigations were conducted by the Comprehensive Agricultural Policy Investigation Committee which had carried over its sittings from the middle of the rice price season in June. A sub-committee of this Committee led by a farm politician from Iwate, Nohara Masakatsu, announced a series of plans: 'An Outline for a New Long-Term Plan in Agricultural Policy': 'Proposals for a Comprehensive Agricultural Policy' (which emphasised the production adjustment of rice and aimed to reduce the total national rice acreage from 3.2 million hectares to 2 million hectares in the space of 10 years, and to promote the 'constructive' abandonment of agriculture by farmers in order to promote the consolidation of land holdings); a paper entitled 'Concerning the Powerful Deployment of a Comprehensive Agricultural Policy'; and finally in November 1969, 'An Outline for the Execution of a Comprehensive Agricultural Policy'. This became the formal party position adopted by the PARC. This plan showed how far in fact the LDP's agricultural members recognised the need for change in the light of the rice surplus situation. They settled on a course of action which they believed was
necessary to preserve the FC system. They recognised that there was a need to answer demands for improvement in farmers' incomes, but they questioned whether the mechanism of the producer rice price constituted as handy an instrument for increasing farm incomes as it had in the past. The Investigation Committee's plan proposed to deal with the rice surplus problem in much the same way as the MAF: through production consolidation (seisan seibi) and it promised incentive payments for compliance with rice planting conversion. It also contained pricing policies for conversion crops such as soya beans, vegetables, fruit and livestock products. As measures for increasing farmers' incomes and raising agricultural production, it cited agricultural road consolidation on a large scale; reform of the Agricultural Land Law to allow for the practical use of state forests and to promote the transfer of agricultural land; strengthening the agricultural structural policy which focussed on the encouragement of integrated agricultural management complexes (einō danchi) managed by the cooperatives and which co-ordinated production, processing and marketing functions; and the introduction of a farmers' pension scheme from 1970 onwards to encourage farmers to leave the land. The LDP plan did not, however, specify the concrete terms under which the immediate target of reducing rice production by 1.5 billion tonnes or 350,000 hectares in 1970 would be met.

The opposition parties which entered the agricultural policy debate at this critical juncture aimed to resolve the rice surplus problem with proposals not radically different from those of the government party. The JSP for example, proposed to undertake a high speed conversion of one million hectares of paddy over five years, the DSP to accomplish a basic adjustment of 2.5 million hectares over a 10 year interval, the Kōmeitō to provide special encouragement to production conversion, and the JCP to
guarantee prices for agricultural products other than rice. There was no fundamental questioning in any of these sets of proposals of the basic principle of special consideration and financial support for the farm sector.

The report of the Agricultural Policy Advisory Council also geared its suggestions to the rice surplus. It proposed that the government put into effect a policy of 'voluntary' production adjustment (jishu chōsei), involving the fallowing of rice paddies and crop diversion in cooperation with agricultural groups and the farmers and if necessary, the institution of a legal basis for planting limits. It also recommended that the government restrict the amount of rice it bought and lower the producer rice price.

The debate then shifted to one key issue: the 'voluntary' nature of the farmers' compliance with government proposals. Zenchū and other agricultural groups interpreted the Advisory Council's report to mean that if its primary recommendation proved unsuccessful, that is, if production adjustment failed with the 'voluntary' cooperation of farmers and agricultural groups, then the more severe secondary proposals of the report would be applied: legal restrictions on rice production, buying limits on government rice, and a lowering of the producer rice price. Consequently, Zenchū's 'Set of Proposals for a Comprehensive Agricultural Policy' (Sōgō Nōsei Taisaku) centred its discussions around the question of 'voluntary' production adjustment. The debate that followed between the government party and Nokyo took up this theme. The basic question that had to be resolved was the price in terms of subsidies and incentive payments which the farmers should be paid in exchange for their 'voluntary' cooperation. Nokyo argued that subsidies were necessary to compensate farmers for any loss of income due to crop diversion. In October, Miyawaki attended a meeting of the LDP's Comprehensive Agricultural Policy
Investigation Committee's sub-committee and presented Nokyo's requests on income compensation for farmers engaging in planting conversion. The following day he gave his assurances that if voluntary adjustment of rice cultivation were undertaken on the initiative of the government and the LDP, the farmers and agricultural groups would be in a position to cooperate with it.¹

Two days later, Hasegawa, the Minister of Agriculture and Forestry, met with Miyawaki and other leaders of Zenchū and formally requested the cooperation of Nokyo and the farmers in the production adjustment of rice from the 1970 production year, after promising to give due consideration to support for the income of farmers undertaking planting conversion. The aim of these measures he argued, was 'to maintain the basis of the FC system'.² He reasoned that if the rice surplus situation continued, it would be extremely difficult to maintain the essentials of the FC system. This justified the need for production adjustment from the 1970 season. He added that if Nokyo and the farmers gave their cooperation to production adjustment, then the government would be in a position to maintain FC.³ His argument hinged on the familiar threat that if the rice surplus problem were not solved in the immediate future, a continuation of the system of rice control in its current form would be an impossibility. This was combined with the offer of monetary incentives for compliance with government policies. Miyawaki's reply clarified his understanding of the concept of production adjustment: that it would be undertaken with

¹ This was reported in 'Nögyö · Nökyö Kankei Shuyö Nisshi', Nögyö Kyödö Kumiäi, December 1969, p.128.
² Ibid.
³ Ibid.
administrative guidance which he accepted, provided there was no element of coercion or the use of strong authority on the part of government. What he advocated was mutual agreement on the concrete conditions (that is incentives) under which production adjustment was to be instituted. He demanded a promise from government to maintain FC and to provide subsidies to farmers to indemnify them for income lost from desisting from rice production. Clarification of the concrete terms for production adjustment, he requested, should be decided in Cabinet prior to Prime Minister Satō's trip to the United States in mid-November.¹

From within Nokyo itself, however, there was considerable objection to the leadership's acceptance of the concept of reducing rice production. From the main rice producing regions of Hokkaidō, Tōhoku, Hokuriku and Kyūshū, local Nokyo leaders propagated the view that the central leadership was acting alone and did not have their support.² Representatives from single crop rice producing areas, put forward the alternative plan that principal rice producing areas should be created to which the rice acreage reduction policy did not apply. The presentation of this alternative solution exacerbated the internal conflict within Nokyo, but the central leadership argued that rice was too important as a staple crop to reserve such special treatment for particular areas. The leadership had no alternative but to accept uniform acreage reduction over the whole country. Their main task as they perceived it, was similar to the one they faced with the first crop diversion program: to act as mediator between the government and the farmers, and to campaign for the most favourable terms under which the farmers could be persuaded to comply with

¹ This was reported in *ibid*.

an unpopular policy. The Zenohū leadership also repeated Hasegawa's implied threat to its own membership: if the FC system collapsed, those in jeopardy would not be MAF officials, but Nokyo and the farmers.¹

The MAF, LDP and Zenohū unanimously agreed on the LDP Comprehensive Agricultural Policy Investigation Committee's proposal that 350,000 hectares should be subject to production adjustment in 1970. This amounted to a uniform 10 per cent acreage reduction nationwide. The major area of contention was the matter of incentive payments. The MAF was offering 30,000 yen per 0.1 hectares, and Zenohū was demanding 40,000 yen with no distinction made between planting conversion and leaving paddies fallow. The MOF circulated the view that incentive payments which induced farmers to switch from rice production to leaving paddies fallow was a waste of money, and that those financing it, the taxpayers, had not given their consent.² The LDP was not prepared, for political reasons, to indicate its answer before the general election, a tactic previously employed whenever a rice price decision coincided with a national poll. Miyawaki and Satō held direct discussions on rice production adjustment immediately prior to the Prime Minister's departure for the United States. The Chairman of Zenohū still insisted that Nokyo be given the government's concrete terms for voluntary compliance by mid-November and hence before the election. Satō promised that he would clarify these on his return at the end of November. The government and LDP held discussions at this time as promised, and decided to make a decision on the amount they were prepared to outlay as incentive payments per 0.1 hectares on December 1, and present these to Nokyo on December 2. The policy on which it finally

¹ Ibid.
² Ibid.
settled amounted to an election manifesto. It guaranteed to maintain the basis of the FC system (one of Nokyo's specific demands); to institute the production adjustment of more than 1.5 million tonnes of rice; to grant incentive payments which would be differentiated according to the crop content of the conversion and the harvested amount of rice per 0.1 hectares with the highest amount offered being not less than 40,000 yen; to establish a Rice Production Adjustment Promotion Council made up of administrative bodies and agricultural groups at central, prefectural, city, town and village levels which would decide on the distribution of conversion targets. The government refused at this juncture to commit itself to an average production adjustment payment, which it argued, could not be finalised prior to the 1970 budget draft. It had, however, been forced under direct Nokyo pressure to commit itself to the 40,000 yen figure as the highest level of incentive payment it was prepared to offer, thus incorporating this strategically important figure as part of its election policies.

Zenchū responded to these proposals with a Combined Conference of National and Prefectural Central Union and Federation Chairmen (in other words the entire executive leadership of the agricultural cooperative organisation) which expressed its dissatisfaction with the agreement reached between the government party and the government. It criticised the government for its lack of clarification of a concrete sum to be offered as an incentive payment to farmers. Under sporadic threats from Nokyo members that they would confront the LDP at the polls (which was also part of the legacy of the 1969 producer rice price decision), local LDP candidates campaigning in the countryside focussed on the incentive payment issue, guaranteeing that the government party, if elected, would
'pay well in its subsidies'. This helped to avert the threatened electoral confrontation between Nokyo and the LDP which had first been raised over the producer rice price freeze. The government party was successful in maintaining its electoral hegemony in rural areas.

Nokyo then shifted its pressure to the January budget campaign in which it concentrated on obtaining favourable terms for rice production adjustment. The MOF's recommendations as part of its 1970 budget draft proposed to make a payment of an average of only 21,000 yen per 0.1 hectares, with favourable treatment given to conversion crops rather than leaving paddies fallow. The MAF was demanding 31,000 yen. Nokyo fiercely rejected the MOF proposal and put direct pressure on LDP Diet members in the Comprehensive Agricultural Policy Investigation Committee and the Agriculture and Forestry Division. Rice Diet members made strong representations to government leaders to make a subsidy of 35,000 yen with no distinction applied to farmers undertaking planting conversion or fallowing paddies. In the final negotiations between the government and the LDP leadership, the political arithmetic of the LDP rural lobby (the difference between the MAF recommended price and the final government price), was successfully applied to produce a final figure of 35,070 yen as an average incentive payment to be paid to farmers per 0.1 hectares, irrespective of crop conversion or fallowing of land. The targeted amount of rice for production reduction was also reduced from 1.5 million tonnes to 1.0 million tonnes.

Once the basic financial guarantees had been obtained from government, Nokyo cooperated to the fullest with the institution of voluntary production adjustment. Zenchū held a conference of National

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1 Ibid., p.156.
and Prefectural Central Union Agricultural Management and Agricultural Policy Department Chiefs to discuss the problem of rice acreage reduction and production adjustment. An explanation of government policy was presented to the conference by the Chief of the MAF Planning Room, and Nokyo's corresponding policy was also discussed. Each prefectural central union worked out its plan for guidance to farmers from the agricultural management and works point of view, and established guidelines for central union participation in the Promotion Council, in addition to group management by Nokyo of conversion crops and methods of conversion.

The targeted amounts were then apportioned to each prefecture by the Promotion Council, which began its work as soon as the budget of expenses for rice production adjustment had been received. Nokyo was allocated a crucial role in the program as manager of liaison between city, town and village governments, which decided the amount of rice acreage reduction for each farmer, and the farmers themselves. The government entrusted much of the adjustment on this to the internal decision-making of Nokyo itself.

**Conclusion**

The period 1967 to 1970 was a time of deliberate policy decision in response to what could only be called a critical situation in the Japanese farming industry. The LDP was given the long-awaited opportunity and ample justification for applying rational economic solutions to the staggering problems of Japanese agriculture. A series of ever more radical reforms were instituted as the crisis in the FCSA deficit and rice surplus deepened. The government's success in its task was only partial in the period under review. It could have moved much further and faster had it not been constantly called to account by LDP rice Diet
members shielding their farming constituents from the unfavourable financial repercussions of government measures. In the policy debate that took place between 1967 and 1970, the government, represented by the Minister of Agriculture and Forestry and the Minister of Finance (who in turn represented the Prime Minister and Cabinet), and the LDP leadership represented by the top three leaders of the party (the Secretary-General, the Chairman of the Executive Board and the Chairman of the Policy Affairs Research Council) had quite different sets of priorities from the internal party agricultural lobby made up of farm politicians who manned the LDP agricultural policy committees, and particularly the chairmen and vice-chairmen of these committees. The government and party leadership were the target of pressure emanating from within the party itself in the form of the rice lobby, and were generally more willing to contemplate reforms and restraints in the face of the increasingly unfavourable economic and fiscal situation. Rural Diet members on the other hand, shared the attitude of Nokyo and the farmers who opposed any prospective changes in the FC system and the policy of income support.

The Nokyo leadership did, however, show itself to be flexible enough if the monetary incentives were sufficient, and if cooperative domination of the rice collection market was not in any way jeopardised. These conditions were entrusted to Nokyo's Parliamentary allies to ensure.

The relationship between Zenchū and the agricultural cooperative membership bore many similarities to that between the LDP leadership and its farm politicians. Both leadership groups were much more willing to contemplate reforms - given certain provisos - than were their rank and file. Towards its membership, Zenchū's position was very much a
policy persuasive one: it was the crucial intermediary in the search for a compromise between the policy objectives of the MAF administration and the demands of its agricultural clientele. From beginning to end, however, Zenchū was forced into a defensive and reactive position: it had to respond continually to strong initiatives from governmental authorities who were urgently pressed by the imperatives of a financial situation created by massive rice surpluses. Nokyo had no constructive alternatives to offer in the face of these pressures for reform other than demands for the status quo to be maintained. Its initial reaction was consistently one of unequivocal opposition to government proposals combined with appeals for the retention of FC in its long-established form. At a certain point in the negotiation process when the government's determination to carry out substantial changes became clear (indicated primarily by MAF acceptance of the need for change and its taking the policy initiative), Zenchū typically retreated from its position of absolute rejection of the administration's proposals and moved to one of tacit acceptance of the need for change. Discussions then shifted to detailed bargaining between Nokyo and the MAF. This called for a strategy which, on Nokyo's part, maximised concessions to the cooperatives in the form of safeguards and guarantees of their privileged position in the rice market, combined with compensation for potential income losses to farmers in exchange for their acceptance of reform. Once this stage had been reached in the process of policy debate, the agricultural policy activities of the Nokyo leadership underwent a subtle reorientation. The successful introduction of reforms required acceptance of and cooperation with governmental initiatives by the farmers. Obtaining this cooperation meant redirecting pressure towards cooperative union members. During the period under review, the Nokyo leadership by and large accomplished this objective, but sometimes at the
cost of tremendous dissatisfaction amongst those farmers hardest hit by the changes. This was vital, however, if Nokyo was to give full effect to its role as the primary assistance mechanism in the execution of government agricultural policies.

The way in which the 1967-1970 reforms were introduced illustrates the strategic limits of a pressure group 'operating within the system' (taiseinai no atsuryoku dantai). Nokyo was not able to contemplate concerted opposition and non-cooperation with government policies if it wished to maintain its privileged position and benefits as a semi-administrative body. This factor was recognised and exploited as a bargaining weapon by the government side including the Minister of Agriculture and Forestry. It proved to be an effective method of obtaining acceptance by the agricultural cooperative leadership to unprecedented reforms in the FC system.

When the rice surplus problem and the accompanying FCSA deficit reached crisis proportions in 1967, the MAF had clearly lost the agricultural policy initiative. This was due to the failure of the 1961 Agricultural Basic Law to restructure Japanese agriculture and expand the scale of farming. Initially both the Minister and the department performed a minor holding operation in reaction to the forces of innovation. This response changed in the latter half of 1968, however, when under growing pressure from government financial authorities and from big business and fiscal experts who exercised their voice in advisory councils and in the press, the MAF produced its own solution in the form of a comprehensive agricultural policy. This long-term solution was accompanied by the more radical short-term objective of FC reform and restrictions on producer rice price increases. The latter were a response to proposals from government financial agencies and
advisory councils including the RPAC. On the other hand, the MAF terms for the introduction of a CAP in the form of incentive payments were carefully geared to obtaining the cooperation of farmers and Nokyo members with government priorities. The MAF demonstrated its skill in instituting changes in the system without undercutting Nokyo's position or the MAF budget. In fact it could be argued that new programs such as the CAP and voluntary production adjustment were justification for additional increases in the MAF's budget share.

How radical in fact were the reforms and new directions in agricultural policy launched between 1967 and 1970? What was their long-term effect? The following section lists each of the reforms and traces the substance of its success or failure.

The Comprehensive Budget Principle collapsed from its first year of operation. It was promulgated for the 1968 budget year and instituted in the 1968 budget, but because the amount of rice the government bought in 1968 exceeded original estimates by one million tonnes, a supplementary budget had to be passed in 1968 to provide the necessary finance. The additional amount allocated through the supplementary budget was 37 billion yen. This added at the time to mounting pressures for reform of FC. Although the 'slide system' was successfully applied for the 1968 producer and consumer rice prices, the eight per cent increase in the consumer rice price was not sufficient to cover the substantial increase in the cost of FC in that year. Rice in excess of consumption went into storage and was not sold at all, thus adding further costs to FC and so compounding the rice surplus problem.

The institution of a free trading system to supplement that operated by the government under FC proved more successful. First indications were, however, not very promising. These became evident in September 1969,
a few months after the launching of the new system, when rough estimates for the 1970 budget were being drawn up. The Minister of Finance, Fukuda Takeo, in an explanation to Cabinet on the rough estimate of demands from each Ministry for the General Account budget, drew attention to the fact that 1969 had produced another expansion in the deficit of the FCSA because of the increase in the amount of rice bought by the government and 'dull' trading in free marketed rice. The government had stated that it would restrict its rice purchase to 7.5 million tonnes, permitting 1.7 million tonnes to be sold freely. But the actual amount diverted to independent distribution fell far short of this target at only 0.86 million tonnes. The government had been forced to purchase the difference because of previous guarantees that rice unsold on the free market would be purchased by the government. As a result, in November 1969 after a meeting with the MOF, the MAF and Food Control Agency announced that they would pay a subsidy of 60 yen per month for each 60 kilograms of free traded rice. This was designed to cover part of the trading costs and would be paid in the form of storage fees and interest to agricultural cooperatives and traders who stored and delivered rice for independent distribution. This amounted to a subsidy for the promotion of rice bought and sold on the free market. The government was aiming at pushing a further 400,000 tonnes into the system at a cost of 1.5 billion yen. As a result, there was improvement in the ratio of targeted and actual amounts of rice under independent distribution. In 1970, the ratio was 1.8 to 1.69 million tonnes, and in 1971, growers actually exceeded the target of 1.8 million tonnes by an extra 60,000 tonnes.

The figures for Nokyo's marketing commission on rice from 1970 onwards also showed the increasing share of free rice in the total amount handled by the cooperatives. Nokyo earned more than one billion yen from
marketing commission on government sale and free traded rice in 1970. The value of free traded rice in this total was 17.9 per cent. In 1971, it was 28.6 per cent, in 1972 28.2 per cent, in 1973 31.1 per cent and in 1974, 30.5 per cent.¹ In spite of the existence of dual marketing systems for rice, however, the FCSA continued to climb at a staggering rate after 1969. The two other major changes instituted during the 1967-70 period, the producer rice price freeze and the CAP or rice production conversion, failed to alter its acceleration.

By diverting a certain proportion of the rice produced to the independent distribution system, the government was able to lower the actual amount of rice it bought from 1970 onwards. In April 1969, one month before the system was launched by an amendment to the FC Law, the amount of the 1968 rice harvest bought by government was calculated at 10 million tonnes. By September 1970, however, the Food Control Agency was able to state that the total of advance-booked rice for the 1970 year was down to 8.5 million tonnes.

The reduction in the government's buying level was also a result of the lower overall production of rice. In 1970, it fell by 1.3 million tonnes to 12.7 million tonnes, and in 1971, it fell again (partially assisted by a poorer harvest) to 10.9 million tonnes. This was due largely to the production conversion and acreage reduction program which successfully accomplished its targets (shown in Table 5.4).

Nonetheless, the fundamental cause for the institution of changes in the rice system, the FCSA deficit, remained. There were several reasons for this. Firstly, the government was faced with enormous losses in disposing of the rice surplus. In 1970, the government's rice holdings

¹ Calculated from figures given in Sōgō Nōkyō Tōkeihyō, 1974, op. cit. p.130.
Table 5.4

TARGETS AND RESULTS IN THE PRODUCTION ADJUSTMENT PROGRAM

Units: million tonnes, %

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>Result</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>1.00</td>
<td>1.39</td>
<td>139</td>
</tr>
<tr>
<td>1971</td>
<td>2.30</td>
<td>2.26</td>
<td>98</td>
</tr>
<tr>
<td>1972</td>
<td>2.15</td>
<td>2.33</td>
<td>108</td>
</tr>
</tbody>
</table>


reached 7.35 million tonnes which was the equivalent of 15 months supply. This created an enormous headache in terms of storage costs and disposal strategies. A great deal of effort and expense was poured into reducing the government's rice stockpile with the loss estimated at 1,000 billion yen by 1971.

Secondly, the producer rice price freeze lasted substantially for only two years instead of three. Even in 1970 (its second year of operation), it rose by a very small 41 yen per koku, and this was supplemented by a 'political addition' in the form of a government subsidy amounting to 23.8 billion yen as a 'quality incentive payment' (in the same vein as the 22.5 billion yen subsidy issued in 1969 as 'Rice Planting Special Policy Works Expenses' to soften the blow of the price freeze). The additional payment added on to the producer rice price emerged from the negotiations between the government and the LDP. The latter had been demanding a rise in the producer rice price of 4.4 per cent. The quality incentive payment was the equivalent of a 2.7 per cent increase.
In 1971, the producer rice price rose by 2.98 per cent, but additional benefits and subsidies (as in the previous three years) lifted this to the equivalent of a six per cent rise in the rice price. The year 1971 was also marked by disruptions to RPAC proceedings led by Nokyo's representatives. The result was the RPAC closed without submitting its recommendation to the government. The small percentage increase in 1971 added another 46.5 billion yen to government rice expenditure, in addition to a grant of 7.4 billion yen as a subsidy for free traded rice and the 10 billion yen in additional subsidies to rice growers accompanying the producer rice price decision.

1971 proved to be the last year of moderation in producer rice price increases. As inflation hit Japan, the MAF's 'Income Compensation and Production Cost' formula forced increases of 5.06 per cent in 1972, 16.1 per cent in 1973, and a staggering 37.4 per cent in 1974. The deficit in the FCSA for rice control continued to rise, more than doubling between 1970 and 1976 (it was 360.8 billion yen in 1970 and 740.8 billion yen in 1976). Throughout this period, supplementary budgets were required to finance producer rice price increases. Increases in the producer rice price were clearly overtaking the cost-cutting reforms in FC and production adjustment to force substantial annual rises in FC expenses. The situation in the mid-1970s was presenting the government and agricultural policy-makers with the same problems they faced in the late 1960s. The alternatives facing Japan's agricultural policy-makers in relation to rice control had not substantially changed.

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CHAPTER 6

NOKYO AND THE ANTI-LIBERALISATION LOBBY IN FRUIT AND LIVESTOCK PRODUCTS

The centrality of rice to Nokyo's political operations is indisputable. Nevertheless, other issues recurrent in Japanese agricultural policy have motivated the political action of Japan's farmers. The agricultural trade liberalisation question is one of these. Beginning in 1959, the liberalisation debate intensified in the late 1960s and early 1970s as pressure from agricultural exporting countries for abolition of Japanese import restrictions grew, and domestic producers rallied under Nokyo's leadership to launch their own counter-offensive.

The history of the anti-liberalisation movement has been a partial victory for both sides. Although the Japanese government succeeded in reducing the total number of agricultural commodities under import control, those most subject to domestic political pressure from Japan's farmers remain in dispute. The key items are beef, dairy products, citrus fruits and fruit juice. This chapter details the structure of the anti-liberalisation lobby with particular reference to Nokyo's leadership of the livestock and fruit sectors.

The Course of Japanese Agricultural Trade Liberalisation

International pressure on Japan for increased trade and capital liberalisation came chiefly from the United States and was exercised primarily through the medium of GATT (General Agreement on Tariffs and Trade). Japan became an official signatory in 1955, and at the October 1959 GATT general meeting in Tokyo, increased calls were
made for Japanese trade liberalisation. The first steps in this direction were made by the Cabinet Council for Promoting the Liberalisation of Trade and Exchange (Bōeki Kawase Jiyūka Sokushin Kakuryō Kaigì), which was charged with formulating concrete liberalisation proposals. The Council came to a firm decision on a 'basic policy' for liberalisation in January 1960. In May, this was followed by a MAF policy draft which outlined trade liberalisation for a number of agricultural commodities. The most significant items on this list were soya beans (liberalised in July 1961), and lemons (liberalised in May 1964). It was only in connection with the latter that significant opposition was aroused amongst the farmers. Lemon production was a viable farm industry virtually destroyed by import liberalisation;¹ soya bean production was already in decline at the time of liberalisation. The experience of lemon growers in Southern Japan, although they constituted a small, select group of farmers, provided the agricultural lobby with the historical evidence they needed to spur their renewed campaign against the government's much more extensive liberalisation proposals formulated in the late 'sixties. The liberalisation dispute during this latter period centred chiefly around citrus fruits, particularly grapefruit.

In 1968, there were still 73 commodities under the jurisdiction of the MAF which could be classed in the quantitative import control category. This number was the highest amongst the advanced nations, which

¹ According to Kenzō Hemmi, 'the domestic (retail) price of lemons declined sharply from around 60 yen per fruit (before liberalization) to around 15 yen (from September to November, 1964) . . . . In facing this price decline the producers gave up lemon production, and all lemon trees were cut out.' All lemons and limes consumed in Japan are now imported. See his 'Structural Adjustment of Japanese Agriculture', Australia-Japan Economic Relations Research Project, Research Paper, Australian National University, Canberra, 1974, p.13.
made the Japanese particularly vulnerable to foreign criticism and
demands for liberalisation. In September 1969, Hasegawa Shiro, Minister
of Agriculture and Forestry, nominated 25 articles for liberalisation in
the Cabinet Council for Promoting the Liberalisation of Trade and Exchange.
In the following month, the Cabinet Council decided to liberalise 28
articles from amongst the 73. With only 45 restricted import articles
remaining, the Japanese were then able to argue that their total was only
slightly larger than that of France with 39.

Liberalisation of a majority of agricultural commodities on this list
was accomplished in April 1970.\(^1\) For the rest (which included nine items
to which producer objections were raised such a grapefruit, black tea and
rapeseed), the government decided to delay abolition of import quotas
until the end of 1971.

Nonetheless, the pace of liberalisation continued, and import
restrictions were abolished on a range of agricultural products in
September 1970,\(^2\) January 1971,\(^3\) June 1971\(^4\) (the round originally scheduled

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1 These included dried dates, fruit flavours, instant coffee, fruit
flour, gluten and gluten flour, and malt sugar. See US Department of
Agriculture, Foreign Agricultural Service, *Agricultural Trade Policy*,
June 1972, p.17.

2 Items liberalised in this round included lemon juice, margarine,
shortening, potato (flour, meal, and flakes), tapioca, sago and other

3 This round involved fresh grapes, cake mixes, macaroni, spaghetti,
noodles, puffed rice, corn flakes etc. *Ibid.*

4 This group included fresh grapefruit, soya bean oilcake and meal,
rapseseed meal, rapseseed, vegetable oils, peanuts for oil extraction,
sausages, live horses, bases for beverages (nonalcoholic), fresh apples,
frozen pineapples, limes, grapes, apples (provisionally preserved), black
tea, grain sorghum (other than for feed), lemon and spa water. *Ibid.*
for December, which included grapefruit), October 1971\(^1\) and April 1972.\(^2\)

In addition to this rapid reduction in the number of agricultural commodities under import restriction, the Japanese government increased its import quotas for beef, oranges, and fruit juice in the early 1970s. Although the producer lobby was successful in achieving a delay in the liberalisation of certain sensitive commodities such as grapefruit and rapeseed from October 1969 to June 1971, considerable progress was made during this period towards a substantial freeing of agricultural trade from import controls. By mid-1972, there were still some commodities in dispute, however, such as beef, oranges, and fruit juice, as well as certain dairy products such as butter, skim milk and other milk products, peanuts, and miscellaneous beans. All these items remained the focus of continuing pressure for liberalisation from Japan's main foreign agricultural suppliers: the US, Australia and New Zealand.

It was at this point in 1972 that events in the international environment impinged on the Japanese domestic scene and gave an ideological boost to the protectionist cause. A global shortage of foodgrains beginning in mid-1972 and a US soya bean embargo in 1973 combined with the oil crisis of that year to generate a renewed sense of Japanese vulnerability to reduced supplies of strategic resource materials (into which such staple items as soya beans, food and feed grains were classed). They also affected the Japanese economy as a whole, giving rise to a recession and

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\(^1\) This list included live cattle, live pigs, pork, instant potatoes, canned corn, confectionery products, biscuits, manioc, arrowroot, sweet potatoes (and their flour and meals), molasses, sugar and chocolate confectionery, nectar. *Ibid.*

\(^2\) Items liberalised included ham and bacon, refined beet and cane sugar, tomato purée, certain mixed feeds, salted meat and edible offal. *Ibid.*
reduced economic growth expectations. Henceforth, the agricultural protectionist lobby was able to identify its sectoral interests with those of the national interest and national security.

These developments sparked off a dramatic downturn in the domestic livestock industry which prompted the government to suspend the beef quota for the remainder of fiscal 1973 and for 1974, thereby ceasing beef imports into Japan. This act marked a turning point in the trend towards increasing agricultural trade liberalisation. It intensified the dispute between agricultural exporting countries (such as Australia, the US, and New Zealand) and Japan: not only over the iniquities, in their view, of the import quota system for certain products, but over the pernicious effects of such 'stop-go' import policies on their own domestic farm industries.

Far from responding to these pressures, the Japanese government went a step further in institutionalising its import restrictions on beef with the passage of an amendment to the Law Relating to the Price Stabilisation of Livestock Commodities (Chikusanbutsu no Kakaku Anteitō ni kansuru Höritsu) in 1975. The measures contained in this legislation were specifically designed to prevent a recurrence of the drastic fall in the domestic wholesale beef prices which had occurred in late 1973 and 1974. Imports henceforth were to be made only in order to stabilise domestic wholesale prices for beef.

The status quo established in relation to beef in 1975 has continued to exist in spite of continued criticism from Japan's overseas suppliers. Similar provisions exist in legislation for dairy products, while oranges and fruit juice remain subject to import quota restrictions.

This chapter focuses on the two main periods of dispute over agricultural trade liberalisation: between 1969 and 1971, when grapefruit
was the key commodity at issue; and from 1972 onwards, when the debate intensified in relation to those products as yet unliberalised: beef, dairy products, oranges and fruit juice.

Discussion centres around the structure of the Japanese citrus and livestock lobbies: the various groups, organisations and institutions with a stake in the viability of these farm industries. Because the issue of liberalisation is bound up with larger questions of the structure of Japanese agricultural production and price stabilisation policies, the analysis extends to more general questions relating to fruit and livestock policies and the course of their evolution.

The Nokyo Rice and Specialist Farmers' Lobbies: Some Contrasts

Certain fundamental differences exist between the political representation of rice growers and Japanese beef, dairy and fruit farmers.

The Nokyo rice lobby has several basic features which lend it great strength: its economic and financial predominance in mainstream sōgō nōkyō operations; its geographical breadth in production area and primacy in terms of the number of rice-cultivating farmers; its production importance in the total pattern of Japanese agricultural output and its significance as a staple food; and its status as a prime agricultural income earner with high priority in government farm incomes policies.

These elements are either lacking or not evident to the same degree in the case of citrus and livestock products. These lobbies however, have other features which magnify their political significance.

Livestock and fruit farming have been the focus of MAF 'selective expansion' and 'production diversion' programs. As a result they have benefited from special government subsidies and assistance measures. Equally important has been the incorporation of livestock and fruit
products (particularly livestock) into the vast ancillary processing and farm input supply industries into which Nokyo has undertaken considerable financial and business expansion. As items not only of production, but also as processed merchandise in the form of fruit juice, packaged milk, ham and sausage, livestock and citrus commodities have assumed added importance in the totality of Nokyo's economic operations. And as is often the case, political 'interest' is related to the size of Nokyo's economic stake in a particular farm industry.

Considerable agricultural cooperative energy, planning and finance have been channelled into livestock and fruit 'integration' strategies which rest at their base on 'agricultural production complexes' or 'integrated farm management units (town danchi). The latter form part of a full-scale government-assisted program to rationalise and expand cooperative production, distribution, processing and marketing facilities in these sectors.

Perhaps the most significant difference between rice production and livestock and fruit farming, is the more regionally concentrated and highly specialised character of the latter. These factors lend the advantage of geographic proximity and close identity of interest to the producers involved. They also provide a strong organisational focus for the specialist cooperatives which operate in these sectors. One political consequence of this is the involvement of Nokyo specialist groups in lobbying activities on behalf of their membership. The result has been a sharing of the spokesmanship function between Zenō, the 'natural' leader of the agricultural cooperatives with other specialist Nokyo federations. This picture of overlap, or functional sharing, is one that extends to all aspects of the fruit and livestock industries in Japan: from marketing, purchasing, guidance and production services, to
agricultural policy activities. The extent and nature of this organis­
tional overlap is a major theme in the following discussion of Nokyo's
leadership of the anti-liberalisation lobby.

Another political consequence of regional concentration of special­
ist commodity production is high levels of policy activity amongst some
regional Nokyo specialist federations. Close connections have been
established between these organisations and Diet members representing
regions of production specialisation. In the context of the political
representation of livestock and fruit interests in the Diet, a number of
key political figures with specific commodity links and specialist Nokyo
connections have come to play an important role in influencing liberal­
isation policies in both formal and informal Diet and party positions.
The prominent members of this group and the nexus of regional, organis­
tional and agricultural interests which they embody is selected for
detailed examination.

The anti-liberalisation campaign in the Diet has been advanced by
one group in particular: the Fruit Farming Promotion Diet Members'
League (Kaju Nōgyō Shinkō Giin Renmei), (hereafter referred to as the
Fruit Promotion League, or FPL). Membership of this group is dominated
by Parliamentary representatives from fruit producing prefectures, who
are also known as 'fruit MPs' (kudamono giin).

The FPL was launched at the beginning of the anti-liberalisation
debate in 1959 in direct response to increased pressure from the US
and other GATT members for abolition of Japanese import controls on
agricultural products. Its title reflects the historical course of the
liberalisation debate: the early scheduling of lemons for liberalisation
and the prominence of grapefruit as a significant item in dispute. The FPL
operated in much the same way as the informal grouping of LDP rice Diet
members known as the Rice Price Policy Conference (*Beika Taisaku Kyōgikai*): it was the key grouping for the transmission of pressure from the extra-Parliamentary, anti-liberalisation agricultural lobby into Diet and government party policy-making machinery.

As liberalisation schedules extended to other sensitive products like grapefruit, rapeseed, miscellaneous beans and pork, the FPL became the spearhead organisation of farm politicians in the Diet who opposed agricultural trade liberalisation. Membership numbers expanded to include not only fruit MPs but other Diet members whose farming constituents felt themselves under threat. At the height of the anti-liberalisation campaign in 1971 it mobilised 153 members.¹

**Functional Overlap in the Specialist Fruit Industry**

The following survey of agricultural cooperative involvement in the Japanese fruit industry produces a complex picture of functional overlap between the mainstream and specialist sides of the Nokyo organisation. This vertical division is further complicated by horizontal and geographic variations: that is, the proportional share of general-purpose and specialist cooperative involvement differs according to organisational level and region.

The marketing of fruit amongst the tankyō is conducted by both general-purpose cooperatives as part of their wide-ranging marketing activities relating to the whole spectrum of agricultural commodities traded in Japan, and also by specialist fruit agricultural cooperatives.

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At this level, the sōgō nōkyō handle the overwhelming proportion of fruit, although their share is declining in comparison with the senmon nōkyō. The trend, in other words, is towards increasing specialist organisation formation and turnover in fruit. Local fruit co-ops are engaged mainly in marketing and operate in the more important fruit producing areas (where the scale of fruit production warrants the establishment of a specialist tankyō). Their scale of operations (per cooperative) tends to be much larger than that of the sōgō nōkyō handling fruit. Purchasing activities involve the supply of items directly related to the production and marketing of fruit, such as corrugated cardboard containers.

The picture of overall general-purpose domination in fruit handling at the local level is reversed at the prefectural level where the share of specialist federations (senmon renkōkai, or senmonren) is high. This is particularly true in the case of citrus fruits and amongst these, mikan are by far the most important product.

The activities of the fruit Nokyo federations centre on production guidance and marketing. Guidance activities are specific to fruit, and are conducted by technicians who stay permanently in production areas and give advice directly to farmers. Purchasing functions are also fruit-related, and mainly entail the supply of materials needed for fruit production and marketing, such as specialist packaging. More general farming

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1 According to MAF surveys reported in Nōkyō Nenkan, 1971, p.295, there were 6,622 sōgō nōkyō engaged in the fruit marketing business with a total turnover of 131.6 billion yen. On the other hand, there were only 52 senmon nōkyō handling a much smaller total business volume of 17.6 billion yen (only one seventh the sōgō nōkyō total).

2 In Nōkyō Nenkan, 1973, p.283, it was reported that 2,458 sōgō nōkyō and 123 senmon nōkyō were engaged in fruit handling, and that measured in terms of the tonnage of fruit shipped, the general purpose cooperatives marketed four times the amount of the specialist cooperatives (cf. footnote 1).
needs like fertiliser and agricultural chemicals are handled by the senmonren only in limited amounts, and in most cases this is contracted business with the keisairen (the general-purpose prefectural economic federations). These are areas in which the general-purpose organisations predominate. Senmonren activities have more recently extended into the business of fruit processing (juice and canned goods).

An examination of the relative market shares of the keisairen and senmonren in fruit substantiates the strength of the specialist Nokyo fruit federations. In 1970, the prefectural economic federations handled fruit to a value of 70.2 billion yen. The marketing volume of the specialist fruit federations was 105.4 billion yen.

The proportional weight of sogo nokyo and senmonren fruit handling is reflected in the structure of the membership of the national Nokyo fruit specialist organisation: the Japan Horticultural Agricultural Cooperative Federation (Nihon Engei Nokyō Rengōkai, or Nichienren). Its direct membership is composed predominantly of specialist Nokyo fruit federations. In 1972, Nichienren had 20 member federations (of these 19 were senmonren) and six unit agricultural cooperative members (of these five were senmon nokyo). Within these 20 member federations, however, sogo nokyo constituted the overwhelming proportion with 1,102 general-purpose nokyo members, and only 77 senmon nokyo members, reflecting the large number of general-purpose cooperative engaged in fruit marketing at the local level. The latter are members of the

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2 Calculated from figures given in ibid., p.284.
3 Ibid., p.203. These figures vary only by one or two from year to year.
4 Ibid.
specialist fruit federations mainly for the purpose of shipping fruit directly to regional wholesale markets. They represent almost half the total number of general-purpose co-ops handling fruit.\(^1\) Those _sōgō nōkyō_ not connected to _Michienren's_ member federations either market fruit locally, or operate through the _keizairen-Zennō_ fruit marketing system.

Another aspect of the functional sharing between the two types of cooperatives handling fruit is the regional strength of certain Nokyo specialist fruit organisations. This is evident at both local and prefectural levels. The picture of _sōgō nōkyō_ predominance in fruit marketing is balanced to some extent by the strength of certain local fruit cooperatives in selected areas. _Senmon nōkyō_ are prominent in citrus handling in Ehime and Saga for example, and in deciduous fruits in Yamanashi. Furthermore, although the total number of specialist fruit co-ops and their total marketing volume is smaller in the case of the _senmon nōkyō_ than the _sōgō nōkyō_, their average volume per cooperative is much larger: 340.1 million yen per specialist co-op compared with 19.8 million yen per _sōgō nōkyō_.\(^2\) The explanation for this is clear enough: as far as general-purpose cooperatives are concerned, fruit is one commodity amongst many, and fruit marketing one function amongst a multitude. For the specialist fruit cooperatives on the other hand, fruit handling represents their total livelihood and organisational rationale.

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1 In 1972, this was 1,102 co-ops out of 2,458. See *ibid*.

2 These figures are for 1970 (see *Nōkyō Nenkan*, 1971, *op. cit.*, p.295), but the same pattern predominates in all years.
The regional strength of specialist Nokyo fruit organisations is also evident at prefectural level. Total *keizairen* turnover in fruit in 1970 was 70.2 billion yen. On the other hand, seven Nokyo specialist fruit federations operating in Yamagata, Tottori, Kagawa, Ehime, Fukuoka, Nagasaki and Hiroshima had a combined marketing turnover of 34.5 billion yen, which represented almost half this figure. Prefectural *senmonren* strength in the citrus industry, especially *mikan*, is also very apparent in some fruit producing areas. Some of these federations have set up their own factories for juice and canned fruit production, others for the production of specialist fruit marketing requirements such as corrugated cardboard containers for fruit shipments.

Overlap between the mainstream Nokyo organisation and specialist fruit federations also exists at the national level. Fruit marketing for example, is conducted by both *Nichienren* and *Zenno* (*Zenhanren* prior to 1972), with the general-purpose side of the organisation handling slightly more than double the national horticultural federation.

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3. The Shizuoka Prefecture Citrus Nokyo Federation (*Shizuoka-ken Kankitsuren*) had a marketing turnover of 16.5 billion yen in 1971. Of this *mikan* represented 14.9 billion yen. Similar figures for the Wakayama Prefecture Fruit Nokyo Federation (*Wakayama-ken Kajitsuren*) were 15.5 billion yen (*mikan* 9.3 billion); and the Saga Prefecture Horticulture Nokyo Federation (*Saga-ken Engeiren*) 11.0 billion yen (*mikan* 9.9 billion). These details were obtained from *ibid*.
4. Specialist prefectural fruit federations in Shizuoka, Tottori, Hiroshima, Ehime, Saga, Nagasaki, Kumamoto, Yamagata and Kanagawa operate canning and juice factories (sometimes in the form of cooperative companies). Federations in Hiroshima, Ehime, Saga, Tottori and Tokushima manage corrugated cardboard factories.
5. In 1971 for example, *Zenhanren* turnover in fruit was 37.1 billion yen; that for *Nichienren* was 17.4 billion. See *Nōkyō Nenkan*, 1973, *op. cit.*, p.226, and 1972, p.289 respectively.
Whereas fruit marketing represented only 2.1 per cent of Zenhanren's total marketing turnover in 1971, however, almost all Nichienren's functions were related to fruit.\(^1\) In other words, its marketing, purchasing, production guidance, export, education and informational activities are all commodity-specific in the sense that they concern a small range of fruit products. Nichienren, although strictly speaking a 'horticultural' federation (a descriptive category which also includes vegetables\(^2\)), is predominantly an organisation of fruit farmers, and 'specialisation' within fruit agricultural cooperative organisations at all levels involves not only a restricted set of commodities, but a limited range of functions in relation to these commodities.

Furthermore, Nichienren could be said to represent only those fruit producers linked to it through organisational membership. Its direct members are almost all specialist fruit or horticultural cooperatives (20 federations and six tankyō). Its extended federation links it to a further 1,227 organisations: 1,102 sōgō nōkyō, 77 senmon nōkyō, 22 prefectural federations and 26 less than prefectural-size federations.\(^3\) These in turn have a total farmer membership of 1.3 million.

\(^1\) Its technical advisory functions for example are related to fruit production and farm management, and in this area it cooperates positively with MAF in the dissemination of new techniques, and in the Ministry's general research and experimental activities. Its marketing role centres around detailed regional analyses of demand/supply situations, and it undertakes planned deliveries of fruit to marketing centres. The aim of its delivery adjustment activities is to encourage stable prices for producers. Marketing activities also extend to consumption publicity, marketing mediation and provision of transport. Nichienren's purchasing functions, like that of its lower level organisations, revolve around the supply of specialist packaging products for fruit. It also engages in the export of fruit products: mainly mikan and mikan juice to overseas countries such as Canada, the US, USSR, Europe, the Philippines and the Middle East.

\(^2\) Vegetables are almost entirely concentrated in the hands of the general-purpose Nokyo organisation and utilise the sōgō nōkyō-keizairen-Zennō route.

The さんご くんこ membership figure, however, represents less than half the total number of さんご くんこ engaged in fruit marketing. 

 Nichienren is also limited in its representation of specialist fruit cooperatives: it covers only 82 (five direct members and 77 base-level members) out of a total of 564 horticultural さんもん くんこ. However, in gauging Nichienren's leadership position in the fruit industry, one should look beyond mere numerical proportions to the quality of its membership. Its direct members include all those specialist fruit federations with the highest average turnovers in fruit marketing: those in the main fruit (and especially citrus) producing regions of Ehime, Wakayama, Shizuoka, Saga, Yamanashi, Tottori, Fukuoka, Hiroshima, Nagasaki etc. In other words, Nichienren is an organisation composed of the largest regional specialist fruit federations in Japan, most of which are particularly strong in the area of citrus fruit. This has vital implications for its agricultural policy functions and interests, and particularly for its stance in the liberalisation debate over grapefruit.

Fruit interests are also represented at the national level by another specialist federation: the Japan Fruit Juice Agricultural Cooperative Federation (Nihon Kajü くんこ さんもん さんもん Rengōkai, or Kajuren). A comparatively small organisation compared to Nichienren, Kajuren is composed of 10 federations and two agricultural cooperatives which undertake the processing and marketing of fruit juice. Its main business relates to guidance on marketing and processing, and technical inspection. With the expansion in demand for fruit juice in recent years, the growth in

1 Ibid. Being 'horticultural' cooperatives, however, a certain proportion of these would handle only vegetables, or predominantly vegetables.
the Japanese fruit juice industry has been spectacular, and *Kayuren's* policy involvement has extended to issues which involve this particular commodity, such as the establishment of a 'Price Stabilisation Fund for Raw Fruit for Processing'. With fruit juice also high on the list of items in the anti-liberalisation campaign, *Kayuren* has actively participated in the movement to 'halt expanded imports and import liberalisation of fruit juice'.

_Nichienren's Political Role_

_Nichienren* as the leadership organisation of cooperatives conducting economic, business, production and technical activities in relation to fruit and especially citrus products, has been at the forefront of the anti-liberalisation movement. More than any other issue, the grapefruit import question launched *Nichienren* on to the political stage. Historically, government moves to de-control citrus imports also coincided with expansion in consumer demand for fruit and fruit products and increasing levels of official assistance to the industry under the 'selective expansion' clause of the Agricultural Basic Law. These factors combined to multiply *Nichienren's* policy interests and connections at a crucial time.

In its public and official pressure group activities, *Nichienren* deploys strategies similar to *Zencho*: conferences of member chairmen,

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2 In its outline of activities as reported in *Nōkyō Nenkan* each year, there is a specific category reserved for *nōsei katsudō*, and *Nichienren* is the only one of the national specialist Nokyo federations which officially subscribes to such an interest representational role in this form.
national conventions of representatives which pass resolutions and issue 'demands' and 'declarations', signature campaigns, newspaper advertisements, presentation of petitions to Diet members and to MAF officials, and in Nichienren's case, the sending of delegates on missions to the US to discuss problems of fruit imports.

The question of fruit juice liberalisation has enlisted Kajuren into the campaign alongside Nichienren, an alliance which is facilitated by the fact that both are national Nokyo specialist federations operating within the same product sector with an overlapping membership and executive structure.2

Although Nichienren was galvanised into political action by the liberalisation question, it has widened its spectrum of policy involvement

1 In December 1968 for example, prior to the announcement of the planned liberalisation of grapefruit, Nichienren held a conference of chairmen which resolved on a policy of opposition to the liberalisation of citrus fruits. This was followed in succeeding years by its sponsorship of a series of national Nokyo representatives' conventions 'for the prevention of fruit liberalisation'. It was reported in Nōkyō Nenkan, 1971, that at the height of the anti-liberalisation controversy involving grapefruit, Nichienren held a number of producers' conventions including a 'National Representatives' Convention for a Policy on Summer Oranges', a 'National Representatives' Convention for the Prevention of the Liberalisation of Fruit' and a 'National Mikan Producers' Convention'. (Op. cit., p.296.) In March 1971, just prior to positive government action on the grapefruit liberalisation issue, Nichienren sponsored a 'Grapefruit Liberalisation Prevention Convention'. See 'Nenpyō Nōkyō Nijugonen' (Twenty Five Years of Nokyo: A Chronology), in Kondo Yasuo (ed.), Nōkyō Nijugonen (Twenty Five Years of Nokyo), Tokyo, Ochanomizu Shobo, 1973, p.415.

2 All Kajuren's members for example, are members of Nichienren, and it is customary for them to share the same executive leaders. In 1975, the Vice-Chairman of Nichienren, Kirino Chubei, was Chairman of Kajuren. They also shared the same Managing Director. A Director of Nichienren was Vice-Chairman of Kajuren, and another Director of Nichienren was a Director of Kajuren. See Zenkoku Nōgyō Kyōdo Kumiai Kyōdō Renmei, Nōgyō Kyōdo Kumiai Rengokai Yakushokuin Renmei, Nōgyō Kyōdo Kumiai Rengokai Yakushokuin Meibo (National Agricultural Cooperative Union Executive and Staff Members' League, Agricultural Cooperative Union Federations' Executive and Staff Members' List), 1976, Tokyo, Kyōdo Kumiai Tsushinsha, pp.111-112 and p.120.
since the late 1960s, not only on liberalisation but on other issues connected with the fruit industry, including participation in the Fruit Farming Promotion Advisory Council (Kaju Nōgyō Shinkō Shingikai), which is an inquiry organ of the Minister of Agriculture and Forestry, and Parliamentary and LDP agricultural policy committees. Representations to the MAF also became more frequent and extensive, particularly on matters relating to the budget.

Political Leadership of the Fruit Industry by Mainstream Nokyo Organisations: Zenchū and Zennō

The principal contrast between Nichienren's agricultural policy activities and those of Zenchū and Zennō, is the singular focus of the former and the multiplicity of interests of the latter. This difference follows logically from the differing functional concerns of specialist as opposed to general-purpose cooperatives: the former are commodity- or activity-specific; the latter are commodity- and activity-comprehensive. The result is that fruit ranks considerably lower on the

1 In 1972 for example, Nichienren participated in a range of government, Diet and party committees, beginning with the Fruit Farming Promotion Advisory Council on matters relating to the institution of a fruit insurance system, the enactment of a Fruit Farming Promotion Basic Policy and a Wholesale Markets' Law. On the latter it made strong representations as a relevant fruit producers' group to Diet committees considering amendments to the Central Wholesale Markets Law.

2 Nichienren has now established its own plan of action in relation to those sections of the MAF Budget which affect the fruit industry. In its own words: 'It undertakes forceful presentation in its budget demands of the requests of producers and its member cooperatives'. (Nōkyō Nenkan, 1978, p.230). In 1978, it achieved: 'the promotion of deciduous fruit production through deciduous fruit producer groups' comprehensive consolidation works; the advancement of a plan for mikan price revision for the following year as part of activities for promoting an emergency policy for achieving an early resolution of the mikan surplus crisis; and a revision upwards of the subsidy rate for raw fruit for processing in connection with the price stabilisation policy for these products'. Ibid.
and Zennō scale of policy priorities than it does on Nichienren's. This provides Nichienren with a basis for defence of its own policy-related activities. It contends that fruit falls considerably behind the principal commodity interests of the mainstream organisation: rice, followed by livestock products.

Zenchū in particular has a special role as policy leader of the entire Nokyo movement, and apart from support issues, it is concerned with problems that affect the agricultural cooperative movement or farmers as a whole, such as agricultural land taxes, farmers' pension systems, agricultural insurance and disaster relief, comprehensive agricultural policy proposals and the MAF budget. Similarly, Zennō is the marketing and purchasing agent for all agricultural products and farm inputs, not only those commodities under threat of liberalisation. Its attitude towards this question is coloured by the fact that it wishes to see continuing protection for Japanese agriculture as a whole. Consequently, it conducts its anti-liberalisation activities on a number of fronts.

Another factor downgrading the importance of fruit in the priorities of general Nokyo leadership organisations, is the absence of extensive price support arrangements in this sector. Free market forces have generally been allowed to determine the wholesale price of fruit and fruit products in Japan, except for more recent policy innovations such as the 'Price Stabilisation Fund for Raw Fruit for Processing'. As a result, demands relating to fruit tend to appear in combination with other commodity requests in the agricultural policy activities of Zenchū and Zennō.

In Zenchū's anti-liberalisation demands, fruit is subsumed under the general heading of 'agricultural and livestock products', the standard
phraseology used in Zenchū-sponsored conventions, councils of representatives and conferences of chairmen on liberalisation.¹ This broader coverage of product demands even in relation to the particular issue of liberalisation, is a logical by-product of Zenchū's all-encompassing leadership role. It does not preclude specific instances of action involving a single product, such as oranges and fruit juice, but it does encourage a more generalist approach.

Since 1971, Zenchū has had a 'Nokyo Vegetable and Fruit Policy Central Headquarters' (Nōkyō Seika Taisaku Chūō Honbu), but this policy committee is one of six, and ranks lower in importance than the rice, livestock and dairy policy central headquarters. In large part, the policy priorities of Zenchū derive from the commodity priorities of the general-purpose trading arm, Zenmō. Zenmō has a policy-making division for fruit, but it is subsumed within its Horticulture and Farm Produce Headquarters (Seika Nōsan Honbu), which is then divided into a Policy-Making Department for Horticultural and Agricultural Produce, a Department of Horticulture, and a Farm Produce Division. Furthermore, vegetable trading plays a large part within this Zenmō department.²

Apart from the issue of liberalisation, Zenchū's fruit interests are included within two main policy sets: those relating to its budget demands; and since 1968, those connected to its formulation of a 'basic agricultural policy' (kihon nōsei), which is Zenchū's equivalent phraseology to the government's 'comprehensive agricultural policy' (sōgō

¹ In August 1972 for example, a National and Prefectural Nokyo Central Union Chairmen's Conference was held. It presented 'Demands in Relation to the Opposition to the Expansion and Liberalisation of Imports of Agricultural and Livestock Products'.

² In 1976 for example, vegetables constituted 63 per cent of the turnover in the category of vegetable and fruit products (seika butsu) of Zenmō.
nōsei). In both, however, measures relating to fruit production, marketing, distribution and processing etc. are catalogued as part of a bigger listing.\footnote{In Zenchū's 1978 budget demands, vegetable and fruit policy, when it was mentioned, was included as one item amongst many in a list of 'Policies to Expand the Production, Distribution and Consumption of Agricultural and Livestock Products' (Nōkyō Nenkan, 1978, op. cit., p.295). This was part of a very long list of 'Main Demands Relating to 1978 Agricultural and Forestry Policies and Budget, and the Establishment of a Basic Agricultural Policy'. \textit{Ibid.}, p.293.}

The relationship between Nichienren and the mainstream organisations, Zenchū and Zenno, however, should be seen as less one of rivalry and confrontation between groups competing for the loyalties of the same clientele, than one of mutual collaboration and reinforcement in the presentation of the same interests. In other words, the reality of 'functional overlap' or 'sharing' exists in the field of interest representation just as it does in almost all other areas of activity which the general-purpose and specialist organisations undertake. Nichienren, strictly speaking, is not a 'central union' and is not therefore endowed with the functions and duties of these bodies which formally incorporate policy representation activities. But as the national guiding and leadership body for specialist and other cooperatives involved in fruit handling, and as the organisation with the most vital stake in the viability of the fruit industry, it has undertaken a 'natural' extension of its activities into the policy field. This process was substantially advanced by the anti-liberalisation dispute. Nichienren's policy role should, therefore, be seen as supplementary and complementary to that of Zenchū. It is divisive only insofar as it isolates fruit interests from all other agricultural interests which the cooperatives embody and represents fruit producers as a distinct and separate
grouping. This can be an organisational asset in the presentation of demands, but it does tend to strengthen the centrifugal forces operating within the complex and unwieldy Nokyo organisation.

The relationship between Nichienren, Zenchū and Zennō in agricultural policy activities should not be viewed as a constant however. In historical terms it underwent very significant development during the course of the liberalisation dispute.

The Course of the Grapefruit Liberalisation Dispute, 1968-1971

The Japanese government's intention to liberalise grapefruit became known as a result of the Japan-US negotiations on abolishing remaining import controls which opened in Tokyo in spring 1968. Nichienren's anti-liberalisation activities began at this point. It launched a vocal campaign of opposition to the government's schedule for grapefruit liberalisation in a conference of Nichienren member chairmen in December 1968. Resolutions were taken at the conference to oppose grapefruit liberalisation because of the likely effects of imports from the US on summer orange and mikan producers in Japan.

In spite of the existence of domestic producer opposition, the government's favourable attitude towards grapefruit liberalisation was confirmed at the 7th Japan-US Trade and Economic Joint Committee in July 1969. The Minister of Agriculture and Forestry at that time, Hasegawa, attended Committee sessions and presented his terms for grapefruit liberalisation. These were:

1. the US agree to extend the number of states which had lifted the ban on Japanese mikan; and
2. there would be a high tariff on grapefruit at the time they came on to the market.
If these conditions were fulfilled, then grapefruit liberalisation, originally scheduled for December 1971, would be completed in April 1971. Hasegawa also included grapefruit in his list of 25 articles for liberalisation under the jurisdiction of the MAF presented to the Cabinet Council for the Promotion of the Liberalisation of Trade and Exchange in September 1969. This coincided with a 'National Nokyo Representatives Conference for the Prevention of the Liberalisation of Agricultural and Livestock Products' hosted by Zenohū. Zenohū's interests at the time extended beyond grapefruit to such items as rapeseed, pork, live cattle and pigs.

The government's plan was subsequently endorsed at the Conference on Japanese Import Restrictions held the following month, when the MAF publicly announced its grapefruit liberalisation proposal. Nichienren responded with a National Representatives' Convention for the Prevention of Fruit Liberalisation.

The first half of 1971 saw the anti-liberalisation movement gradually gaining momentum as the date for the scheduled liberalisation of grapefruit in April 1971 drew nearer. A vigorous public campaign was launched by Nichienren largely through the medium of conventions of fruit producers. Official visits were also made by Nichienren executives to the MAF, particularly to the Fruit and Flowers Division of the MAF Sericulture and Horticulture Bureau. Zenohū orchestrated a 'National Nokyo Chairmen's Conference for the Prevention of the Liberalisation of Pork and Other Items'. When, by April, it became clear that the Americans were making no effort to expand the number of States lifting the ban on imports of mikan, and were not going to fulfil the prior condition for liberalisation imposed by Hasegawa, the Japanese government staged a stalling operation and spent April trying to find a compromise between Japanese domestic citrus interests and US pressure.
The scheduling of April for grapefruit liberalisation was badly timed from a party-political and electoral point of view. It fell not long before a House of Councillors' General Election timed for June. With this vital electoral consideration in mind, 80 fruit MPs belonging to the FPL held a meeting at LDP Headquarters and bitterly criticised the government. The content of their criticism was as follows:

The government failed to institute the liberalisation of grapefruit scheduled for the end of April because they did not fulfil their promise to procure an expansion of mikan exports to the US. The House of Councillors election is important, but trust of the LDP is an even more important issue. With things as they stand, this trust will be lost. We have a lying Cabinet and a lying LDP. Only if the decision on grapefruit liberalisation is postponed until after the election can any negative effects of these events on the election be avoided.1

This pronouncement from the FPL was patently influenced by electoral considerations. At a crucial juncture, the League felt it necessary to exercise its political muscle and advocate the use of the same delaying tactics that had proven so effective in producer rice price decisions.

The League was joined by a chorus of voices from within the Agriculture, Forestry and Fisheries Committees of both Houses of the Diet which passed resolutions to the effect that:

1. the target date for the liberalisation of grapefruit should be set only after the government on the basis of negotiations with the US had satisfied itself that there had been an actual lifting of the ban by the US on mikan; and

1 Enoki, Takagi and Hirata, op. cit., p.244.
2. because grapefruit liberalisation had an important influence on the domestic fruit industry, the government in the future should aim to expand its policies generally on the production, distribution and processing of fruit.¹

The second resolution held out a promise of increased budgetary allocations to fruit farmers in exchange for liberalisation.

The government responding to this pressure from agricultural representatives and anxious to avoid an electoral backlash, postponed the April liberalisation date, giving as its reason the lack of a definite promise from the US government on mikan exports. In a Cabinet meeting two days after the election on June 30, however, it decided to put grapefruit liberalisation into effect. In normal circumstances the bait of increased budgetary allocations to fruit farmers held out by the Agriculture, Forestry and Fisheries Committee might have made policy defeat more acceptable, but on this occasion, Nokyo was not going to be so easily appeased.

Zencho issued a very angry statement of protest to the government pointing out the contradictions in the official policy of rice production adjustment. On the one hand it advocated commodity diversification while on the other, it forced liberalisation of those products selected for expansion on the farmers.

The following month, the largest Nokyo convention to be held up to that point on the liberalisation issue was organised in Tokyo. Called the 'National Producers' Convention for a Policy to Overcome the Crisis in Fruit Farming' (Kaju Nogyō Kiki Toppa Taisaku Zenkoku Seisansha Taikai),

it represented a break with precedent insofar as Zenchū, Zenhanren and Nichienren, as national organisations representing fruit farmers, came together for the first time in the management of a convention. These groups had not previously agreed on such combined action. Zenchū Chairman Miyawaki Asao, delivered a strongly worded anti-government speech to the 2,200-strong gathering of Nokyo representatives. Politicians from all parties were invited to attend, but of the 37 who showed up, Upper and Lower House LDP members from the FPL were overwhelmingly numerous. There was a very strong reaction at the convention against the LDP Diet members in attendance who were accused of promising much in the election but delivering little.

Several resolutions emerged from the convention and were presented as demands to government. Firstly, recognition that the government had instituted grapefruit liberalisation in spite of strong opposition from Nokyo was acknowledged. It was also noted that the resolutions of the Diet Agriculture, Forestry and Fisheries Committees in not obtaining guarantees from the US on mikan exports prior to liberalisation had been ignored. The Government was asked to resolve this situation promptly and obtain increased exports of mikan to the US. In addition, it was asked not to liberalise oranges or fruit juice, to institute measures to indemnify those fruit producers directly and adversely affected by the liberalisation of grapefruit through price improvements and other

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1 One Nokyo delegate said he had voted for Higaki Tokutarō in the national constituency and Itō Gorō for Yamagata prefectural constituency, because he had believed that they would protect him. He added, however, that the government was now saying that oranges and fruit juice were going to be liberalised. With this new development in the offing, he stated that he did not know what he had voted for. This was reported in Enoki, Takagi and Hirata, op. cit., p.246.
budgetary measures, and to launch emergency duties on imports and temporarily suspend imports if grapefruit prices fell to inappropriate levels.¹

The Convention produced a further joint Zenchū and Nichienren operation: 'A Combined Committee for a Policy to Overcome the Crisis in Fruit Farming' (Kaju Nōgyō Kiki Toppa Taisaku Gōdo Iinkai).

Although farmers had lost the first political round, the battle over the liberalisation of oranges and fruit juice had still to be fought, and the immediacy of this issue maintained the impetus of the anti-liberalisation debate. Protests 'after the fact' against grapefruit liberalisation became incorporated into a heightened anti-liberalisation campaign involving these other citrus products, both of which were the subject of continuing liberalisation pressure from the US.

The 'Combined Committee to Overcome the Crisis in Fruit Farming' acknowledged in its public statements that fruit farmers had suffered a great blow in the liberalisation of grapefruit and presented a number of 'Demands Relating to the Prevention of the Liberalisation of Oranges and Fruit Juice'. It asked the government not to carry out its plan to liberalise these products, and 'to institute emergency policies for the fundamental constitutional improvement of Japan's fruit farming in order to enable it to cope with international competition'.²

Increased opposition to agricultural trade liberalisation was aroused by the 8th Round of the Japan-US Trade and Economic Combined Committee in September, in which the Minister of Agriculture and Forestry, Akagi Munenori, announced that an additional number of agricultural items would

¹ Nōkyō Nenkan, 1972, op. cit., p.360
² Ibid., p.361.
be liberalised in 1972. Protests from citrus farmers became incorporated into a general anti-liberalisation campaign involving a range of products: beef, pork, flour, beans, live cattle, sugar products and edible cherries. It was at this point that the two sides of the Nokyo anti-liberalisation movement, mainstream and specialist, joined forces, and the precedent established with the first joint Nichienren-Zenchū convention was followed up with further activities organised along similar lines. In December 1971, Zenchū in partnership with a number of other agricultural groups including Zenhanren and Nichienren, sponsored a 'National Producers' Convention for the Prevention of the Liberalisation and Expansion of Imports of Oranges, Fruit Juice, Beef, Miscellaneous Beans etc.' This was supplemented by additional pronouncements from Zenchū and its Chairman, Miyawaki. These activities represented a significant development in the fruit producers' campaign insofar as the national Nokyo lobbying body had taken up the specific cause of oranges and fruit juice, and this trend was to continue. Zenchū and its leaders began to play a much more active role in relation to fruit interests than they had done in the past.

Under direct pressure from Nokyo groups the anti-liberalisationist forces came together in the formation of a new informal grouping with 16 members in the House of Councillors: the Agricultural Policy Promotion Diet Members' League (Nōsei Suishin Giindan) (hereafter referred to as Agricultural Policy Promotion League, or APPL). Its leading official spokesmen (daihyō sewanin) were both Nōkyō giin: Horimoto Senjitsu who was Nichienren's Chairman and Chairman of the FPL, a Diet member from Ehime; and Nukumi Saburō, Miyazaki Prefecture Central Union Chairman and Chairman of the National Nokyo Tourist Bureau, a Diet member from Miyazaki. Of its main members, all but one had electoral ties to the agricultural cooperatives (as members of the Nōsei Kenkyūkai), and a total
of four were Nōkyō giin.¹

Although the Nōsei Suishin Giindan was a general anti-liberalisation group with strong livestock as well as fruit interests, there was a natural membership overlap between it and the FPL. The APPL expressed its unequivocal opposition to the liberalisation of oranges, fruit juice, beef, beans etc. as striking at the very heart of Japanese agriculture.² It opposed liberalisation on the ground that the basis of the country's agriculture had to be protected, and a number of opinions were expressed within the group that 'as things were, the LDP would be defeated in the elections three years hence'.³ One Nokyo leader took this statement a step further, and suggested that if the LDP liberalised oranges, fruit juice and beef, there would be no need for candidates to have LDP endorsement in the next election, since they would do better as Independents.⁴

The anti-liberalisation battle over citrus fruits has not moved much beyond this point. The campaign was lost over a number of items which were not the object of such sustained producer opposition such as pork, ham, bacon, live cattle and pigs, but the government responded to each of the demands presented to it by the combined conventions and committees

¹ Apart from Horimoto and Nukumi, these were: Takahashi Yūnosuke, LDP member from Hokkaidō, Prefectural Nokyo Central Union Chairman, Zenchū Director and Chairman of the Agriculture, Forestry and Fisheries Committee; Kujime Kentarō, LDP member from Tokushima, Prefectural Nokyo Central Union Chairman and Combined Chairman of the Four Nokyo Prefectural Federations; Higaki Tokutarō, LDP, national constituency, former Vice-Minister of the MAF; Kobayashi Kuniji, LDP, national constituency, former MAF official and advisor to the National Land Improvement Federation; Sonoda Kiyomitsu, LDP member from Kumamoto, Chairman of the prefectural farmers' political league (nōseiren), former Agriculture, Forestry and Fisheries Committee Chairman; and Onimaru Katsuyuki, LDP member from Fukuoka, former Construction Ministry official.

² Enoki, Takagi and Hirata, op. cit., pp.246-247.

³ Ibid., p.247.

⁴ Ibid.
formed under the joint sponsorship of Zenchū, Zenmō and Nichienren following grapefruit liberalisation, in the following form:

(i) oranges and fruit juice were not liberalised;

(ii) there was a negotiated increase in the number of American States permitting imports of Japanese mikan;

(iii) when the liberalisation of grapefruit took place on June 10, 1971, the 20 per cent tariff on grapefruit was raised on a seasonal basis to 40 per cent from December to May during the mikan season in order to protect domestic fruit growers;

(iv) additional subsidies were granted to citrus growers, with an immediate subsidy of 8.5 billion yen paid out after grapefruit liberalisation in order to improve the management support of citrus farmers; and

(v) further assistance was granted to summer orange growers in the 1972 MAF Budget.¹

With the government committed to a policy of maintaining import barriers on oranges and fruit juice, the point at issue with regard to these products shifted to the size of the import quota granted by the Japanese government. The Nokyo campaigners redirected their pressure against 'expansions in imports of oranges and fruit juice'. The government, while not conceding on the issue of liberalisation, made concessions to US pressure in the form of successive enlargements in the

¹ Nōkyō Nenkan, 1973, op. cit., p.79.
import framework of these products. The liberalisation battle over oranges and fruit juice has continued in this form throughout the 1970s.

The selection of this particular tight-rope strategy as a solution to competing domestic and foreign demands, has been an attempt by the government to satisfy domestic citrus producers and overseas exporters simultaneously. It began with grapefruit liberalisation itself. The MAF orchestrated a pose of ostensible liberalisation by abolishing the grapefruit quota in an attempt to satisfy foreign critics of Japan's protectionist import policies and US fruit growers, but at the same time, it took tariff action on grapefruit imports which had the effect of partially negating quota liberalisation. This mechanism of 'half-liberalisation', as it has been described,1 extended beyond the 40 per cent seasonal tariff rate imposed on grapefruit from December to May of each year, to a whole range of products liberalised during this period. Tariff rates on vegetable oils, live cattle and pigs, pork, ham, bacon, refined beet and cane sugar and mixed feeds were all increased when quotas were removed.2 Moreover, agricultural and livestock products were the only items subjected to this kind of action.

In spite of the tariff imposed on grapefruit, however, imports increased at a phenomenal rate after liberalisation: from 2,265 tonnes in 1970 to 11,350 tonnes in 1971, 109,695 tonnes in 1972, and 151,757 tonnes in 1976. Import quotas on oranges and fruit juice have also been raised, but have not permitted import expansion at anything like the rate of grapefruit. In 1971, the orange quota was set at 7,800 tonnes: this was lifted to 16,418 tonnes in 1972 and 24,401 tonnes in 1976.

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1 Enoki, Takagi and Hirata, op. cit., p.247.
In January 1978 under direct pressure from the US, the Japanese agreed to almost double the orange quota to 45,000 tonnes, and undertake an even greater expansion in the quota for fruit juice to 4,000 tonnes. (This was 300 tonnes in 1971, and 900 tonnes in 1972.)

It is difficult to gauge the exact contribution of agricultural cooperative pressure to the decisions on the liberalisation, partial or otherwise, of each of these fruit products. Clearly, however, the Nokyo national organisations involved did present the fruit farmers' case in a public demonstration of farmer solidarity, and at a crucial juncture, the FPL joined the chorus of anti-liberalisation voices to berate its own party leadership in the hope that they would delay the grapefruit liberalisation decision until after the 1971 House of Councillors' election and come up with concessions in the form of increased subsidies for fruit producers. The success of these moves is surely evidence that residual electoral considerations can play a decisive role in the timing and content of agricultural policy decisions. Furthermore, the results of the 1971 elections were unfavourable for the LDP. For the first time, it lost ground in some traditionally conservative rural prefectural seats like Tochigi, Fukui, Yamanashi, Ōita and Kagoshima, some of which were also fruit producing prefectures. These results may in turn have influenced subsequent government attitudes towards liberalising oranges and fruit juice.

*Nichienren* and the FPL: The Political Connection

In reports of *Nichienren*'s agricultural policy activities, the FPL seems to enjoy the reputation of being *Nichienren*'s specific Diet connection, manned by supporters of the Nokyo fruit lobby.  

*Nichienren* openly acknowledges the backing of the FPL in its agricultural

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1 These figures are taken from *Nōkyō Nenkan* for relevant years.

2 These reports appear in *Nōkyō Nenkan* each year.
policy campaigns. Although the League began as an informal, intra-Diet group opposing the liberalisation of citrus imports, its activities have broadened beyond the scope of the liberalisation issue to all aspects of policy relating to the fruit industry. In 1977 for example, the FPL played a supportive role in close collaboration with Nichienren in the promotion of a Stabilisation Fund for the Shipment of Fruit Products, an idea sponsored by Nichienren, Zenohū and Zenno. (The FPL annually cooperates with Nichienren in the presentation of its budget-related demands, and much of the success Nichienren claims to have had in this area, is attributed to the FPL's support.)

The membership of the FPL grew from about 80 at the time of its original organisation to 170 by the late 1970s. An examination of the organisational connections of some of its leading members illustrates the process of political 'osmosis' by which Nokyo has penetrated Diet and government party policy-making structures.

Regional concentrations of fruit and especially citrus production in Japan, produce a strong correlation between constituency representation, citrus production, and membership of the FPL. Tables 6.1 and 6.2 rank prefectures according to quantity and area of citrus production.

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1 See for example, Nōkyō Nenkan, 1971, op. cit., p.296.
### Table 6.1

**A RANKING OF MIKAN PRODUCTION BY PREFECTURE (1975)**

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<thead>
<tr>
<th>Prefecture</th>
<th>Area Under Cultivation (ha)</th>
<th>Amount Produced (t)</th>
<th>Amount Marketed (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ehime</td>
<td>22,000</td>
<td>525,000</td>
<td>479,200</td>
</tr>
<tr>
<td>2. Shizuoka</td>
<td>16,900</td>
<td>408,200</td>
<td>359,000</td>
</tr>
<tr>
<td>3. Saga</td>
<td>13,900</td>
<td>318,300</td>
<td>280,900</td>
</tr>
<tr>
<td>4. Wakayama</td>
<td>12,500</td>
<td>317,700</td>
<td>298,200</td>
</tr>
<tr>
<td>5. Nagasaki</td>
<td>11,900</td>
<td>211,000</td>
<td>183,700</td>
</tr>
<tr>
<td>6. Kumamoto</td>
<td>13,500</td>
<td>250,400</td>
<td>223,900</td>
</tr>
<tr>
<td>7. Ōita</td>
<td>8,550</td>
<td>177,800</td>
<td>161,100</td>
</tr>
<tr>
<td>8. Fukuoka</td>
<td>9,070</td>
<td>193,500</td>
<td>173,300</td>
</tr>
<tr>
<td>9. Hiroshima</td>
<td>8,040</td>
<td>173,200</td>
<td>153,500</td>
</tr>
<tr>
<td>10. Kanagawa</td>
<td>3,780</td>
<td>98,400</td>
<td>90,500</td>
</tr>
</tbody>
</table>

Table 6.2

A RANKING OF SUMMER ORANGE PRODUCTION BY PREFECTURE (1975)

<table>
<thead>
<tr>
<th>Prefecture</th>
<th>Area Under Cultivation (ha)</th>
<th>Amount Produced (t)</th>
<th>Amount Marketed (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ehime</td>
<td>2,950</td>
<td>102,800</td>
<td>98,300</td>
</tr>
<tr>
<td>2. Wakayama</td>
<td>2,210</td>
<td>60,600</td>
<td>59,100</td>
</tr>
<tr>
<td>3. Kumamoto</td>
<td>2,270</td>
<td>57,500</td>
<td>52,700</td>
</tr>
<tr>
<td>4. Ōita</td>
<td>1,040</td>
<td>28,400</td>
<td>25,900</td>
</tr>
<tr>
<td>5. Shizuoka</td>
<td>1,120</td>
<td>22,900</td>
<td>21,700</td>
</tr>
<tr>
<td>6. Yamaguchi</td>
<td>979</td>
<td>18,800</td>
<td>16,700</td>
</tr>
<tr>
<td>7. Fukuoka</td>
<td>686</td>
<td>14,300</td>
<td>12,500</td>
</tr>
<tr>
<td>8. Nagasaki</td>
<td>593</td>
<td>9,440</td>
<td>7,600</td>
</tr>
<tr>
<td>9. Hiroshima</td>
<td>295</td>
<td>8,590</td>
<td>7,880</td>
</tr>
<tr>
<td>10. Mie</td>
<td>466</td>
<td>7,770</td>
<td>7,220</td>
</tr>
</tbody>
</table>

Tables 6.1 and 6.2 show that Ehime is the most important citrus producing prefecture for *mikan* as well as summer oranges, both products significantly affected by prospective imports of grapefruit, fruit juice and oranges. Not surprisingly, this prefecture and its constituencies have consistently provided the leadership of the FPL.¹

Supplementing this leadership strength within the FPL, is the numerical predominance of politicians representing Ehime electorates. At least five other members of the FPL have been Diet members from Ehime. The latter group demonstrates predominantly constituency-dictated fruit interest, rather than any special connection with producer organisations.

¹ Horimoto Senjitsu for example who represented Ehime prefectural constituency in the House of Councillors from 1956 to 1974, was Chairman of the FPL and the APPL until the end of his final Diet term. He combined Diet members' activities with the chairmanship of *Nōkō Kenkyūkai*, thus contributing more than any other political figure to the amalgamation of producer organisation and Diet roles. During the crucial year of grapefruit liberalisation in 1971, he held a high-ranking agricultural policy position within the LDP as Vice-Chairman of the party's Comprehensive Agricultural Policy Investigation Committee (*Sōgō Nōsei Chōsakai*). He was succeeded as Chairman of the FPL by Higaki Tokutarō, who, during his career in the MAF occupied the posts of Director-General of the Food Agency and Vice Minister of the MAF. Between 1971 and 1977, Higaki held a seat for the LDP in the national constituency, and in 1977, was re-elected as a member for Ehime prefectural constituency. On his entry into the Diet in 1971, Higaki became an 'honorary' member of the Nokyo House of Councillors' Diet members' grouping: the Nokyo Problem Conference (*Nōkyō Mondai Kondankai*), whose membership is normally restricted to current Nokyo executives. In 1978, Higaki succeeded to the position of LDP *Sōgō Nōsei Chōsakai* Chairman, and has been at the centre of negotiations on liberalising import quotas of oranges and fruit juice ever since. Both Horimoto and Higaki as members of the *Nōsei Kenkyūkai*, received electoral support from the cooperatives in the elections, and exemplify the Nokyo connections of so many farm politicians. The current Vice-Chairman of the FPL is Mōri Matsuhei, an LDP member from Ehime (3) from 1958 onwards, who has held a wide range of party executive posts.

² This group includes Sekiya Katsutoshi, LDP member in the Lower House for Ehime (1) 1947-76; Shiozaki Jun, LDP member in the Lower House for Ehime (1) from 1969, who became Chairman of the LDP Foreign Affairs Division in 1978 and was therefore involved in Japan-US citrus negotiations; Murakami Shinjirō, LDP member in the Lower House for Ehime (2) 1967-72; Imai Isamu, LDP member in the Lower House for Ehime (3) from 1972, who in 1977 held the post of Parliamentary Vice-Minister for Agriculture and Forestry; and Yagi Tetsu, LDP member in the Lower House for Ehime (2) 1958-72, a county horticultural Nokyo federation chairman and advisor to Ehime Prefecture Vegetable and Fruit Nokyo Federation.
Other members of the FPL have also represented fruit producing districts such as Fukuoka,⁠¹ Kumamoto,⁠² Wakayama,⁠³ Yamanashi,⁠⁴ Ōita,⁵ Kanagawa⁶ and Tokushima.⁷ Except for Tokushima, these are all amongst the top ten prefectures for mikan and summer orange production.

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1 Examples are: Moribe Takasuke, LDP member in the Upper House for Fukuoka prefectural constituency, 1962-68, who held the posts of Fukuoka Prefecture Nokyo Central Union Chairman and Vice-Chairman of Zenchu, and later became Chairman of Nokyo's Kyushu and Yamaguchi Mikan Policy Council; and Onimaru Katsuyuki, LDP member in the Upper House for Fukuoka prefectural constituency, 1967-1974.

2 Matsuno Raizo, LDP member in the Lower House for Kumamoto (1) from 1947 onwards, who has held a wide range of party executive and ministerial positions, a member of the Nōsei Kenkyūkai; and Sonoda Kiyomitsu, LDP member in the Upper House for Kumamoto prefectural constituency from 1942, with strong local agricultural interests such as chairmanship of the prefectural farmers' political league, a member of the Nōsei Kenkyūkai, and experience as Parliamentary Vice-Minister of Agriculture and Forestry and Chairman of the Agriculture, Forestry and Fisheries Committee.

3 Bo Hideo, LDP member in the Lower House for Wakayama (1) from 1952 onwards, with high-ranking party executive and Cabinet posts in finance; and Shoji Keijirō, LDP member in the Lower House for Wakayama (2) from 1960, formerly an official of the Finance Ministry, who became Vice-Chairman of the Agriculture, Forestry and Fisheries Finance Corporation on retirement, with strong interests and leadership roles in party foreign affairs posts.

4 Nakao Eiichi, LDP member in the Lower House for Yamanashi Prefecture from 1967, who has held Diet and party posts in agriculture and forestry such as Parliamentary Vice-Minister and Chairman of the LDP Agriculture and Forestry Division.

5 Aizawa Sakae, DSP member in the Lower House for Ōita (1) from 1969 to 1972, Prefectural Fruit Nokyo Federation Chairman, and a consultant to the Japan Fruit Juice Nokyo Federation, a Nōsei Kenkyūkai member.

6 Kamei Zen' sho, LDP member in the Upper House for the national constituency from 1968 to 1974, who was Vice-Chairman of the National Food Industries' Federation and former member of the Rice Price Advisory Council.

7 Kujine Kentarō, LDP member in the Upper House for Tokushima prefectural constituency from 1968, Chairman of the Prefectural Vegetable and Fruit Nokyo Federation, a Director of Zenno, Combined Chairman of the Nokyo Prefectural Federations and a Nōsei Kenkyūkai member.
Strongly developed regional interests in fruit also show up in the political activities of certain Nokyo prefectural fruit federations. Not surprisingly, the Ehime Prefecture Vegetable and Fruit Nokyo Federation (Ehime-ken Seika Nōkyō Rengōkai, or Seikaren) is a leader in the field of citrus fruit promotion, and this interest extends to political activities. In 1967, the Seikaren ran its own candidate for prefectural governor in opposition to the sōgō nōkyō-keisairen candidate. At the time this confrontation seemed to embody the rising strength of specialist cooperatives in the growth sectors of Japanese agriculture. The dominant hold of the Seikaren on the marketing of citrus fruit in Ehime (it markets 70% of the mikan crop), links it to a large number of specialist farmers with a well-defined commodity interest. Such singularity of interest lends a good deal of organisational cohesion to the Seikaren's political activities.

The Ehime region also dominates leadership positions in the national specialist fruit federations, Nichienren and Kajūren, a connection which

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1 At bottom, this electoral battle was a 'mikan war': a confrontation between the general-purpose and specialist fruit co-ops over the marketing of mikan within the prefecture. The specialist fruit cooperatives supported the LDP gubernatorial candidate, and the general-purpose cooperatives in concert with a prefectural assembly breakaway LDP group, backed the joint JSP-JCP candidate. The official LDP-endorsed candidate triumphed over his progressive rival, which produced a call amongst specialist agricultural cooperatives for the 'extermination of general-purpose agricultural cooperatives'. See Tanaka Toyotoshi, Nihon no Nōkyō (Japan's Nokyo), Tokyo, Nōkyō Kyōkai, 1971, pp.445-446.


3 In 1975 for example, Kirino Chūbei, Chairman and Vice-Chairman (after Horimoto Senjitsu) of Nichienren. Other executives of Nichienren and Kajūren in that year also came from Ehime, and from other prefectures such as Yamaguchi, Kanagawa, Wakayama, Tottori, Kumamoto, Shizuoka, Saga, Tokushima and Ōita.
seems enduring regardless of personalities. The tradition of Ehime-based leaders operating as political leaders of the Nokyo citrus lobby is a situation which is replicated within the Diet as we have indicated.

With such organisational and political strength as a basis for action, the Ehime Seikaren unilaterally involves itself in anti-liberalisation campaign activities, such as the presentation of petitions to MAF officials and Diet members, the organisation of missions to the US, the financing of advertising campaigns in the press and the conduct of high-pressure overseas sales marketing.

**Functional Overlap in the Specialist Livestock Industry**

The arrangement of producer and political groupings in the fruit sector is, by and large, duplicated in the livestock industry but here, the picture is complicated by the existence of a greater range of Nokyo-connected organisations operating in a variety of fields such as extension services, price negotiation, State trading and electoral support activities.

Within the federated Nokyo organisation, the same structural division is evident: the general purpose national organisations (Zencho and Zenno), share leadership of the livestock sector with the national specialist livestock federations: the National Livestock Nokyo Federation (Zenkoku Chikusan Nōkyō Rengōkai, or Zenchikuren) and the National Dairy Nokyo Federation (Zenkoku Rakunō Nōkyō Rengōkai, or Zenrakuren).

The major difference between the Nokyo livestock and fruit lobbies is the greater size and strength of the former because of the proportional weight of the livestock sector in Japanese agriculture. In total farm

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1 The current Ehime Seikaren Chairman, Takakado Kaoru, serves simultaneously as one of the Vice-Chairmen of Nichienren.
output, livestock production is second only to rice. The value of Nokyo's economic stake in the livestock industry is consequently much greater. This is enhanced by expanding livestock-associated industries such as feed supply and meat processing, into which Nokyo has extended its financial and business involvement.

Secondly, the political content of livestock commodities is much greater than in the case of fruit products, because of the incorporation of livestock products into price stabilisation arrangements. For this reason, they are subject to the same regular, annual review procedures and political negotiations as the producer rice price.

Much of the functional sharing and overlap between the general-purpose and specialist sides of the Nokyo organisation involved in the livestock industry is similar to the fruit sector. The specialist Nokyo organisations are not only restricted to a range of commodities, but a range of specialist functions in relation to these commodities. At the same time, the regional strength of specialist livestock federations is evident in areas of greater livestock production.

Zenchikuren has 91 members (more than three times as many as Nichienren). This number is a reflection of the number of distinct subsectors within the broad category of the 'livestock' industry. Of its 61 unit cooperative members, 10 are livestock cooperatives (chikusan nōkyō), seven are pig-raising cooperatives (yōton nōkyō), 31 are dairy cooperatives (rakuno nōkyō), three are poultry cooperatives (yōkei nōkyō) and 10 are general-purpose cooperatives (sōgō nōkyō). The remaining third of its members are federations: 29 prefectural federations and one sub-prefectural federation. Twelve of these are livestock specialist federations, four are dairy specialist federations and 14 are economic
federations (*keizaiiren*). ¹ Categorised according to sector specialisation rather than organisational level, *Zenohikuren*’s total membership spans 35 dairy Nokyo organisations, 24 general-purpose organisations, 22 livestock Nokyo organisations, seven pig-raising Nokyo organisations, and three poultry Nokyo organisations.² The large number of dairy cooperatives in *Zenohikuren*’s membership is a reflection of the strength of the Japanese dairy beef industry.

Because of regional specialisation in the livestock industry, *Zenohikuren*’s specialist livestock member federations operate in areas where livestock farming is well developed. Those in Hokkaidō, Miyagi, Fukuohima, Aichi and Kumamoto are the largest and best known prefectural member federations.

In broad outline, the functional divisions within *Zenohikuren* conform to the normal breakdown of agricultural cooperative activity. They involve marketing, purchasing, technical and other production guidance activities. A particular feature of *Zenohikuren*’s business, however (which also holds true of Nokyo’s other federations operating in the livestock area such as *Zennō* and *Zenrakuren*), is the economic importance of its supply or purchasing business, which vastly outweighs the value of its marketing business. This is a consequence of the dependence of Japan’s livestock producers on imported, factory-produced, compound feed rather than pasture grass to support livestock-raising.

As a result, *Zenohikuren*’s purchasing activities are mainly concentrated in the supply of various feeds, supplemented by much smaller

¹ These figures are all taken from *Nōkyō Nenkan*, 1978, *op. cit.*, p.321.

² *Ibid.* Japan’s poultry industry is, of course, represented by its own national specialist federation (*Nihon Yōkei Nōkyō Rengōkai*, or *Niyören*).
amounts of agricultural chemicals and other livestock production supply items. Its marketing functions involve meat marketing (beef and pork) on consignment from members. Meat is shipped by Zenchikuren mainly to the Sendai, Tokyo, Osaka-Kobe and Kita-Kyūshū wholesale markets. Zenchikuren has also sponsored experimental meat retail stores and conducted animal research programs. Its guidance activities centre on marketing leadership.

The balance between Zenchikuren's purchasing and marketing activities is heavily in favour of the former. In 1975, its total purchasing turnover was 6.8 billion yen.¹ Its marketing turnover in meat was only one third this size at 2.2 billion yen.² This amount was infinitesimal however, when compared to the meat sales of the prefectural keizairen or Zennō. These amounted to 462.6 billion yen and 416.4³ billion yen respectively. In other words, meat marketing in Japan is almost entirely in the hands of the general-purpose Nokyo organisation, which brings the influence of such organisations as Zennō and Zenchū to bear in its favour.

Zenrakuren is a much larger organisation than Zenchikuren with three times as many members, the majority of which are local dairy cooperatives (181). It also has 52 dairy member federations, 57 general-purpose cooperatives, 12 economic federations, and a few livestock and settler cooperatives and federations (which market milk).⁴ The larger prefectural

² Ibid.
dairy federations are to be found in Hyōgo, Fukuoka, Kumamoto, Miyazaki and Fukushima.  

Zenrakuren's marketing activities are principally concerned with the distribution of fresh milk from its member cooperatives all over the country, to the metropolitan areas (this is categorised as city milk marketing business); the distribution of other milk for drinking such as school milk; and the marketing of dairy products (such as butter and cheese), some of which are produced in factories directly managed by Zenrakuren.

Zenrakuren production activities (worth 2.8 billion yen in 1977) involve management of dairy cattle fattening centres, dissemination of fattening techniques to members and supply of different types of cattle and calves to members. Zenrakuren, in cooperation with the Tōmen Company, financed the Japan Beef Production Company, which manages a large dairy cattle-fattening enterprise. Zenrakuren's guidance services provide technical, production and management advice to its members. Ninety four per cent of its total purchasing business is taken up with feed supply. The rest is dairy farming materials (seisan shizai), some of which are produced in directly-managed factories.

In spite of the regional strength of certain specialist Nokyo dairy federations, the general-purpose keisairen surpass the turnover of Zenrakuren in total milk sales. In 1975, Zenrakuren sold 19.4\(^2\) billion yen worth of milk. The turnover of the keisairen was 11 times larger than this at 181.9\(^3\) billion yen. The general-purpose Nokyo organisation thus predominates in milk marketing, just as it does in meat sales.

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1 Other large prefectural dairy specialist federations operate in Aomori, Ibaragi, Tochigi, Chiba, Niigata, Gifu, Aichi, Mie, Hiroshima, Tokushima and Saga.

2 Nōkyō Nenkan, 1977, op. cit., p.244.

3 Ibid., p.168.
The same picture is apparent in a comparison of market share in feed sales. The combined Zenchikuren-Zenrakuren turnover in feed (as the specialist suppliers), was 50.7 billion yen in 1976.\(^1\) The keizairen total was 553.4 billion yen and that of Zenno was 898.8\(^2\) billion yen. Zenno therefore stands out as the most important single Nokyo organisation handling feed.

**Nokyo's Economic Stake in Livestock-Associated Industries**

Clearly more so than in the case of fruit, the share of the mainstream general-purpose organisations in the marketing and purchasing sides of the livestock industry is considerable.

In this context it is useful to think of Nokyo not only as an organisation of farmer-producers with an economic stake in the marketability of particular product (and in this case, a particular fear of competition from cheaper imported livestock products destroying the production base of Japan's livestock industry), but as a business and commercial enterprise with considerable financial investment in livestock-related industries. Nokyo's entrepreneurial face is very apparent in the case of livestock products. It has made substantial organisational and financial investment in all business activities associated with the process of transforming a production input (feed in the case of livestock) into a saleable consumer item (a processed livestock product).

There are several reasons why Nokyo's big business side has emerged more strongly in the Japanese livestock industry than in any other farm sector:


\[^2\] The general-purpose figures were obtained from *Nōkyō Nenkan*, 1978, *op. cit.*, p.164.
(i) An increase in consumer demand for livestock products beginning in the late 1950s, provided an expanding market for livestock products, especially milk, meat and eggs. The government's response to this was its 'selective expansion' clause in the Agricultural Basic Law in 1961, which served to reinforce and encourage this trend. This new reference point for agricultural policies furnished new targets for agricultural investment and subsidies.

(ii) Livestock products require more processing than many other agricultural products, such as reconstituting milk, slaughtering cattle, arranging and packing different meat cuts, producing butter and cheese, etc. all of which require processing facilities, which in turn require capital investment. The increasing demand for processed livestock products was an attractive proposition for capital, especially surplus Nokyo capital which was generated in large quantities as a by-product of the expansion in its financial activities, particularly insurance.

(iii) Japan's livestock industry is highly dependent on feed, which encouraged the development of a Nokyo feed-processing industry.

Livestock feed has become to Nokyo, and especially to Zenmō and the economic federations, one of the most vital farm inputs handled by the agricultural cooperatives. If we look at the various dependency rates on purchased feed for the different sectors of the livestock industry,
the following picture emerges: poultry 100 per cent; pigs 95 per cent; beef cattle 85 per cent; and dairy beef 62 per cent.\(^1\) (These percentage figures represent the ratio of bought feed over the total feed consumed.) Furthermore, Japan is highly dependent on imported feed. Eighty-one per cent of all the feed consumed by livestock and poultry in Japan is imported (a total of 13.9 million tonnes out of a total of 17 million tonnes).\(^2\) Sixty per cent of these imports came from the US. Japan's livestock industry has been called a 'harbour livestock industry' because of the extent to which it relies on imported raw materials for feed-making.\(^3\)

Japan's expanding livestock industry thus provided a growing market for feed. As a major farm input supplier, Zennō (and before it Zenkōren), substantially increased its investment in the feed-processing, or compound feed production business.

Feed is the most important commodity handled by Nokyo next to rice, and easily the largest in terms of value of turnover in the entire Nokyo purchasing business. Zennō's feed business was worth 898.8 billion yen in 1976. The turnover of the next major item on Zennō's purchasing list (fertiliser) had a value of 308.2 billion yen.\(^4\) Out of Zennō's total purchasing business in 1976, feed constituted 41.9 per cent. Only rice marketing, at 2,229.2 billion yen, exceeded the value of Zennō's feed business.\(^5\) The same picture emerges for each level of the general-

\(^1\) Ōtani Tetsumaru, Nōkyō no Ryūtsū Senryaku (Nokyo's Distribution Strategies), Tokyo, Nihon Keizai Shinbunsha, 1973, p.82.

\(^2\) Ibid.

\(^3\) Ibid.

\(^4\) Ibid., p.162.

\(^5\) Ibid., p.164.
purpose organisation: the keisairen and the sōgō nōkyō.

What is distinctive about Nokyo's feed industry is that the agricultural cooperative organisation controls every step of the process of feed supply. It imports the raw material from abroad (Zennō operates eight special bulk cargo ships for this purpose), and it processes and supplies it to the farmer. There are 221 feed factories in Japan operated by 141 compound feed companies. Of the latter, 59 have connections with Nokyo. These farmers produced 41\(^2\) per cent of the total national feed production in 1974. Zennō's nationwide network of compound feed factories launched by means of 'related companies' (kanren gaisha), operate in almost every prefecture in Japan.\(^3\)

As a result, a substantial part of Nokyo's economic stake in the livestock industry, and a major reason why it has been pressing for the expansion of domestic Japanese livestock production and opposing the entry of overseas beef and dairy product imports, has been attributable to its involvement in the feed processing business, and its desire to maintain and expand the market for its finished product: animal feed. This connection becomes even clearer in the light of Nokyo's share of the feed supply business for each of the different sectors of the livestock and poultry industries. It is far greater in the beef and dairy sectors than in the poultry and pig sectors. It supplies 70 per cent of the feed for beef cattle, 44 per cent for dairy beef cattle, 50 per cent for pigs, 32 per cent for poultry and 26 per cent for broilers.\(^4\)

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2 Ibid., p.143.
3 For a comprehensive list of these Zennō-related feed production companies contained within a total listing of Zennō kanren gaisha, see Appendix II in Yoshihara Shizuo, Zennō o Kiru (I Attack Zennō), Tokyo, Nisshin Hōdō, 1975, pp.252-261.
4 Aono, op. cit., p.154.
Japan's farmers' overall utilisation rate of the agricultural cooperatives for purchasing feed is 72.4 per cent.¹

Furthermore, livestock products rank second only to rice in importance in the turnover of Zennō, the keizairen and the sōgō nōkyō. In 1976 for example, the sōgō nōkyō handled livestock products to the value of 1,031.9 billion yen, the main items in this total being fresh milk (247 billion), pork (236.1 billion) and beef (214.2 billion).² Livestock commodity marketing represented 45 per cent of the value of rice marketing which amounted to 2,271.1 billion yen ³ and 2.14 per cent of the total sōgō nōkyō marketing turnover.

The growth in importance of livestock product marketing to Nokyo has been remarkable in the last decade. In 1968, the sōgō nōkyō traded in rice to a value of 1,296.1 billion yen, and in livestock products to a value of 312.2 billion yen (or one quarter the value). Between 1968 and 1976, the relative value of livestock marketing rose from one quarter of the turnover in rice to half. Furthermore, in 1968, the 312.2 billion turnover in livestock products represented only 15 per cent of the total sōgō nōkyō marketing turnover.

This trend has also been evident in keizairen trading figures. In 1970, the keizairen marketed livestock products to a value of 309.6 billion yen.⁴ In the six years to 1976, this tripled in value to 955.4 billion yen.⁵ An equivalent rise took place in Zennō's figures: in 1970

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¹ Ibid., p.66.
² These figures were all obtained from Nōkyō Nenkan, 1978, op. cit., p.161.
³ Ibid.
Zenhanren marketed livestock products to a value of 126.6 billion yen.\(^1\) By 1976, this had risen to a Zenno total of 376.1 billion yen.\(^2\)

Amongst Zenno-related companies, those conducting livestock business are second only in importance to feed processing. Table 6.3 sets out company titles, capital and principal business functions.

The 21 companies listed in Table 6.3 represent 17 per cent of the total of 123 Zenno-linked companies. When added to the 44 engaged in feed production, the total involved in livestock-related business amounted to 65, or more than half of all Zenno's company ventures.

Compared to the specialist Nokyo national federations involved in the livestock and dairy sectors, Zenno has far greater financial and economic power to channel into livestock business. This is generated not only from its own activities relating to the whole spectrum of farm products and inputs, but from the business of the general-purpose finance organisations, such as Nōrin Chūkin and Zenkyōren on which Zenno can draw as a source of investment capital. Zenno's recent expansion into company activities has mostly served to consolidate the dominant hold of the general-purpose side of Nokyo on the livestock sector.

**Private Capital Integration of the Livestock Industry**

Zenno's heavy investment in livestock and feed companies was partially designed as a counter-strategy to the movement of private trading capital into the livestock sector. Beginning in the late 1950s, leading Japanese trading companies began to invest in all aspects of the livestock industry, a development which has been described in terms of a process of

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### Table 6.3
**Zennō-Related Livestock Companies**

<table>
<thead>
<tr>
<th>Company Title</th>
<th>Capital (yen)</th>
<th>Livestock-Related Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zennō-Shokuhin (KK)</td>
<td>100 million</td>
<td>Processing of agricultural and livestock products.</td>
</tr>
<tr>
<td>(KK) Kumiai Bōeki</td>
<td>300 million</td>
<td>Importing of live cattle and meat.</td>
</tr>
<tr>
<td>(KK) Co-op Meat</td>
<td>3 million</td>
<td>Meat processing and marketing.</td>
</tr>
<tr>
<td>Zenkoku Nōkyō Chokuhin</td>
<td>324 million</td>
<td>Milk and meat sales.</td>
</tr>
<tr>
<td>Zennō Takasaki Shokuniku Kakō (KK)</td>
<td>200 million</td>
<td>Production and marketing adjustment amongst group production companies.</td>
</tr>
<tr>
<td>Ibaragi Kyōdō Shokuniku (KK)</td>
<td>125 million</td>
<td>Slaughtering and meat processing.</td>
</tr>
<tr>
<td>Kyūshū Kyōdō Shokuhin (KK)</td>
<td>92.5 million</td>
<td>Slaughtering, meat processing and storage.</td>
</tr>
<tr>
<td>Takasaki Ham (KK)</td>
<td>150 million</td>
<td>Meat processing and sales.</td>
</tr>
<tr>
<td>Hokkaidō Nōkyō Nyūgyō (KK)</td>
<td>2.4 billion</td>
<td>Milk and milk products processing sales.</td>
</tr>
<tr>
<td>(KK) Hokkaidō Chikusan Shinkō Kōsha</td>
<td>400 million</td>
<td>Cattle and pig slaughtering, meat processing, shipment and sales.</td>
</tr>
<tr>
<td>Iwate Chikusan Ryūtsū Senta</td>
<td>586.4 million</td>
<td>Cattle and pig slaughtering, meat processing, shipment and sales.</td>
</tr>
<tr>
<td>(KK) Miyazaki-ken Chikusan Kōsha</td>
<td>571 million</td>
<td>do.</td>
</tr>
<tr>
<td>Kagoshima Kumiai Shokuniku</td>
<td>50 million</td>
<td>do.</td>
</tr>
<tr>
<td>(KK) Tōkyōto Shokuniku Kyōkyū Kōsha</td>
<td>1 billion</td>
<td>Meat storage, transport and processing.</td>
</tr>
<tr>
<td>Chūō Shokuhin</td>
<td>151.5 million</td>
<td>Meat processing, packaging and marketing.</td>
</tr>
<tr>
<td>Ōmiya Shokuniku Nïuke (KK)</td>
<td>100 million</td>
<td>Carcass and fresh meat reception and marketing.</td>
</tr>
<tr>
<td>Tokyo Shokuniku Shijō</td>
<td>600 million</td>
<td>do.</td>
</tr>
<tr>
<td>Yokohama Shokuniku Nïuke (KK)</td>
<td>60 million</td>
<td>do.</td>
</tr>
<tr>
<td>Nagoya Shokuniku Shijō (KK)</td>
<td>30 million</td>
<td>do.</td>
</tr>
<tr>
<td>Kobe Chūō Chikusan Nïuke (KK)</td>
<td>50 million</td>
<td>Cattle slaughtering, meat processing and sales.</td>
</tr>
<tr>
<td>Nihon Rakunō Kyōdō (KK)</td>
<td>500 million</td>
<td>Processing and sales of milk and milk products.</td>
</tr>
</tbody>
</table>

'integration'. This process involved the systematisation by private trading companies of the production, processing, distribution and sale of livestock products within their corporate networks (Keiretsu).

The integration process germinated in the decade 1955-1965. It was pioneered by Taiyō Fisheries in response to the depression in the inshore fishing industry. The first step involved breeding contracts for fowls between private companies and farmers, then feed company capital moved in with the idea of expanding the market for feed. Mitsui Company joined up with its corporate feed maker, Japan Compound Feed (Nihon Haigō Shiryō) to establish a company which advanced from broiler into hog raising. C. Itoh was next to establish a livestock company in Ibaragi Prefecture which consigned hog raising to 600 farm households in the region.

After beginning with production contracts with farmers, trading companies moved by the late 1960s, into the possession of company farms under their direct management. 'Japan Farm' was created in July 1969 with one billion in capital contributed by Mitsubishi (40 per cent), and 15 per cent each from Japan Agricultural Production Industries (Nihon Nōsan Kōgyō), Nisshin Flour Milling (a feed maker), Mitsuwa Feed (Mituwa Shiryō), and Nippon Ham. The 'Japan Farm' Company invested two billion yen in a farm in Kagoshima Prefecture which concentrated mainly on broiler production (1.6 million birds). It established another 100 hectare farm for hog raising with 65,000 head.

This enterprise was followed by a series of trading company farms; C. Itoh established CI Farm in Iwate Prefecture in January 1969, Mitsubishi

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1 See Ōtani, op. cit., pp.77-84.
set up Bōsō Farm at the end of 1969, followed by Sumitomo's Kidogawa Farm in Tochigi Prefecture. Nissho Iwai then established three beef cattle farms in Tochigi, Aichi and Kumamoto.

One Japanese writer summed up this process in the following terms:

'large enterprises have accomplished almost total integration and control of the livestock industry from production to sale. They have taken over the production of raw materials (beef cattle, pigs, broilers and chickens), feed supply, processing, distributing, wholesaling and retailing of the final product in the supermarkets of their corporate networks'.

It took some time for Nokyo to marshall its forces to respond to this challenge from the private sector. It was, however, concerned about the development of strong ties in the form of production contracts between farmers and private trading companies outside the Nokyo system. Because of the operations of specialist cooperatives in the livestock sector, and the weaker linkages amongst specialist cooperative federated organisations, livestock farmers were more 'open' to the development of independent contracts with private trading companies. The general-purpose side of Nokyo viewed this not only as an attack on Nokyo's market share, but as a threat to the Nokyo organisation itself, with the creation of potentially divisive loyalties within the agricultural cooperative system.

The general-purpose counter-offensive was led by Zenno, which had the organisational and financial strength to lead the agricultural cooperative strategic response. This took the form of a concerted 'integration' program which paralleled that inaugurated by private capital. Just as the handling of diverse aspects of the livestock industry by

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1 Translated excerpts from *ibid*. 
different branches of the corporate enterprise networks (keiretsu) facilitated their integration 'backwards' from production to sale, by consolidating the links between all the various cooperatives engaging in relevant functions such as feed supply, processing and commodity distribution. This was supplemented by Zenno investment in business areas which required strengthening, such as meat and milk processing, livestock product marketing, distribution, collection, transportation and retailing, as well as expansion of its feed-processing industry. Some of the results of Zenno's investment program in livestock were listed earlier in the table of cooperative companies.

These parallel integration processes produced considerable competition between Nokyo and the trading companies, especially in the area of feed production. The outcome was an uneasy division of interests. Private capital continued to dominate the poultry and broiler industries and milk and processed meat production. Its share of butter production for example, remained at almost 90 per cent, and ham sausage at about 85 per cent. Nokyo on the other hand, has been stronger in the larger animal industries producing beef, pork and milk.

Nokyo Production Enterprises: The Einō Danchi

A major new development at the production level has been the construction of 'regionally integrated production units', otherwise known as 'agricultural cooperative farm complexes' (einō danchi). These form the basis of the integrated 'production to sale' Nokyo system. They operate not only in the livestock industry, but also in the other two main Nokyo commodity areas: rice and fruit.

The concept of 'einō danchi' was introduced in the Agricultural Basic Law of 1961. The government embodied in several Articles its
obligations to encourage 'cooperation in production processes . . .
and measures to enable [those engaged in agriculture] to offer their
rights [to land] and their labour for sale for the purpose of coopera-
tive farming'\textsuperscript{1} (Article 17), and 'to take whatever measures may be
necessary . . . to enable agricultural cooperatives to underwrite
trusts relating to the leasing and sale of farm land . . . .'\textsuperscript{2}
(Article 18).

Amendments to the \textit{Nokyōhō} the following year facilitated the
carrying out of these Articles. A Paragraph 2 was added to Article 10
of Agricultural Cooperative Law (that which pertains to the 'business'
of the cooperatives). It stated: 'An agricultural cooperative which
assigns its capital stock contributions to its members may . . . on
the trust of its members, undertake the business of farm management'.\textsuperscript{3}
And a new Paragraph 3 stated: 'An agricultural cooperative which con-
ducts credit business may accept the trust of its members for the pur-
pose of leasing or selling agricultural lands or grasslands, and other
immovables which are left in trust together with the agricultural lands
or grasslands etc'.\textsuperscript{4}

The effect of these amendments was to allow agricultural cooperatives
to lease land from their members and undertake the business of farm
management in the form of cooperative farm complexes.

\textsuperscript{1} 'Nōgyō Kihonhō' (Agricultural Basic Law) in Nōrinshō Kanshū, Nōgyō
Roppō (Ministry of Agriculture and Forestry Editorial Supervision, A
Compendium of Agricultural Laws), Tokyo, Gakuyō Shobō, 1976, p.4.
\textsuperscript{2} Ibid.
\textsuperscript{3} 'Nōgyō Kyōdo Kumiaihō' (Agricultural Cooperative Union Law), in
\textit{ibid}., p.113.
\textsuperscript{4} Ibid., pp.113-114.
In practice, the *eĩnõ danchi* are established by *tankyõ* (which have to be *sõgõ nõkyõ*, that is, cooperatives undertaking credit activities according to Paragraph 3, Article 10 of *Nõkyõhõ* above). They rent land from their members (almost always part-time farmers who wish to leave agriculture but retain their lands), and consolidate it into larger blocks, organising full-time specialist farmers to produce a single commodity. This activity goes some way towards overcoming the perennial problem of farm size in Japan by constructing viable farm units, enlarging the scale of production and rationalising the structure of production. It also helps to solve the endemic problem of part-time farming by overcoming the farmers' reluctance to sell their lands. In addition, it contributes to a growth in farm production. All these goals were fundamental objectives of the Agricultural Basic Law: 'promotion of increases in farm productivity'; 'improvements to the farm structure'; and 'rationalisation of land tenure and modernisation of farm enterprises by increasing the scale of management, by consolidation and joint use of farm land'.

Those farmers who cultivate the regionally integrated production units are part of producers or 'commodity' groups which specialise in the production of a single commodity, a type of producers' sub-cooperative.

The *eĩnõ danchi* form the basis of the Nokyo integrated system which links these units to cooperative distribution and marketing systems. The whole aim of these projects is to expand direct agricultural cooperative involvement in agriculture from the production to the marketing stage. According to the working procedure of cooperatively

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1 Extracts from *'Nõgyõ Kïhonȭ', op. cit.*, p.3.
reorganised farming, the first stage is production planning such as selection of participant farmers, choosing commodities suitable for the land and formulating long-run farm management plans. The second stage is unification of distribution channels, organising the farmers into commodity groups, consolidating farm guidance systems and production facilities and establishing systems of production collection. The third stage includes nation-wide market co-ordination, supplying production requisites such as seeds and breeding stock, instruction of production techniques, installation of large facilities, and processing and marketing of products on a stable basis in order to attain an influential position in the market. The eino danchi form an economic unit of optimum size from the viewpoint of the economic management of production, distribution facilities and proper guidance services. The farmers do the producing under agricultural cooperative management, and the latter provide services such as technical advice, provision of credit, supply of production requisites and marketing of products in a systematic fashion. For the producer, the eino danchi take the risk out of farming.

Nokyo has thus pioneered large-scale farming ventures, employing innovative methods, utilising modern facilities and a high degree of mechanisation and technical expertise. These developments have been most significant in three areas of agricultural production: the growth sectors of Japanese agriculture - fruit and livestock farming, and the area of traditional Nokyo interest - rice farming. Livestock farming is, however, predominant in the eino danchi, and there are more

1 This outline of the structure of the eino danchi was condensed from Appendix II, 'Establishment of Cooperative Farming Complexes', in Central Union of Agricultural Cooperatives, Japan Agricultural Coop News, Vol.9, No.4, February 1969, pp.64-65.
cooperative farming complexes producing beef than any other product.\(^1\)

Beef is an area in which private sector integration does not dominate to the same extent as other livestock enterprises such as poultry farming.

Most of the rationale of the *eĩno danchi*, and much of their later development has been designed by *Zenno* to link these production units into its integrated processing, distribution, supply and marketing systems.\(^2\) This aimed to meet the challenge of specialist co-op links with private trading companies, and to strengthen general-purpose marketing *vis-à-vis* the specialist cooperatives. According to its own propaganda, the '(c)oooperative movement has to strengthen [its] bargaining position in the market by having a voice and hands in the sphere of production through distribution' . . . and in order to prevent developments 'in an undesired direction' such as 'big capitalistic concerns concluding direct transaction contracts with producers'.\(^3\)

The *eĩno danchi* concept is attractive to the mainstream Nokyo organisation because it is exclusive to the general-purpose cooperatives. This strengthens the *sōgo nōkyō-keizai-ren-Zenno* network at the expense of the specialist side of the organisation particularly the livestock and fruit cooperatives. The establishment of cooperative production

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1. As reported in *Nōkyō Nenkan*, 1978, there were 32 *danchi* producing rice and wheat, 39 in vegetable and fruit farming (including one in Ehime producing *mikan*), and 234 in livestock-raising (118 in beef cattle, 73 in pigs, three in dairy, 21 in eggs and 19 in poultry). *Op. cit.*, p.48.

2. 'Establishment of Cooperative Farming Complex', *op. cit.*, p.64. In 1976, the *eĩno danchi* shipped 872,000 head of pigs, 400,000 head of beef cattle, 8,000 tonnes of fresh milk, 560,000 tonnes of eggs, and 701,000 tonnes of poultry to *Zenno*, which represented 54 per cent of its total turnover in pork, 30 per cent of its beef, 4 per cent of its fresh milk, 14 per cent of its eggs, and 47 per cent of its poultry. See *Nōkyō Nenkan*, 1978, *op. cit.*, p.47.

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complexes also requires considerable financial assistance from government via the MAF budget. It has been used by both Nokyo and the MAF to justify substantial new investment in agriculture for such projects as land improvement and consolidation, and the installation of specialist facilities, all of which come under the major budget heading of 'production improvement'.

Because the einō danchi are so well enveloped by the general-purpose cooperative system, their cause and ideology have been strongly taken up by Zenchū. The National Central Union devotes an entire section of its budget demands to the einō danchi, listed under the heading of 'agricultural structural improvement' and the 'promotion of regional agriculture'.

Zenchū-Zennō Domination of the Nokyo Livestock Lobby

Zenchū and Zenmō dominate the producer livestock lobby in Japan. This relates directly to the economic stake of the mainstream Nokyo organisation in this sector. Livestock ranks second only to rice as an agricultural commodity interest of Zenchū and Zenmō.

Demands relating to all aspects of livestock production constitute a vitally important section of Zenchū's budget request policy. Unlike fruit, livestock is not subsumed under a series of sub-headings, but constitutes a major section in itself. Feed policy also commands considerable attention within the Zenchū 'demand' budget.

The dominance of Zenchū in the presentation of livestock-related demands to government is also attributable to the incorporation of so many livestock products into administrative price decisions. A majority of livestock products are subject to price stabilisation laws. For this reason, Zenchū is legally required to present its 'suggestions' on these matters to 'administrative authorities'. The processes involved in
government price decisions are very similar to the procedures followed with regard to the producer rice price. Historically it would seem that producer strategies and institutional forms which evolved in one sector were transposed to another, as a greater range of farm products were incorporated into price legislation.

Livestock Products' Pricing Policies

There are several 'demand' prices for livestock and dairy products which require the organised action of Japan's livestock producers. Those of particular relevance to the issue of import liberalisation of livestock products are the administrative prices for:

(a) fresh milk;
(b) raw milk for processing (i.e. manufacturing milk);
(c) dairy products;
(d) beef.

In law, there is a direct relationship between the importation of dairy products and beef and domestic price movements for these commodities within Japan. The price-determination process therefore indirectly affects quantities of imports. This is reinforced by the fact that the institution charged with administering support prices and the supply control of products on the domestic market, is also responsible for the importation of these same products.

A special organisation has been created by Nokyo to handle the representation of Nokyo milk marketing interests: the Central Dairy Council (Chūō Rakunō Kaigi, or Chūraku). Chūraku comprises Nokyo groups, predominantly federations which engage in milk marketing. It has 46 regional members (16 economic federations, 25 dairy federations, two milk
marketing federations and three dairy agricultural cooperatives). These are all 'designated groups' (a condition of Chūraku membership): that is, they are officially 'designated' by prefectural governors to market milk under the terms of the Provisional Measures Law For the Deficiency Payment to Producers for Raw Milk for Processing (Kakō Genryōnyū Seisansa Hawaikyūkintō Zensei Sōchiho). This designation enables producer groups to receive the subsidy paid out under the law. In 1977, Chūraku's members held a 92.8 per cent share of all milk marketed in Japan.

Chūraku has six central (as opposed to regional) Nokyo organisations as members: the national federations of its regional members - Zenō and Zenrakuren; and other groups such as Zenohu, Zenkyōren, Norin Chūkin and Kaitakuren (the National Nokyo Settlers' Federation), which are either interested in milk policy determination, or can assist in financing Chūraku's activities. The latter extend to a range of functions: market adjustment - formulating policies to balance the supply and demand for milk; public relations and promotional activities particularly with the objective of expanding the consumer demand for milk; policy determination; and producer representation on milk prices. There are two categories of milk prices: the raw milk for drinking price (inyōkō genryō nyūka), in other words, the fresh milk price; and the guaranteed price for raw milk for processing (kakō genryōnyū hoshō kakaku).

2 Ibid.
(a) **Fresh Milk**

Raw milk for drinking, or fresh milk (seinyū) is not subject to any government intervention in the form of price control, but it is subject to price negotiation between producer representative groups and major dairy companies which bottle, package and distribute milk. The government does not involve itself in this process, except when negotiations reach an impasse and the MAF offers its mediation services. Like the producer rice price, dairy farmers push for rises in the producer price for drinking milk each year. Chūraku conducts the necessary negotiations with the big milk makers en bloc with the National Designated Groups' Milk Price Policy Committee (Zenkoku Shitei Nyūka Taiyaku Iinkai, or Zennyūtai) which is an elected body of leaders from the designated groups which are Chūraku members. This is a price decision and negotiation committee charged with determining the 'demand' price for drinking milk, and then presenting it as a demand to major dairy companies. It is responsible to its electing body which also channels input into the 'demand' price formulation: the Prefectural Designated Milk Producer Groups' Chairmen's Conference (Tochofuken Shitei Seinyū Seisansha Dantai Kaicho Kaigi). Although this price is not subject to ministerial control, it is nevertheless an important issue to milk producers, because of the proportion of raw milk for drinking in total milk production: approximately 70 per cent of the raw milk marketed by designated producer groups is for drinking, and 30 per cent for processing as manufacturing milk.

(b) **Raw Milk for Processing**

Chūraku, as a milk producers' organisation, is also involved in pushing for higher prices for 'raw milk for processing', which has a 'guaranteed price' under the government's deficiency payments scheme.
Because this milk price is administered under government legislation, however, leadership in this area passes to Zenchū.

Like the Food Control Law, the 'Provisional Measures Law for the Deficiency Payment to Producers for Raw Milk for Processing' (short-hand for which is 'Manufacturing Milk Deficiency Payment Law') requires the government 'to enable producers to obtain a return for their milk which covers, on average, their cash costs plus an agreed reward for their labour, capital and land'. An equivalent role to the Food Control Agency in relation to rice is played in this case by a semi-governmental organisation, the Livestock Industry Promotion Corporation, or LIPC (Chikusan Shinkō Jigyōdan). The payment of a government subsidy (deficiency payment) to farmers for manufacturing milk was one of the original reasons for the establishment of the LIPC.

An initial price stabilisation scheme for raw milk for processing was launched in 1958 with the Dairy Farming Promotion Fund Law. The Fund prevented falls in the price of raw milk by guaranteeing the liability of milk processors when they borrowed capital from financing institutions for their operations and construction of installations, thus guaranteeing their purchase of raw milk from the farmer.

The Law was replaced in 1961 by a Law Relating to the Price Stabilisation for Livestock Products, which set up the LIPC as a statutory body designated to perform various functions in relation to this law. The LIPC is a semi-governmental institution in the sense


2 The producer rice price system as administered by the Food Control Agency is, of course, also a deficiency payments scheme.
that over 90 per cent of its capital funds were provided by the government with private investors supplying the remainder. Any milk processing company which wishes to take advantage of the LIPC guarantee provisions must invest in it.

The LIPC took over the function of guaranteeing the liability of milk processors and raw milk producers' groups, but its range of functions since then have been considerably expanded. These now include a range of price stabilisation functions in relation to livestock products,¹ and issuing a variety of subsidies.²

The payment of the government subsidy (deficiency payment) to farmers for manufacturing milk, is therefore, only one of the LIPC's functions. Since 1966 it has administered the Manufacturing Milk Deficiency Payment Law by purchasing milk up to a 'maximum quantity' (administratively determined) each year at a guaranteed price (hoshō kakaku) - the equivalent of the producer rice price - and selling it to manufacturers at a standard selling price (kijun torihiki kakaku).

¹ Under the Law Relating to the Price Stabilisation of Livestock Commodities, the LIPC may purchase, sell, and store designated milk products (butter, skim milk powder, sweetened condensed whole milk and sweetened condensed skim milk). Under the same law, it may purchase, sell and store designated meat (pork). An amendment to the law in 1966 enabled it to purchase, sell, and store imported beef, import designated milk products, and promote the demand for livestock products as a public relations function. Another amendment to the law in 1975 enabled it to purchase, sell and store domestic beef (added to pork as a designated meat).

² This function involves the payment of a government subsidy on milk for the school lunch program, issuing subsidies or investment finance to businesses designated to receive such subsidies, and from 1966 onwards, paying subsidies to farmers producing raw milk for processing under the Manufacturing Milk Deficiency Payment Law. The list of LIPC functions is outlined in Livestock Industry Promotion Corporation, LIPC, August 1975, pp.2-11.
The LIPC subsidises the difference between the guaranteed price and the standard selling price (the deficiency payment). This is funded by government allocations from the MAF budget, and from any profits made by the LIPC on the purchase and sale of imported milk products.

There are three political decisions in relation to 'raw milk for processing' which it is incumbent upon the Minister of Agriculture and Forestry to make prior to the start of each business year (i.e. April 1):

(a) to set the ceiling quantity of the amount of milk on which the deficiency payment is to be paid;

(b) to determine the guaranteed price for raw milk for processing; and

(c) to determine the standard selling price of raw milk for processing.

In these decisions, the Minister of Agriculture and Forestry is obliged to consult an 'inquiry organ' of the MAF: the Livestock Industry Promotion Council (the LIP Council).

The LIP Council has a maximum of 25 members appointed by the Minister, and a number of 'special' members also appointed by the Minister (usually about 20). Its membership spans the same range of interests as the Rice Price Advisory Council: producers, consumers, trade unions, 'men of learning and experience', and in this case, also representatives from milk manufacturers and meat processors. Its official functions

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1 Its membership in March 1980 for example, comprised the Chairman of the Board of Directors of the Japan Meat Processing Association, a Professor from Hitotsubashi University Institute of Economics, Chairman of Zenrakuren, Chairman of the Agricultural Trust Insurance Association, President of the Agriculture, Forestry and Fisheries Finance Corporation, (contd)
relate generally to advising the Minister on the improvement and increased production of the livestock industries, the supply and demand situation for livestock products and animal feed, modernising livestock management and stabilisation of prices. As its business relates to the various branches of the livestock industry, it has five sub-councils which consider the particular problems in relation to each: dairy farming, meat, poultry, domestic animal improvement and production, and livestock feed.

(from previous page)
an advisor to Chūkin, Chairman of the Cooperative Union Japan Feed Industries Association, a Managing Director of Zenchū, Chairman of the National Towns and Villages' Association, Chairman of the Stabilisation Organisation for Combined Feed, Vice-Chairman of the Japan Livelihood Cooperative Union Federation, the Governor of Hokkaidō, a commentator from NHK, Vice-Chairman of Chiba Prefecture Hog Raising Association, a Nihon Keizai Shinbun journalist, a Professor of the Agriculture Department of Tokyo University, Vice-Chairman of the Board of Directors of the Japan Central Horse Racing Association, a Professor of the Agriculture Department of Tōhoku University, Vice-Chairman of the Central Livestock Association, Vice-Chairman of the National Beef Association, a Zenmō Managing Director, Vice-Chairman of the Japan Poultry Association, an agricultural policy commentator, an Asahi Shinbun journalist and Chairman of the Japan Milk Products Association. The following were 'special' members: two Tokyo University Agriculture Department Professors, a Managing Director of the National Beef Association, a Managing Director of the Domestic Livestock Improvement Corporation, a Professor of the Japan University Agricultural and Veterinary Science Department, Chairman of the National Meat Industry Cooperative Union Federation, Chairman of the Feed Export and Import Conference, Chairman of the Japan Meat Market Wholesalers' Association, Chairman of the Japan Horse Meat Association, Chairman of the National Federation of Milk Industry Associations, a Managing Director of Zenmō, Chief of the General Affairs Bureau of the National Chamber of Agriculture, a Kyoto University Agriculture Department Professor, Chairman of the Japan Egg Industry Association, Chairman of the Japan Manufacturing Milk Cooperative Union, Chairman of the Hokkaidō Dairy Association, a Managing Director of the Japan Light and Heavy Horse Breeding Association, a Director of Kaitakuren, Chairman of the Japan Scientific Feed Association, a Managing Director of Zenchikuren and Chairman of the Hokkaidō Agricultural Development Corporation.

The names and organisational affiliations of LIP Council members were listed in Chikusan Shinkō Shingikai Iin Meibo (Membership List of Livestock Promotion Advisory Council Members), 1980.
(c) **Dairy Products**

Prices for these are subject to ministerial control under the Provisional Measures Law for a Deficiency Payment to Producers for Raw Milk for Processing. The Minister of Agriculture and Forestry has the legal duty to determine annually the 'stabilisation indicative price' \((antei\ shiyō\ kakaku)\) for 'designated milk products' \((nyuseihin)\) - butter, skim milk powder, sweetened condensed whole milk and sweetened condensed skim milk. The same procedure follows for these products as it does for manufacturing milk. The 'administrative prices' for these products are decided by the Minister after consultation with the LIP Council, and in particular its dairy sub-council. The price stabilisation scheme is likewise administered by the LIPC, which regulates the market through supply control. If the price of designated milk products appears likely to fall below 90 per cent of the stabilised indicative price, the LIPC is empowered to purchase at 90 per cent of the stabilised indicative price from milk processors. If the prices appear likely to rise above 104 per cent of the stabilised indicative price, the LIPC is empowered to sell designated milk products in its stocks to keep prices below the 104 per cent of the stabilised indicative price. If these measures are insufficient, the LIPC, which has a monopoly over the import of designated milk products, is empowered to import and sell these too. These commodities are all under import quota restriction except for skim milk powder for school lunches and for feed.

According to Articles 13 and 14 of the Manufacturing Milk Deficiency Payment Law, the importation of these 'designated' dairy products is thus restricted to a State monopoly trader and is permitted only as a means of preventing 'undesirable' price rises in the Japanese domestic wholesale market.
(d) Beef

In 1965, the powers of the LIPC were extended to permit it to engage in the importation and sale of beef. Beef was not liberalised, but remained under an import quota system. In 1965, Japan imported 10,000 tonnes of beef. The LIPC share of this was only 6 per cent. By 1970, total imports had grown to 24,200 tonnes and the LIPC share was exactly half, at 12,100 tonnes. This increased to 22,000 tonnes out of a total of 36,000 tonnes in 1971, and 57,500 tonnes out of a total of 71,500 tonnes in 1972. In other words, not only did beef imports grow rapidly, but the LIPC share of the imports took up almost the total increase. The aim of the LIPC importation function was 'to restrain the upward movement in domestic beef prices by having a government agency standing ready to sell imported beef'. If, however, beef prices fell on the domestic market, the LIPC was powerless to intervene other than to withhold the sale of imported beef.

This eventuality did in fact take place in late 1973 and 1974 as a sequel to the oil crisis and the downturn in consumer demand for beef which produced a catastrophic fall in beef domestic wholesale prices.

The situation for many Japanese livestock farmers was a critical one. The oil crisis and the world grain shortage which preceded it combined to force up feed prices, and numbers of beef farmers who had invested heavily in cattle fattening and feeder calf purchases went bankrupt. The fall in domestic wholesale beef prices was generally blamed on imports.

The result was a concerted campaign led by Zenchū (together with Zennō, Zenchikuren, Zenrakuren and Chūraku) to press the government into an emergency policy for freezing imports, and to add beef to pork as a 'designated meat' under the Law Relating to the Price Stabilisation of Livestock Commodities. Zenchū presented these demands in meetings with MAF officials, and also made representations to the Diet Agriculture, Forestry and Fisheries Committees, and to the Subcommittee of the LDP's Agriculture and Forestry Division (Nōrin Bukai) on Agricultural and Livestock Commodity Prices.

The result was a temporary freeze on LIPC beef imports: the MAF suspended 40,000 tonnes of a 90,000 tonne quota allocated for the period October 1973 to April 1974. This action amounted to a de facto cancellation of most of the remaining 40,000 tonnes for the fiscal year. Furthermore, the after-effects of this action continued for a considerable period. No beef quotas were announced at all in 1974, and quotas were considerably below the levels desired by Japan's overseas beef suppliers - Australia, New Zealand and the US - until the late 1970s.1

In addition to the quota suspension, the government introduced an amendment to the Livestock Products' Price Stabilisation Law in April 1975, which designated beef in the same category as pork as a product subject to price stabilisation administered by the LIPC.

The 1975 amendment empowered the Minister of Agriculture and Forestry on the advice of the LIP Council, to set annual floor and ceiling prices at the beginning of each Japanese fiscal year for second grade beef carcasses. As in the case of pork, the LIPC could intervene

1 The quota was 75,000 tonnes in 1975, 80,000 tonnes in 1976, 92,500 in 1977, 112,000 tonnes in 1978, and 132,000 in 1979.
in the market by either releasing imported beef to bring prices down (with import quotas allocated by the MAF to keep up the flow of imported beef on to the market), or to buy beef at domestic wholesale markets to keep prices within the floor to ceiling price band.

Since 1975, although prices of domestic beef have tended to hover in the upper half of the price band and even rise above the ceiling price from time to time, import quotas allotted by the Ministry of Trade and Industry in consultation with the MAF have been conservative. Japan's traditional beef suppliers regard the present beef import regime as limiting their potential beef export sales to Japan. So far, the Japanese government has resisted the combined pressure of the US, Australia and New Zealand to grant 'stability of access' to the Japanese beef market, either in terms of optimum quota levels or longer term agreements on beef imports. Present export levels continue to be dictated by an import framework which is announced approximately every six months in March and October, the system which has operated since 1965. Furthermore, the 132,000 tonne quota for fiscal 1979 was still below 160,000 tonnes allocated for fiscal 1973.

Aside from complaints about actual quota levels, criticisms have also been directed against the current import regime as operated by the LIPC which imports beef under the guidance of the MAF; against government decisions on quota levels; and the Livestock Products' Price Stabilisation Law which established the whole system. In other words, there are objections both to how the beef import system actually operates under the management of the LIPC, and to the formal-legal framework within which imports are made, chiefly the allocation of LIPC beef quotas solely for the purpose of 'stabilising the domestic market'. As with dairy products, beef imports serve a
price stabilisation function, and are legally permissible only within the restricted terms of reference of the LIPC: to achieve the policy objective of preventing domestic wholesale prices of beef from rising above the ceiling price as set by the Minister of Agriculture and Forestry.

Criticisms of the beef import system have also come from within Japan itself. These have been directed mainly against the structure of the nation's beef industry and its dependence on imported feed which keeps production costs at unreasonably high levels. The high cost domestic beef industry results in high retail prices for beef which keeps consumption to a low level. Investigations by Japanese who have delved deeper into the beef distribution network, have also revealed that a number of private traders (wholesaler middlemen who deal in beef) participate in a profiteering racket at the distribution stage by taking paper profits on the nominal movement of beef from one wholesaler to another. They allege that the chief beneficiaries of the high cost of beef in Japan are not farmers, but a few large meat brokers, meat processors and trading firms.

Only one major criticism of the system is examined here: the charge that 'beef quotas are a direct reflection of the power of the [Japanese] farm lobby', and that, more specifically, floor and ceiling prices for beef are set too high by the Minister of Agriculture and Forestry because of political pressure from Japan's livestock lobby.

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1 Yokota Tetsuji, Gyōiku wa Naze Takai ka? (Why are Beef Prices So High?), Tokyo, Simul Press, 1977.
This assessment is of course also relevant to the problem of larger quotas for dairy products which has been the subject of particular pressure from New Zealand dairy exporters. The following discussion extends to all these 'designated products' handled by the LIPC, to the processes by which beef and milk stabilisation prices are decided and channels through which producer influence is exercised.

The Amalgamation of Politics and Administration: The LIPC

The LIPC has been singled out by critics of the Japanese livestock import system as the 'advance guard' of that country's 'protectionist forces' and the primary bureaucratic obstacle to the import liberalisation of beef and dairy products.

The LIPC's leadership - its President, Vice-President and its four full-time directors (managing its General Affairs and Accounting Departments, its Dairy Department, its Meat Department and its Subsidy Department) - are all retired, top-ranking bureaucrats, most of whom were formerly employed in the MAF. Its President and Auditor are nominated by the Minister of Agriculture and Forestry; its Vice-President and other full-time executive directors are nominated by the President on the permission of the Minister.

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1 In 1975 for example, its President, Okada Kakuo, was a former MAF Director-General, its Vice-President was a former head of the MAF Livestock Bureau (Chikusan Kyoku), and its Auditor was President of Meiji Milk Company. In 1976, its President, Ōta Yasuji, was former Head of the MAF Livestock Bureau and Director-General of the Fisheries Agency. Its President in 1970, Katayanagi Naoyoshi, was a former Vice-Minister for Agriculture and Forestry, former House of Councillors' member from 1950-1956 for the Ryokufukai, one-time Chairman of the Board of Directors of Nōrin Chūkin and Zenchū Director (as its Nōrin Chūkin representative). In 1975 he combined the Chūkin Chairmanship with the Central Dairy Council Chairmanship.
In its funding largely by government subsidy through the MAF budget, its nomination of top officials by the relevant Minister, and its functioning within relevant agricultural laws, the LIPC displays the regular features of an extra-departmental body (gaikaku dantai) of which there are a large number in Japan. In these and other respects, it is also structurally similar to Nōrin Chūkin. The latter, although serving a banking function for Nokyo independently of government under its own executive leadership, operates under the guidance of the Minister of Agriculture and Forestry because of the large quantities of government funds channelled through the cooperative bank to Nokyo and to the farmers. The LIPC likewise, has seven part-time directors representing groups such as milk and livestock producers and the dairy and livestock industries, which have direct financial and other interests connected with the operations of the LIPC. The professional and organisational connections of the LIPC's part-time directors in 1975\(^1\) are listed below:

1. Ito Denzō, President of Itō Ham Company and Chairman of the Japan Sausage Industries' Cooperative Union.

2. Ōtsubo Toichi, Chairman of Zenrakuren.

3. Honda Masakazu, Director of the Japan Milk Processors' Cooperative Union.

4. Yamaguchi Iwao, a Managing Director of Zenchū

5. Yamamoto Hyōsaburō, Chairman of the All-Japan Chick Sexing Association and former Chairman of Zenrakuren.

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\(^1\) The names and connections of these individuals were given to the writer in a personal interview with a MAF Livestock Bureau official, Tokyo, January 14, 1977.
6. Yamamoto Yōichi, President of Snow Brand Dairy Processing Company.

7. Vacancy.

This list reveals that three out of the six LIPC part-time directors in 1975 had current or former links with Nokyo organisations. This has been described as 'the institutionalised participation of Japanese domestic producer representation in the administration of the beef [and dairy product] import trade'.¹ In the assessment of another writer: 'The structure of the LIPC is such that livestock interests have a further avenue which facilitates access to centres where policy measures are formulated'.² This line of reasoning assumes both that the advice of LIPC part-time directors is an input into LIPC decision-making, and that LIPC plays a definite role in determining import allocations. If these premises prove valid, then one can reasonably conclude that Japanese beef and dairy producers actually have a hand in deciding the quantity of overseas beef and dairy products which come into Japan.

The first assumption is logically justifiable given the guaranteed provision of representation from domestic producer and processing interests through the formal ranking of part-time directors; the second is more difficult to substantiate. One must first establish the role the LIPC plays in the actual decision-making process on import quotas.

The LIPC is formally charged with administering the import quota systems for beef and dairy products through the purchase, sale and stockpiling of beef and dairy products. It is also formally required

to monitor movements in domestic wholesale prices for these products 'thus providing a critical economic input into the decision-making process on import quotas. In this regard, it is consulted by the MAF prior to the initial round of formal governmental negotiations on the quota led by the Ministry in concert with the Ministry of International Trade and Industry. It is at this stage that the LIPC has the opportunity to influence the final decision . . .'. This it does by making its own recommendations as to the size of the quotas required to maintain domestic wholesale prices at the stabilised levels laid down by the Minister of Agriculture and Forestry. The fact that LIPC full-time executive leaders are recruited 'almost to a man from the MAF not only facilitates the communication process but also signifies that LIPC influence over the Ministry will be great'. That the LIPC has a direct and substantial influence over deciding import quotas was a view expressed by an LIPC official formerly attached to the Sydney office of the Corporation.

Another unusual facet of the LIPC's construction is its dual role as administrator of the beef and dairy products' import trade, and as distributor of government subsidies and investments to 'businesses designated to receive subsidy' (sic.). This places it as an important source of government subsidies to domestic livestock producers. These subsidies are drawn from the LIPC budget which derives its income from government and private investment in the LIPC and funds derived from

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1 George, op. cit., p.22.
2 Ibid., p.23.
3 Personal interview with Morita Kuniharu in Tokyo, January 14, 1977.
4 LIPC, op. cit., p.8.
profits on LIPC operations, in the 'purchasing and selling operations of import milk products and beef'. In other words, 'surplus funds generated by the wide margin of difference at which the LIPC buys imported beef and sells it to domestic wholesalers (extracted as an import levy) are channelled into the promotion of the domestic beef industry. In fiscal 1976, the LIPC is known to have collected 25 billion yen . . . from this source'.

The LIPC lists the projects 'which are the object of subsidy or investment': they include marketing rationalisation of major livestock products; production of milk products; rationalisation of the production of beef cattle; promotion of milk production; compensation of loss accruing from the fluctuation in the price of compound feed from the feed price stabilisation fund.

Organisations qualified to receive these import-generated subsidies are almost all Nokyo organisations. The total list is as follows: 'agricultural cooperative, federation of agricultural cooperatives, juridical persons for public benefit (shadan hōjin) or jointstock company (kabushiki kaisha) in which agricultural cooperatives, federation of agricultural cooperatives, local governments or the LIPC hold the majority of stocks'.

1 Ibid.
2 This margin has contracted since 1978 owing to rises in the costs of Australian beef imports which constitute approximately 80 per cent of the total.
3 George, op. cit., p.23.
4 LIPC, op. cit., p.8.
5 These are listed in ibid.
6 Ibid.
In other words, almost all LIPC subsidies are channelled either
directly to the cooperatives themselves, or to cooperative-related
organisations: that is, those in which cooperatives have a financial
interest, including cooperative companies.

For Nokyo, and for domestic producers, the subsidy system is an
additional advantage of the current beef import regime as administered
by the LIPC. An alternative deficiency payments-cum-liberalised
imports scheme has been suggested in a number of quarters.1 It was
also considered but rejected by the MAF prior to the establishment of
the present stabilisation arrangements.2 The deficiency payments
system would subsidise domestic producer returns by imposing a levy on
imports. The viability of this scheme, however, rests on a substantial
margin remaining between Japanese market prices and the equivalent
import prices for beef. The international beef market is, however,
highly volatile, and since the late 1970s, import prices have increased
sharply, thus narrowing the potential margin between 'low' import
prices and 'high' domestic prices. Any shortfall in the import levy
would ultimately have to be taken up by allocations from the MAF budget,
a commitment which the Japanese government, particularly the MOF, is
not prepared to undertake on a continuing basis. Given the present
budget load of the producer rice deficiency payment system, and the fact
that 'deficit bonds which are being used to finance the deficit are
equivalent to more than 30% of the budget . . . . The government is

1 See for example Hayami Yūjirō, Trade Benefits to Alt: A Design of
Beef Import Liberalisation in Japan, Tokyo Metropolitan University, 1978;
and J.W. Longworth, 'The Japanese Beef Market: Recent Developments and
Future Policy Options', Agricultural Economics Discussion Paper,
Department of Agriculture, University of Queensland, March 1978, pp.34-36.
2 The MAF raised a number of objections to the scheme, some of which
were highly technical, relating to uncertainties about the effects of
such a scheme on the domestic pig and poultry industries, about the price
elasticity of demand for beef, and about the variability of world market
prices for beef.
thus concerned to limit budget appropriations for agricultural support. Under such circumstances, the government is more inclined to measures providing support to farmers through the pricing mechanism'.  

Furthermore, if the present system were replaced by a deficiency payments system, LIPC surpluses on imports would be absorbed into such a scheme, and the subsidy system operating at present would have to be abolished.

Amongst the list of organisations entitled to receive LIPC subsidies are those which specialise in the promotion of domestic livestock interests. These groups form part of the livestock lobby by maintaining close connections with farm politicians and playing a substantial intermediary role linking producers and producer organisations to policy-makers.

**Livestock Promotional Groups**

Two main organisations operate in this area: the National Beef Cattle Association (Zenkoku Nikyōgyū Kyōkai) and the Central Livestock Association (Chūō Chikusankai). The organisational charters of these groups reveal remarkably similar aims and functions. Both are national organisations with a sub-structure of prefectural associations. They are 'corporate juridical persons' (shadan hōjin) - one category of recipient of LIPC subsidies.

The objective of the National Beef Association (NBA) is 'to strive for the promotion of our nation's beef production and the development of beef management, as well as to contribute to the continuing improvement of the national welfare and the advancement of the livestock


2 In the pork and poultry industries, there are the Japan Hog Raising Association and the Japan Poultry Association.
industry'. The phraseology of the Central Livestock Association (CLA) is almost identical. It 'strives for the continuing improvement of farmers' livestock management, as well as contributing to the promotion of livestock farming'.

Both groups specify their functions as investigation, research, education and training, supply of information, publication of relevant materials, and most importantly, technical advisory services.

1 Zenkoku Nikuyōgyū Kyokai, Zenkoku Nikuyōgyū Kyokai Teikan, National Beef Association, 'Articles of Incorporation of the National Beef Association'), p.l.

2 Chūō Chikusankai, Chūō Chikusankai Teikan (Central Livestock Association,'Articles of Incorporation of the Central Livestock Association'), p.l.

3 The list of activities of the National Beef Association are:
1. Business relating to the promotion of beef;
2. Investigation, research, instruction and publicity aiming at the advancement of beef management;
3. Publication of printed materials relating to beef;
4. Other necessary activities for the achievement of the objectives of the association.

See the Zenkoku Nikuyōgyū Kyokai Teikan, op. cit., p.l.

The list of activities of the Central Livestock Association are:
1. Guidance in management and techniques relating to livestock production etc;
2. Education and training of extension personnel in the livestock industry;
3. Investigation and research relating to the livestock industry;
4. The supply of publicity and information relating to the livestock industry;
5. Guidance on the management, official duties and organisation of prefectural livestock associations which are members;
6. Registration of cattle;
7. Necessary business to achieve the aims of the association as stated under its objectives.

See the Chūō Chikusankai Teikan, op. cit., p.l.
Each list also includes a final catch-all category of 'any other activities necessary to achieve the objectives of the association'.

Although the lobbying function is not actually spelt out, it could be conveniently subsumed within this all-purpose category. The public relations work of both organisations could also indirectly serve an interest representational role.

Membership of both organisations is similar. The list is headed by their prefectural branches and Nokyo organisations. The latter category includes agricultural cooperatives and federations of agricultural cooperatives which conduct business relating to livestock production, livestock guidance, mutual aid and marketing etc.

1 See *ibid.*, and *Zenkoku Niyūgōyū Teikan* *op. cit.*, p.1.

2 The membership of the National Beef Association is:

1. Prefectural beef associations;
2. Prefectural agricultural cooperative federations which perform the business of guidance or production or distribution in relation to the livestock industry;
3. Prefectural groups which have the objectives of contributing to the promotion of the livestock industry as well as striving for the continuing improvement of farmers' livestock management.

See *ibid.*, pp.1-2.

The membership of the Central Livestock Association is made up of:

1. Prefectural livestock associations;
2. Agricultural cooperatives and federations of agricultural cooperatives (prefectural and national) which perform marketing, purchasing, technical advisory, management, credit etc. functions in relation to livestock farming;
3. Agricultural mutual aid federations;
4. Other juridical persons for public benefit involved in the livestock guidance business, whose members are whole or in part farmers, or whose members perform livestock guidance activities;
5. Non-profit juridical persons (other than *shadan hōjin*) which strive to contribute to the promotion of the livestock industry through livestock guidance activities.

The Central Livestock Association has associate members: non-profit organisations other than those in its regular membership categories which conduct livestock extension business. See *Chūō Chikusankai Teikan*, *op. cit.*, pp.2-3.
Both groups have a category of 'supporting members' (*sanseisha*) which are groups (the exclusion of private individuals is made explicit in the case of the CLA) which support the aims and objectives of each association. This is a very vague category of membership which could theoretically encompass any organisation whatsoever (including the LIPC for instance), which is willing to pay 'supporters' fees'. The latter are unspecified and are quite different from membership fees. Structural categories therefore exist for both the NBA and the CLA to have financial connections with a wide range of groups in a covert fashion.

The emphasis of the CLA which patently emerges from its list of members and activities is guidance, or technical advisory and extension services. According to one writer, agricultural cooperatives join the prefectural livestock associations in order to provide their members with the extension services which the associations offer.¹ At the prefectural level, most of the activities of the association are related to technical and management advice.² This more practical emphasis is also true of the prefectural branches of the NBA.

It is at the national level in particular, however, that the lobbying function of these groups is fully exercised through representation on the LIP Council for example, and in the election of politicians (invariably from the LDP) to head these groups. In this way, permanent contact is made with the government, Diet and government party on livestock-related issues. The politician-leaders of these groups serve

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as political middlemen, maintaining a permanent liaison between the Diet and livestock producer organisations. There is an interesting financial connection here also. The finance for these organisations' operations in livestock extension and in the other services which they offer, is provided in the main by national and prefectural government subsidies channelled through the MAF. Theoretically their legal construction as shadan hōjin with agricultural cooperative union membership also qualifies them for subsidies from the LIPC. When one combines this fact with the character of their organisational leadership, that of prominent Diet members with livestock connections and interests, it points to a possible channel for political finance. It was alleged for instance, that a portion of the beef import 'adjustment fund' (that is, LIPC profits on its beef import operations) finds its way into the pockets of LDP politicians in exchange for services rendered in the form of pressure on government to protect the interests of domestic beef producers. A number of politicians were named in this connection including the Chairmen of both the NBA and the CLA, in addition to several other LDP House of Representatives' members known to be keenly interested in agricultural and livestock issues and to have connections with Nokyo.

There are a number of organisations in the agriculture and forestry field which are structured along these lines: that is, they are led by Diet politicians and have a group membership of Nokyo organisations. Those which fall into this category include: the National Association for the Structural Reform of Agriculture (Zenkoku Nogyō Kōsō Kaizen Kyōkai), the National Association of Trust Federations (Zenkoku Shinren Kyōkai), the National and Prefectural Chambers of Agriculture, the Japan Agriculture, Forestry and Fisheries Industries' Promotion Council (Nihon Norin Gyogyō Shinkōkai), the National Mountain Village Promotion Federation (Zenkoku Sansō Shinkō Renmei), the Japan Tea Industry Central Association (Nihon Chagyō Chūōkai), the Japan Forestry Association (Nihon Ringyō Kyōkai), the National Nokyo Tourist Association (Zenkoku Nōkyō Kankō Kyōkai) and the Food Demand and Supply Research Center (Shokuhin Jikyü Kenkyū Sentā).

This allegation emerged from Yokota Tetsuji's book, op. cit., and was taken up by the Japanese press. It was subsequently reported in the Australian press. See the Australian Financial Review, June 1, 1977.
The allegation of political funding by the LIPC is currently under challenge by one writer who maintains that a considerable proportion of the import taxes collected by the LIPC on beef has been channelled into supporting feeder calf prices.¹ It was denied by the Chairman of the LIPC in 1978 with a statement that 'the organisation is subject to the close scrutiny by the [Japanese government] Board of Audits', and that 'the LIPC must obtain prior endorsement from the MAF and the Finance Ministry for any outlay of its gains'.² Neither of these arguments necessarily disproves the financial connection between the LIPC and Diet politicians, however. It may be true that a substantial proportion of LIPC profits is channelled into the legitimate area of supporting feeder calf prices, but this still leaves room for political use of a certain proportion of its funds.³ Furthermore, although LIPC accounts may be subject to official scrutiny, the methods of 'laundering' funds for political purposes are multifarious. Organisations such as the NBA and CLA undeniably perform an official and legitimate role in the promotion of the livestock industry, and this function, combined with the character of their membership structure, places them within the eligibility category for LIPC subsidies. At the same time, however, these groups are led by Diet members⁴ who represent livestock producing

² The Japan Times, 18 March 1978.
³ The fact that some LIPC funds are used for political purposes was affirmed by an LIP Council member, interviewed in Canberra, March 20, 1980.
⁴ Another such group operating in the beef sector is the National Beef Price Stabilisation Fund Association (Nikuuyogyu Kakaku Antei Rikin Zenkoku Kyokai). This does not have political functions in the sense of performing a general promotional role on behalf of beef producers. Its main task is to pay out funds to prefectural beef price stabilisation fund associations to cover any shortfalls in their funding operations when beef prices fall below a certain level. It is, however, led by a prominent LDP politician who represents a beef producing constituency (Yamanaka Sadanori).
constituencies and who have access to these funds. These groups also
play a central role in addition to the relevant Nokyo organisations,
influencing the Japanese government on behalf of domestic livestock
farmers in matters such as the allocation of beef quotas and stabilisation prices. They utilise channels both official (such as membership
on the LIP Council), and unofficial in their lobbying activities.
According to one source, the NBA made an important input into the
government decision to grant a particularly low beef import allocation
of 20,000 tonnes in November 1976 immediately prior to the December
1976 Lower House elections (after a much larger import quota of 45,000
toines had been announced for the first half of fiscal 1976).

Livestock Diet Members (Chikusan Giin)

The general and informal label of chikusan giin is given to those
Diet members who organise themselves informally around constituency-
dictated livestock interests and those who are members of official
party committees which consider livestock issues (with a good deal of
overlap between both sets of groupings). It includes both 'beef'
politicians and 'dairy' politicians (rakunō giin), given the close
relationship which exists between the different sectors of the livestock
industry, especially in relation to such matters as imported feed
prices and the growth in dairy beef production.

As with rice Diet members (kome giin) and fruit Diet members
(kudamono giin), livestock Diet members almost always display one or a

1 Interview with a MAF Livestock Bureau official, Tokyo, January 14,
1977.

2 The depressed state of the meat market as a whole for example, and
the drop in pork prices in particular, was used by the Japanese
government as justification for its reduced import quota for beef in
November 1976.
combination of key features relating to their personal, career, electoral or organisational attributes. These are:

(a) Their voting base (jiban) or native place (shusshinchi) is an important livestock or dairy producing constituency.

(b) They are, or have been members, or have served as leading executives in Nokyo organisations, such as Zenrakuren, Zenchikuren, Zennō or Zenchū, or Nokyo prefectural federations (particularly the livestock and dairy federations) or unit agricultural cooperatives (especially those handling livestock products).

(c) They have non-official but nevertheless important electoral connections with Nokyo, as evidenced by their membership of the Nōsei Kenkyūkai, or ties with Nokyo-sponsored political groups such as the Japan Dairy Farmers' Political League (Nihon Rakunō Seiji Renmei). The latter is the only Nokyo-related organisation of livestock producers which acknowledges a specifically 'political' function in its title. Its individual farm membership is drawn from the membership of the Nokyo specialist dairy cooperatives (rakunō nokyō), which are in turn linked to the dairy Nokyo federations and the national dairy federation (Zenrakuren). The League could in fact be said to be the political arm of the Nokyo dairy specialist cooperatives.1 It recommends (suisen) and provides other forms of electoral support to those politicians who

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1 The League's activities are also discussed in Chapter 4.
form connections with it and pledge to support its objectives in the Diet.  

The Headquarters of the Japan Dairy Farmers' Political League is in Tokyo. It has a small office staff comprising a Managing Director and Office Chief. Its leaders are elected by its membership and consist of one Chairman (Itchô), four Vice-Chairmen and one Auditor. Its activities are subsidised by the cooperatives and its leaders are almost always Nokyo dairy organisation executives.

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1 In the 1976 House of Representatives' elections for example, the League successfully backed Morita Kinji, an LDP candidate, to a seat in Fukuoka (1) constituency. Morita stood as Chairman of Fukuoka Prefecture Livestock Association, Prefectural Dairy Nokyo Federation Chairman, Vice-Chairman of the National Forestry Seedlings Nokyo Federation and Chairman of the Forestry Technical Association. He had previously been Chairman of Amagi City Nokyo, and a Director of the Fukuoka Prefecture Nokyo Central Union. Morita also received backing in these elections from the Federation of Prefectural Forestry Associations, the National Farmers' General Federation (Zenmōsōren) and became a member of the Nōsei Kenkyūkai on entry to the Diet. Morita died in April, 1979.

2 There is another dairy organisation, the National Dairy Association (Zenkoku Rakudō Kyōkai), but it is a non-political group which provides technical guidance to farmers in association with Zenrakuren.

3 Its 1975 Chairman for example, was also a Director of Zenrakuren, and Chairman of Ibaragi Prefecture Dairy Nokyo Federation. Its four Vice-Chairmen included a Vice-Chairman of Zenrakuren representing the Gumma dairy cooperatives; the Representative Auditor (Daihyō Kanji) of Kumamoto Prefecture Livestock Marketing Nokyo Federation; another Zenrakuren Vice-Chairman who was also Chairman of Chiba Prefecture Dairy Nokyo Federation; and a local dairy cooperative leader from Miyagi Prefecture. In the Japan Dairy Farmers' Political League, these individuals are Nokyo executives in their alternate roles as dairy political leaders. The preceding details were obtained from Nōgyō Kyōdō Kumiai Rengōkai Yakushokuin Meibo, op. cit., pp.121-137, and pp.915-916.
(d) They hold or have held executive posts in Nokyo-connected, semi-administrative, government-financed livestock organisations, such as the CLA and its prefectural branches, or the National Beef Association and its prefectural branches. The election of politicians who function as leaders of these groups serves a dual purpose. Diet members accept leadership of livestock associations for electoral purposes: to publicise themselves as active spokesmen for livestock and/or beef producers. On the other hand, the organisations themselves, nominate 'men of power and influence' (kenryokusha, or jitsuryokusha) as their leaders because influential politicians can facilitate communication with the centres of power, particularly in such practical matters as the issuing of political statements on policy issues and the presentation of petitions to MAF bureaucrats and LDP members. It is the lower-level executives of these groups who are the experts in technical guidance, informational and public relations activities.

In 1975 for example, the Chairman of the CLA, Akagi Munenori,

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1 This was information gained from a personal interview with a MAF Livestock Bureau official, Tokyo, January 14, 1977.

2 Akagi was an LDP Nokyo Diet member in the Lower House for Ibaragi (3) between 1952 and 1976, who served in a wide range of Cabinet posts including the position of Minister of Agriculture and Forestry (which he held seven times), and in high-ranking party positions, including the posts of Chairman of the Policy Affairs Research Council, Chairman of the Executive Council, and Chief Secretary of the Cabinet. As Minister of Agriculture and Forestry, he played a vocal role in negotiations with the US over liberalisation in 1971. He was prominent in the Ibaragi Prefecture Nokyo organisation, holding at one time the post of Chairman of the Prefectural Nokyo Central Union. He was also a member of the Nōsei Kenkyūkai. He was named in the list of politicians who reputedly received kickbacks from the LIPC beef surplus account. In December 1976, he (contd)
and two of its three Vice-Chairmen, Ōishi Buichi and Yamanaka Sadanori were Diet members. Yamanaka was also serving concurrently as Chairman of the National Beef Association. One of its Vice-Chairmen, Suzuki Seigo, was also a Diet member. The remaining Vice-Chairmen

(from previous page)

numbered amongst the old, prominent, LDP farm politicians who lost their seats in the Lower House elections.

1 Ōishi Buichi was an LDP Nokyo Diet member in the Lower House for Miyagi (2) between 1949 and 1976. In addition to his CLA position, he was concurrently acting as Chairman of Zenchikuren, Chairman of Miyagi Prefecture Livestock Nokyo Federation, and as Minister of Agriculture and Forestry. As Minister, he was responsible for what at the time was interpreted as a blatantly political manoeuvre in announcing a substantially reduced beef quota for the second half of fiscal 1976. The timing of this announcement was crucial: it preceded the December 1976 Lower House elections by a month, and was lambasted in both the Japanese and foreign press as a 'vote-getting ploy geared to the . . . general elections' (The Japan Times, December 13, 1976). Ōishi joined the ranks of those long-serving LDP farm politicians who were defeated in the election, but was revived (fukkatsu) in the Upper House elections of the following year (1977). His action over the November 1976 beef quota was in the same vein as the June 1971 grapefruit liberalisation deferral, and followed a similar 'reverse course' after the election was over. In January 1977, the Japanese government announced an additional 17,000 tonne beef quota as a concession to its overseas trading partners. This brought the total quota for fiscal 1976 to 80,000 tonnes, which was more in line with what beef exporting nations such as Australia had been expecting the previous November.

2 Yamanaka was an LDP member in the Lower House for Kagoshima (3) from 1953 onwards, a respected party spokesman on financial and taxation affairs, who visited both Australia and New Zealand in 1977 as a representative of Japanese beef producers. He was concurrently serving as Chairman of the National Beef Price Stabilisation Fund Association, and was named in 1976 as one of the recipients of LIPC funds.

3 Suzuki was an LDP Nokyo Diet member in the Upper House for Fukushima from 1968 onwards, who was also Chairman of the Fukushima Prefecture Livestock Association, Fukushima Prefecture Livestock Nokyo Federation, a Director of Zenchikuren, a member of the Nōsei Kenkyūkai, former Chairman of a town agricultural co-op, Parliamentary Vice-Minister for Agriculture and Forestry, and Vice-Chairman of the LDP's Agriculture, Forestry and Fisheries Office. In 1977, Suzuki succeeded to the post of Chairman of the House of Councillors' Agriculture, Forestry and Fisheries Committee.
were Nokyo executives.¹ Yamanaka’s predecessor as Chairman of the NBA was a farm politician from Okayama, Koeda Kazuo.² Personnel overlap was also evident between the NBA and the National Beef Price Stabilisation Fund Association. In addition to Yamanaka who headed both, they had a common Vice-Chairman who was also Chairman of the Kumamoto Livestock Marketing Nokyo Federation.

Leading positions in Japan's livestock organisations are thus reserved for incumbent Diet members who have specialist expertise and interest in livestock issues. An important criterion for the CLA Chairmanship or Vice-Chairmanship also appears to be experience as Minister of Agriculture and Forestry.¹

An examination of the agricultural organisational affiliations of Japan's livestock Diet members over the past three decades shows that large numbers of them have held positions in prefectural livestock

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¹ These were the Chairman of the Kumamoto Livestock Marketing Nokyo Federation, and another Nokyo official from Okayama.

² Koeda was an LDP member in the Upper House from Okayama from 1968 to 1974, who preceded his career in the House of Councillors with 20 years in the Lower House (1947 to 1967) as an LDP member for Okayama (1). Koeda had experience in multiple Diet and party agricultural policy roles: as Parliamentary Vice-Minister of Agriculture and Forestry, Chairman of the Agriculture, Forestry and Fisheries Committee, Chairman of the LDP Agriculture and Forestry Division, Chairman of the National Wagyu (Japanese beef cattle) Association, and member of the Nōsei Kenkyūkai.

³ Apart from Akagi and Ōishi, former Minister of Agriculture and Forestry, Kōno Ichirō, 1946 to 1967, LDP member in the Lower House for Kanagawa (3) had also held the Chairmanship of the CLA. It is interesting to note that Kōno Ichirō's son, Kōno Yōhei, has succeeded him in more than one political connection. From 1967 to 1976 he was LDP member in the Lower House for Kanagawa (3) and Chairman of Kanagawa Prefecture Livestock Promotion Association. In 1976 he was elected to a new seat in Kanagawa (5) as a member of the New Liberal Club.
The key members of this group of livestock organisation-connected Diet members constitute the political leaders of the livestock lobby in Japan. They usually combine strong constituency-dictated livestock interests with one or more official connections to livestock organisations.

Prior to 1976 this group included: Matsuura Tōsuke, Liberal, then LDP member in the Lower House for Yamagata (1) from 1946 to 1958 and 1960 to 1963, a member of the Nōsei Kenkyūkai, Yamagata Prefecture Livestock Association Chairman and Parliamentary Vice-Minister for Agriculture and Forestry; Ogasawara Yasomi, Liberal, then Democratic, then LDP member in the Lower House for Aomori (1) from 1946 to 1952 and 1955 to 1958, who was Vice-Chairman of the Aomori Prefecture Livestock Association; Terashima Takatarō, Liberal, then Democratic, then LDP member in the Lower House for Chiba (2) from 1946 to 1955 and 1958 to 1967, who served as Chairman of Chiba Prefecture Livestock Association; Inatomi Takato, Right Wing Socialist, then JSP, then DSP member in the Lower House for Fukuoka (3) from 1953 to 1958 and from 1960, former Vice-Chairman of Zenmō, Chairman of Zenmō, Chairman of Fukuoka Prefecture Livestock Association and Director of the Central Livestock Association, previously Secretary-General of the Farmers' Party (Nomintō), member of the Nōsei Kenkyūkai, Chairman of the DSP Agriculture, Forestry and Fisheries Policy Committee, with a political base in the Nokyo prefectural farmers' political league (nōseiren); Matsumoto Ichirō, Democratic Liberal, then Liberal, then LDP member in the Lower House for Mie (1) from 1949 to 1955 and 1960 to 1963, Mie Prefecture Livestock Association Chairman and Chairman of the Prefectural Mutual Aid Association; Kubō Kanichi, LDP member in the Upper House for Nagasaki from 1962 to 1970, Director of the Prefectural Agricultural Mutual Aid Association and Chairman of Nagasaki Prefecture Livestock Association (the National Mutual Aid Association is, for instance, a member of the CLA, and the same probably applies at prefectural level); Nukumi Saburō, LDP member in the Upper House for Miyazaki from 1959 to 1976, Miyazaki Prefecture Nokyo Central Union Chairman, Chairman of the Miyazaki Prefecture Nokyo Economic Federation, Chairman of the National Nokyo Tourist Association, member of the Nōsei Kenkyūkai, chairman of the prefectural farmers' federation (nōmin renmei), Chairman of Miyazaki Prefecture Livestock Association, who succeeded to senior Diet posts in agriculture and forestry such as Parliamentary Vice-Minister and Chairman of the Agriculture, Forestry and Fisheries Committee; Mizuno Hiyoshi, LDP member in the Lower House from 1967 to 1976, Chairman of the Chiba Prefecture Livestock Association and Director of the CLA; Nonaka Eiji, LDP member in the Lower House for Saitama (3) from 1969, Director of the Saitama Prefecture Livestock Association; and Kita Shūji, LDP member in the Upper House for Hokkaidō from 1977, local agricultural cooperative chairman and Hokkaidō Prefecture Livestock Association Vice-Chairman.

Amongst the post-1976 group (apart from Yamanaka), are Aoi Masami, LDP member in the Upper House for Ehime from 1974 onwards, Prefectural Nokyo Economic Federation Chairman, Zenmō Representative Auditor, Chairman of Ehime Prefecture Livestock Association and member of the (contd)
The Beef and Dairy Electorates

The size of the beef farming electorate is approximately half the size of the fruit farming electorate (about 500,000 against a little more than one million) and is contracting in numerical size. The trend amongst beef farming households in Japan has been for a drop in their absolute number, with corresponding increase in average herd size per farm household. The same trend may be observed in dairy households, but there has recently been a steep upward trend in dairy cattle used for beef production. If both sets of figures are combined the total number of beef and dairy households declined, while total cattle numbers declined.

(from previous page)
Nosei Kenkyukai, who in 1977, succeeded to the Vice-Chairmanship of the LDP Agriculture and Forestry Division; and Eto Takami, LDP member in the Lower House for Miyazaki (1) from 1969, a beef breeder himself, Director of Miyazaki Prefecture Livestock Nokyo Federation and member of the Nosei Kenkyukai, who had served in a variety of posts in prefectural livestock organisations, such as the Miyazaki Prefecture Domestic Animal Breeding Association Chairman (Kachiku Toroku Kyokai), and Chairman of the Miyazaki Prefecture Domestic Animal Improvement Association (Kachiku Kairyoku Kyokai), and who had also held the positions of Parliamentary Vice-Minister of Agriculture and Forestry, Vice-Chairman and Chairman of the LDP Agriculture and Forestry Division, and in 1978, Chairman of the Sub-Committee on Agricultural and Livestock Commodity Prices of the Agriculture and Forestry Division.

1 There were two million beef farming households in 1960 holding an average of 1.2 head each. By 1965, this number had fallen to 1.4 million households holding an average of 1.3 head each; by 1970, 902,000 households holding an average of 2.0 head each; and by 1975, 474,000 households holding an average of 3.9 head each. These figures were obtained from Poketto Norin Suisan Tokei, op. cit., pp.247-248.

2 In 1960 there were 410,000 dairy households holding an average of two head each. By 1970, there were 308,000 holding an average of 5.9; and by 1975, there were 160,000 holding an average of 11.2 head each: that is, 820,000 head in 1960 compared with 1.7 million in 1975. See ibid.

3 Most dairy farmers sell some animals for beef, while some beef households concentrate on fattening dairy breeds. However, published statistics do not show dairy beef producers separately, although they do separate meat production from dairy and beef breeds.
have increased somewhat since 1973.

These figures suggest that there has been some contraction of the beef and dairy farming electorate in terms of the number of farmers in this sector. This has not, however, resulted in the reduced electoral importance of the livestock sector or a decline in the effectiveness of the beef and dairy lobbies. There are a number of reasons for this. Firstly, there is the offsetting factor of an increase in absolute herd numbers and average herd size, which signifies a growing level of specialisation in the livestock sector. Secondly, there is a 'homogenising' factor at work in Japanese agriculture: farmers, no matter what commodities they produce or what level of specialisation they engage in, tend to identify closely with one another as a defensive block. A threat to one particular sector is viewed as a threat to all, and on the liberalisation issue in particular, farmers appreciate the tactical value of presenting a united front to policy-makers: witness the closing of ranks amongst Nokyo organisations after grapefruit liberalisation was actually put into effect.

While examining the number of people engaged in production is, therefore, a useful exercise, it cannot be used as a basis for conclusions about the particular strength of one set of farmers compared to another, or a decline or increase in the political power of a particular sector over time. The latter is not solely a function of absolute numbers. The strength of a specific farm lobby is also a reflection of other factors, some of which were mentioned earlier: the organisational strength and economic stake of Nokyo in a particular field (and as we have shown, agricultural cooperative operations in the livestock industry are second only to rice, which has important
repercussions for Nokyo's political pressure on behalf of livestock interests); the political content of agricultural commodities as a result of their incorporation or otherwise into statutory regulations such as price stabilisation laws (this factor contributes to the more highly mobilised operations of the rice and livestock lobbies particularly by the mainstream Nokyo organisation compared to fruit for example); regional specialisation in production which helps to counterbalance the geographical spread and numerical superiority of rice farmers for instance, with the organisational cohesion and clearly defined interests of many specialist farmers and their cooperatives in areas of production concentration; and finally, the policy 'weight' of certain products in the priorities of the MAF, which multiplies their political significance in budgetary terms and also has an influence on liberalisation policies (this has strengthened the influence of rice, fruit and livestock products in Japan since the 1960s).

Regional Concentration in the Livestock Industry

As was demonstrated in the case of the constituency backgrounds of livestock and more particularly, beef politicians, certain select regions are represented by Diet members who combine a strong commodity interest with specialist organisational connections. The best known beef politicians for example, come from constituencies in the beef producing regions of Kyūshū and Tōhoku, such as Kagoshima, Miyazaki, Iwate, Miyagi, Fukushima, Kumamoto etc.

The same sort of regional ties are evident amongst dairy politicians (rakunō giin), although the distinction between the categories of 'beef' and 'dairy' politicians is somewhat spurious given the high regional coincidence of dairy and beef production and the fact that about two thirds of domestic beef now comes from dairy herds.
The geographic breakdown of dairy household and cattle numbers according to region for 1975 is shown in Table 6.4.

Table 6.4

Regional Breakdown of Dairy Farm Household and Cattle Numbers

<table>
<thead>
<tr>
<th>Region</th>
<th>No. of Dairy Households</th>
<th>No. of Dairy Cattle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tōhoku</td>
<td>42,180</td>
<td>208,300</td>
</tr>
<tr>
<td>Kantō</td>
<td>30,570</td>
<td>335,900</td>
</tr>
<tr>
<td>Hokkaidō</td>
<td>27,380</td>
<td>614,800</td>
</tr>
<tr>
<td>Kyushū</td>
<td>14,060</td>
<td>159,300</td>
</tr>
<tr>
<td>Chūkoku</td>
<td>9,750</td>
<td>94,100</td>
</tr>
<tr>
<td>Tōsan</td>
<td>8,610</td>
<td>56,000</td>
</tr>
<tr>
<td>Kinki</td>
<td>8,480</td>
<td>85,000</td>
</tr>
<tr>
<td>Shikoku</td>
<td>7,620</td>
<td>64,700</td>
</tr>
<tr>
<td>Tōkai</td>
<td>7,490</td>
<td>117,400</td>
</tr>
<tr>
<td>Hokuriku</td>
<td>3,750</td>
<td>38,400</td>
</tr>
<tr>
<td>Okinawa</td>
<td>180</td>
<td>2,400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>160,070</strong></td>
<td><strong>1,787,200</strong></td>
</tr>
</tbody>
</table>

Source: Norinshō, Tōkei Jōhōbu, Poketto Nōrin Suisan Tōkei (Ministry of Agriculture and Forestry, Statistics and Information Department, Pocket Agriculture, Forestry and Fisheries Statistics), 1976, Tokyo, Norin Tōkei Kyokai; and from the same source, Norinshō Tōkei Kyokai, (Statistical Yearbook of the Ministry of Agriculture and Forestry) 1974-75, Tokyo, Norin Tōkei Kyokai, p.144.

Dairy producing constituencies are therefore to be found in Hokkaidō, Iwate, Miyagi, Fukushima, Chiba, Gumma, Miyazaki, Kumamoto, Kagoshima etc. Prefectures significant for dairy beef production are Hokkaidō, Miyagi, Tochigi, Fukushima, Kumamoto and Fukuoka, and those significant for both dairy and dairy beef are Hokkaidō, Nagano, Miyagi and Fukushima. Nokyo specialist livestock and dairy federations
also tend to be stronger in these areas, and can mobilise considerable support for politicians with whom they have close ties. The Fukushima Prefecture Livestock Nokyo Federation for example, has had two Diet members directly representing it at different times.¹

Leaders of the dairy lobby in the post-1976 election Diet included politicians such as Morita Kinji from Fukuoka,² Sakamoto Chikao from Miyazaki,³ Kujime Kentarō from Tokushima,⁴ and Nakagawa Ichirō from Hokkaidō.⁵ Nakagawa was one of the livestock politicians mentioned in

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¹ These were Suzuki Shūjiro, Liberal Party member in the Diet for Fukushima from 1946 to 1947, then LDP member in the Lower House for Fukushima (1) from 1955 to 1958, who was Fukushima Prefecture Livestock Nokyo Federation Chairman and President of Morinaga Milk Industries' Tōhoku Branch; and Itō Takashi, LDP member in the Lower House for Fukushima (1) between 1960 and 1963, who was also Chairman of the Fukushima Prefecture Livestock Nokyo Federation.

² Morita was referred to earlier in connection with the Japan Dairy Farmers' Political League.

³ Sakamoto was an LDP member in the Lower House for Miyazaki (2) between 1969 and 1972, and was successfully elected to the Upper House in 1976. At the same time he held the post of Chairman of Miyazaki Prefecture Four Nokyo Federations, Chairman of Miyazaki Prefecture Dairy Nokyo Federation, Director of Zenno, member of the Nōsei Kenkyūkai and Chairman of the prefectural agricultural council (nōgyō kaigi). He inherited the jiban of Nukumi Saburō (referred to earlier).

⁴ Kujime has been an LDP member in the Upper House for Tokushima since 1968, in addition to his Nokyo executive positions which included the posts of Chairman of the Tokushima Prefecture Four Nokyo Federations, Chairman of Tokushima Prefecture Fruit and Vegetable Nokyo Federation (he is also a kudamono giin), Director of Zenno, Director of Ie no Hikari Kyōkai, former Chairman of Tokushima Prefecture Dairy Nokyo Federation, Chairman of Tokushima Prefecture Nokyo Feed Company, a member of the Nōsei Kenkyūkai, and Chairman of the prefectural agricultural council (nōgyō kaigi).

⁵ Nakagawa has been an LDP member in the Lower House for Hokkaidō (5) since 1963. His electorate covers a specialist dairy farming area. He is a member of the Nōsei Kenkyūkai and a reputed member of the rice 'Vietcong', who gained the post of Chairman of the LDP Agriculture and Forestry Division in 1974, Chairman of the Agriculture, Forestry and Fisheries Committee in 1976-77, and Minister of Agriculture and Forestry in 1977-78. As Minister he handled the crucial negotiations with the New Zealanders over the trade-off offered by Prime Minister Muldoon which proposed to exchange access to the Japanese market for New Zealand beef, dairy products and wood pulp, for Japanese access to the New Zealand 200 mile fishing zone.
connection with the receipt of funds from the LIPC surplus account.  

Rakunō giin prior to 1976 represented constituencies in Ibaragi, Shizuoka, Chiba, Nagasaki, Niigata, and Hokkaido.

In addition to those already named in this regard were Watanabe Michio, LDP member in the Lower House for Tochigi (1) from 1963, who held the posts of Parliamentary Vice-Minister for Agriculture and Forestry (1970), Chairman of the LDP Agriculture and Forestry Division (1972), Vice-Chairman of the LDP's Comprehensive Agricultural Policy Investigation Committee (1976), reputedly a member of the 'rice Viet-cong'; and Matsuno Raizō, referred to earlier in relation to the fruit lobby. The common attributes of those with alleged secret financial connections to the LIPC appear to be high-ranking positions in party agricultural policy-making organs.

Satō Yōnosuke, LDP member in the Lower House for Ibaragi (3) from 1946 to 1969, author of a book Japan's Dairy Farming, and Chairman of an LDP committee on dairy policy.

Endō Saburō, LDP member in the Lower House for Shizuoka (2) from 1949 to 1972, former Chief of the MAF Livestock Bureau, LIP Council member, member of the Advisory Council on Feed Supply and Demand Stabilisation, Chairman of Shizuoka Prefecture Dairy Nokyo Federation, and Nōsei Kenkyūkai member.

Jitsukawa Kiyoshi, JSP member in the Lower House for Chiba (3) from 1958 to 1969, Chairman of Chiba Prefecture Nokyo Central Union, Chairman of Chiba Prefectural Dairy Nokyo Federation, a Nōsei Kenkyūkai member, and member of the Zennichinō Central Executive.

Kuranari Tadashi, LDP member in the Lower House for Nagasaki (1) from 1958, former MAF Agricultural Land Bureau Chief, Chairman of the LDP Agricultural, Forestry and Fisheries Office, member of the LIP Council, member of the Nōsei Kenkyūkai, and Chairman of a Special LDP Committee on Dairy Farming Promotion.

Hatano Shinichi, LDP member in the Lower House for Niigata (2) from 1972 to 1976, and chairman of a local dairy agricultural cooperative.

Shimada Takurō, JSP member in the Lower House for Hokkaidō (5) from 1972, chairman of a town dairy cooperative, member of the Nōsei Kenkyūkai, Chairman of the JSP's Farmers' Division and the informal JSP intra-Diet group - the Agricultural Policy Diet Members' Group (Nōsei Gindan), member of the Hokkaidō Prefecture Agricultural Council (Nōgyō Kaigi), and Secretary-General of a regional farmers' federation (nōmin renmei); Okamura Fumijirō, mentioned extensively in Chapters 3 and 4, who was a Director of Snow Brand Milk Company; and Takahashi Yūnosuke, LDP member in the Upper House for Hokkaidō from 1965 to 1977, Chairman of the Hokkaidō Prefecture Nokyo Central Union, a Director of Zencho, a Director of Snow Brand Milk Company, member of the Nōsei Kenkyūkai, who became Chairman of the Agriculture, Forestry and Fisheries Committee in 1971, and Vice-Chairman of the LDP's Comprehensive Agricultural Policy Investigation Committee in 1974.
Clearly there is a complex web of party-political, organisational and constituency connections which promote livestock interests in the national Diet. Farm politicians representing livestock constituencies usually demonstrate their support for the interests of their farming constituents by engaging in extensive Diet members' activities (giin katsudō) on livestock-related issues. In this area there is no equivalent of the 'standing committee' which represents specialist fruit interests - the Fruit Farming Promotion Diet Members' League (FPL). In fact as the former emerged as the informal Parliamentary anti-liberalisation leadership group, many chikusan giin joined it, anxious to prevent the liberalisation of beef and dairy products, and many House of Councillors' livestock politicians also joined the Nōsei Suishin Giindan.

A majority of Diet members' leagues are temporary, non-regularised, issue- or commodity-oriented bodies. Some may last considerably longer than others, such as the FPL. There are many such informal groups in the Diet (about 100 altogether), covering a much broader policy field than agriculture alone. No special group operates in the area of livestock commodity prices like the Beika Taisaku Kyōgikai or the FPL, although the informal title of livestock Diet member (chikusan giin) or livestock-related Diet member (chikusan kankei giin) is attached to those active in this policy area. The leagues may formalise their proceedings to the extent of holding monthly meetings to discuss the problem of a particular commodity. They may also be petitioned by representatives from relevant Nokyo groupings (aside from the direct communications facilitated by politicians who hold joint Diet and executive positions in livestock organisations). They have no powers of decision, but where they can be effective is by acting as a unified voice in LDP agricultural
policy committees and sub-committees. The LDP's Nōrin Bukai for example, concerns itself with price problems other than rice, and has a Sub-Committee on Agricultural and Livestock Commodity Prices (Nōchikusanbutsu Kakaku Shōiinkai). In this sort of forum, a league can act in concert as an informal pressure group, and their numerical pre-dominance in the membership of LDP formal policy committees on agriculture and forestry facilitates their penetration of the policy-making process. They serve as a key channel for pressure from interested groups outside the Diet into the inner decision-making circles of the government party.

Politicians who head LDP policy committees on agriculture become the leaders of the various commodity lobbies. Their original selection of party committee is almost always linked to the interests they represent. In agricultural circles, 'interest' is dictated by the nature of farm production in a particular electorate, specialist expertise in agricultural affairs and links with farm organisations. This results in a strong measure of coincidence between political 'connection' and policy role within party structures. Prominent livestock politicians for example, head the Nōrin Bukai Sub-Committee on Agricultural and Livestock Commodity Prices which formulates party policy on the price stabilisation bands for beef and the guaranteed prices for milk and milk products. These are the equivalent in the livestock sector of the Comprehensive Agricultural Policy Committee in matters concerning the producer rice price. It is not surprising therefore, that these different sets of official party agricultural policy committees tend to act in a similar fashion in the political process leading up to key commodity price decisions.
Decision-Making on Livestock Commodity Policy Prices

Parallels between rice price decision-making procedures and those followed in relation to livestock products such as beef and milk are striking. There are obvious differences in timing, with livestock product policy prices (chikusanbutsu seisaku kakaku) earlier on the annual agenda for the Minister of Agriculture and Forestry than the producer rice price (March as against June/July). Because the producer prices for beef, pork and milk have to be decided at the same time prior to the start of the financial year, however, Zenohū tends to launch a unified campaign of demands.

The various rounds of demand-presentation and negotiations on these prices follow the same stages as for rice. Round I consists of the presentation of the MAF 'preliminary calculated prices' (shisan kakaku) to the LIP Council by the Minister of Agriculture and Forestry. MAF calculations are based on the same formula used to establish its recommended producer rice price: the 'production cost and income compensation' formula. The relevant sub-council of the LIP Council deliberates in detail on each MAF recommendation. The opening sessions of the Council mark the beginning of Nokyo's producer livestock prices campaign.

The agricultural cooperative organisation reaches its 'demand' prices on livestock commodities by undertaking formulation procedures which parallel those of the MAF. Zenohū Agricultural Policy Department and Section Chiefs hold an investigatory meeting, and there is an extended examination of relevant statistical materials which have been collected by the agricultural cooperative organisation. This also includes an analysis of the general situation in each industry. The final draft which emerges from this meeting is passed on to the Conference
of National and Prefectural Central Union and Economic Federation
Department and Section Chiefs' Conference (another staff-level meeting),
and on the same day, it is also examined in the Nokyo Livestock and
Dairy Policy Central Headquarters' Committee (a smaller body of members
of these two Central Headquarters). The Committee has already canvassed
the views of the prefectural Livestock and Dairy Policy Head­
quarters and collects the reports and demands emanating from these
bodies. The next stage is the formal round of decision-making within
the Zenchū Board of Directors, and the Committee formally and finally
decides on a set of demands within this body. (In other words, the
Committee is itself staffed by Zenchū Directors.) The Nokyo demands
are decided by the same formula used by the government: the 'production
cost and income compensation' formula, but the agricultural cooperative
application of this yardstick invariably produces much higher prices.
Furthermore, the list of policy requests usually extends to more than
just the demand prices themselves. They consistently involve price-
related policies such as: the halting of imports and the establishment
of production targets to achieve improvement in self-sufficiency levels
(import restriction is a consistent theme linked to livestock stabilis­
ation prices); matters relating to feed price stabilisation through the
Feed Price Stabilisation Fund (feed is a critical input into farm costs
in the livestock sector); additional government subsidies and assistance
for livestock producers in management, transport, distribution and
marketing; and measures for establishing direct Nokyo marketing, pro­
cessing and distribution facilities in order to expand consumption of
livestock products and rationalise livestock production distribution.
These subjects are examined in the LIP Council together with the live­
stock policy prices which constitute the second major section of Nokyo
demands.
Round II comprises the submission of Nokyo demands to the LIP Council by its representatives in attendance. The three sets of prices are: the guaranteed price for manufacturing milk, the pork stabilisation prices and the beef stabilisation prices.

With regard to the Manufacturing Milk Deficiency Payment, four Nokyo demands consistently reappear:

(a) a rise in the guaranteed price for manufacturing milk (hoshō kakaku);
(b) a rise in the standard selling price (kijuni torihiki kakaku);
(c) a request that the whole quantity of manufacturing milk be subject to a deficiency payment (the quantity for subsidy is determined each year during price negotiations), and
(d) a call for the establishment of deficiency payment for raw milk for drinking, and meanwhile, the use of 'administrative guidance' to raise the standard trans­acting price (torihiki kakaku) for this product.

Nokyo also annually demands rises in the stabilisation prices for designated meats (pork and beef).

The Nokyo demands are made first to the Council in general session which comprises its regular members (up to 25) and its special members (usually around 20), and then to the opening sessions of the sub­councils on meat (shokuniku bukai) and dairy farming (rakunō bukai). Zenchū, Zenmō, Zenrakuren and Zenchikuren all have direct representation on the Council, and this is supplemented by spokesmen from other Nokyo-related groups such as the National Nokyo Livestock Agricultural
Cooperative Farm Complex Conference (Zenkoku Nōkyō Chikusan Danchi Renraku Kyōgikai), the National Beef Association, the Central Livestock Association and other agricultural organisations.¹

Timed with the opening sessions of the LIP Council, are the Nokyo mass conventions sponsored by Zenchū such as the National Nokyo Representatives' Convention on Livestock Policy Prices'. Compared to the average rice price convention, the numbers in attendance are small - around 2,000. The purpose of the convention is to publicise the Nokyo 'demand' prices, and to obtain ratification from rank and file on these executive-formulated policy requests.

A second series of meetings concurrent with those of the LIP Council is held within the LDP's Agriculture and Forestry Division (Nōrin Bukai) particularly its Sub-Committee on Agricultural and Livestock Commodity Prices. To this gathering of farm politicians, Zenchū, as represented by its Nokyo Livestock and Dairy Policy Central Headquarters' Chairmen, conducts a forceful presentation of its 'Livestock Policy Prices List of Demands', accompanied by similar representations to the headquarters of all the other political parties, to individual Diet members of both Houses, to each relevant bureau and division of the government (MAF), and to government Ministers and LDP leaders.

Other meetings may include combined sessions of the Nōrin Bukai and Sōgō Nōsei Chōsakai, but the key party organ is the Agricultural and Forestry Division Sub-Committee, which may call on MAF officials to testify on the government recommended prices. Informal meetings of livestock and dairy Diet members are also usually taking place.

¹ See the list of LIP Council members on pp.434-435, footnote 1.
Within the Diet, the Agriculture, Forestry and Fisheries Committees may request submissions from the Minister on the MAF recommended prices and pass resolutions on these prices.

Round III begins when the LIP Council submits its report on the MAF recommendations to the Minister of Agriculture and Forestry. As with the producer rice price, the final and most crucial negotiations take place between the government, represented principally by the Minister of Agriculture and Forestry and the Minister of Finance, the government party, as represented by the leaders of the Agriculture and Forestry Division, its Sub-Committee on Agricultural and Livestock Commodity Prices, and top-level party executives (the 'Big Three' - Secretary General, Chairman of the Executive Council and Chairman of the PARC). During these negotiations, Agriculture and Forestry Division and Sub-Committee meetings continue to take place as part of the on-going process of internal party adjustment, and Nokyo representatives made their final appeals to these. After the closing session of the Sub-Committee, a final party viewpoint is firmed up between the Nōrin Bukai Chairman, Vice-Chairman and the Chairman of the Sub-Committee on the one hand, and party leaders on the other. Before the final decision is made, the Zenōhū Chairman, flanked by his Livestock and Dairy Policy Central Headquarters' Chairmen, usually visits the Minister of Agriculture and Forestry. (In the case of the producer rice price decision, it is often the Prime Minister.)

The outcome of the government-party negotiations is the announcement by the Minister of Agriculture and Forestry of the producer livestock prices, following a final Cabinet decision.\(^1\) Here, as in the case

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1 What has been described is the 'observable' process of party decision. This must, however, be interpreted in the light of the information offered by an LDP official (and recounted in Chapter 5, p.306) as to the 'real' timing and procedures involved in producer price decision-making.
of the producer rice price, the party is almost always successful in achieving a 'political addition' (seiji kasan) to the MAF recommended prices. Table 6.5 shows these for the 1976 livestock policy stabilisation prices.

Nokyo does not present any 'demand' on the 'stabilisation indicative price' for designated milk products, as it is not a 'producer' price paid to farmers. It is a secondary price designed to enable milk manufacturers to pay the LIPC its standard selling price for manufacturing milk. (To this the LIPC adds the deficiency payment to bring it up to the guaranteed producer price, which the LIPC pays the farmers.)

In 1974, Nokyo attempted to attach a more objective label to the political addition on manufacturing milk by calling it an incentive payment 'for collection and despatch'. This was, however, discontinued in later years. Nokyo's 1976 campaign was particularly vociferous, because the 1975 beef price stabilisation prices contained no political addition whatsoever: the MAF recommended price equalled the final decision. This response from government was described as a 'one shot reply' (ippatsu kaitō) by Nokyo and condemned. Zenchū successfully campaigned for its non-continuation in the 1977 beef stabilisation prices. The farmers received an overall 8.5 per cent increase as well as a small political addition. In 1976, Nokyo also extracted an additional payment on top of the deficiency payment for raw milk for manufacturing.

Immediately after the various livestock stabilisation prices were announced on March 31, 1976, the Zenchū Chairman, Fujita Saburō, flanked by his

1 Saxon, op. cit., p.22.
### Table 6.5

**DEMANDS AND DECISIONS ON LIVESTOCK POLICY PRICES**  
Unit: Yen/kg

<table>
<thead>
<tr>
<th>Policy Price</th>
<th>1975 Price</th>
<th>Nokyo Demand</th>
<th>Government Recommendation</th>
<th>Final Decision</th>
<th>Political Addition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Price</td>
<td>% Increase</td>
<td>Price</td>
<td>% Increase</td>
<td>Price</td>
</tr>
<tr>
<td>1. Guaranteed Price for Raw Milk for Processing</td>
<td>80.29</td>
<td>105.86</td>
<td>31.9</td>
<td>85.17</td>
<td>6.1</td>
</tr>
<tr>
<td>2. Pork Stabilisation Prices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Ceiling Price</td>
<td>680</td>
<td>823</td>
<td>21.0</td>
<td>734</td>
<td>7.9</td>
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<tr>
<td>b) Floor Price</td>
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<td>673</td>
<td>21.0</td>
<td>601</td>
<td>8.1</td>
</tr>
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<td>3. Beef Stabilisation Prices</td>
<td></td>
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<tr>
<td>a) Wagyu Steer Ceiling Price</td>
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<td>1,803</td>
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<tr>
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<td>4. Other Beef Steers</td>
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<tr>
<td>a) Ceiling Price</td>
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<td>22.7</td>
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<tr>
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<td>1,168</td>
<td>25.6</td>
<td>1,009</td>
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Nokyo Livestock and Nokyo Dairy Policy Central Headquarters Chairmen, presented a list of 'urgent' demands to government. These included making a quality improvement incentive payment on raw milk for manufacturing, restricting beef import quotas to amounts that would not overwhelm domestic production, and linking the distribution of imported beef by the LIPC to the beef ceiling price.¹

The outcome of these 'urgent' demands was remarkably successful. They were followed by a continuation of the conservative administration of the beef import quota by the LIPC, the institution of a quality improvement incentive payment on the deficiency payment for manufacturing milk from 1976, and an unexpectedly low beef import quota announcement for the second half of fiscal 1976.

The quality improvement incentive payment of one yen per kilo was attached to the manufacturing milk deficiency payment in 1976. In 1977, it was 1.75 yen. The attractiveness of these additional payments, which in practice substitute for even higher deficiency payments on raw milk for processing, is their different budgetary classification. They do not become part of the official milk price support system and do not, therefore, appear within the budget category of 'Price, Marketing and Income Measures'. Such incentives to increase quality, output etc. come under the more acceptable and less obviously 'political' category of 'Production Measures'. Spread across two budgetary categories in this fashion, the MAF is able 'for a given standard selling price and a given actual price to the producer, to record a lower deficiency payment'.²

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¹ Ibid., p. 70.
² Saxon, op. cit., p.25.
This sort of budget strategy adopted by the LDP is reminiscent of the period of producer rice price restrictions from 1968 onwards, when the government party sought to appease its financial critics by shifting part of the budget load of the producer rice price away from the Food Control Special Account and on to the MAF 'Production Measures' budget category. This was done by granting a variety of incentive and 'special works' payments to farmers.

Anti-Liberalisation MAF Policies

A number of other more general policies influence the Minister of Agriculture and Forestry's decisions on the beef and dairy product import quotas quite apart from the livestock commodity stabilisation prices themselves. They also indirectly influence MAF views on agricultural trade liberalisation as a whole, and are, by and large, incompatible with 'liberalised' attitudes towards agricultural trade. In other words, the issue of the trade liberalisation in fruit and livestock products cannot be viewed in isolation, but must be evaluated in the context of overall Japanese agricultural policies and agricultural policy priorities. At the present time, substantial liberalisation of agricultural trade is fundamentally incompatible with some of the basic goals of Japanese agricultural policy.

In considering this question, one is faced with a problem of determining cause and effect: are these other basic goals the by-product of agricultural protectionism (in the sense of having been formulated as ex post facto justification for it); or is agricultural protectionism an inevitable consequence of these other policy goals? The fundamental agricultural policy objectives referred to here are: the Agricultural Basic Law, particularly its clauses on import restrictions; agricultural
production adjustment, which represented the second major redirection in Japanese agricultural policy (launched in 1968, but made definitive from 1970 onwards); and agricultural self-sufficiency, particularly the much-quoted self-sufficiency targets postulated for 1985. Each of these policies will be examined in turn.

(a) Agricultural Basic Law clauses on import restrictions create the possibility not merely of goal incompatibility, but of direct contravention of the law. Article 13 of the Law states that 'if import of any agricultural product causes or is likely to cause a substantial decline in prices of any competitive product and the effect would be a serious setback, then in such a case, . . . the State is to adjust tariff duties, restrict imports or take any other necessary measures'.\(^1\) The directives to MAF resulting from this Article are clear enough and require no elucidation.

(b) Production Adjustment

Livestock and fruit products, as the object of 'selective expansion' measures became the logical alternative to rice growing in the production adjustment program launched by the MAF in the late 1960s and early 1970s. This policy, however, in concert with the essential failure of the Japanese 'charter of agriculture' (the Agricultural Basic Law) to solve the fundamental problems of Japanese agriculture – expansion of the scale of production and a lowering of production costs through increased productivity – meant that the production alternatives to rice growing were also high-cost goals, and this made the products involved uncompetitive compared to their cheaper overseas counterparts. Furthermore, it was illogical for the MAF to espouse mutually contradictory policies:

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\(^1\) 'Nōgyō Kihonho', op. cit., p.4.
to advocate diversion from rice into fruit and livestock products while proposing to swamp these products with more competitively priced imports. As we have seen, substantial liberalisation took place only in relation to a limited range of products, and not those of high production priority or those which were the object of sustained anti-liberalisation pressure. Liberalised commodities included lemons (which involved a small production area and even fewer farmers), soya beans and feed grains (which the Japanese needed cheaply and in very large quantities). As far as the latter two products were concerned, even an approximation of self-sufficiency was an impossible goal, and production began declining even before liberalisation took place.

Grapefruit was the exception, but even here, the mechanism of 'half liberalisation' was applied, with tariff barriers to some extent replacing quantitative import restrictions. Those commodities subject to both production priority and anti-liberalisation movements from the farmers are still under quota restriction. The response of the Japanese government under external pressure from the US, Australia and New Zealand, has been to grant quota increases, but not to abolish the quotas themselves. For Japan's overseas agricultural suppliers, these are only limited and temporary victories.

(c) Self-sufficiency

Another provision of the 1961 Agricultural Basic Law (Article 8) states that 'The Government shall prepare and publish long-term projections of demand and production of major agricultural products'.

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1 Ibid., p.3.
These long-term supply projections in agricultural products have assumed the nature of production or self-sufficiency targets. It is widely acknowledged that the targets are often set at optimistically high levels given the objective constraints on agricultural production in Japan. They constitute a MAF rationale for measures under Article 9 of the Law which states that: 'the State is to take measures necessary to develop and equip the agricultural production base, to increase capital equipment, to readjust agricultural production and so forth, taking into consideration the long-term projections mentioned in . . . the preceding Article'.

In other words, these long-term projections are justification for the sort of assistance mentioned in Article 9 which requires substantial government financial outlays to agriculture. Self-sufficiency therefore contributes to the general policy justification for budgetary subsidies to the farm sector. There is in consequence, a considerable MAF bureaucratic stake in these long-term projections, and substantial liberalisation would place them under serious challenge. Nothing short of a reversal of traditional MAF policy and budgetary rationale would be required.

Logically enough, the desire to maximise self-sufficiency in food is quoted as the official policy justification for the maintenance of import barriers, particularly since the early 1970s when supply crises brought the question of the nation's food supplies to national attention.

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1 The self-sufficiency target set by MAF in 1975 for beef by 1985 was 81 per cent. This has since been revised downwards to 71 per cent by 1990.

2 'Nōgyō Kihonhō', op. cit., p.3.
The worldwide grain shortage beginning in mid-1972 and continuing through into 1973 as a result of reduced harvests in both the USSR and the US, gave rise to huge increases in the prices of cereals and feedstuffs. It also brought forth ominous projections about future world shortages in the supply of staple foods and sparked off a renewed sense of unease about Japan's capabilities for feeding its own large population. This was reinforced by the fact that Japan's self-sufficiency ratio in rice had fallen to 92 per cent in 1972 as a result of the government's rice production reduction and conversion policies, and by 1973, government rice stocks had fallen to their lowest levels for four years or more. Curtailment of rice production had succeeded to the point where the country's rice surplus had almost been completely eliminated, and domestic production and consumption were once again in rough balance. In the event of an exceptionally bad harvest, it was conceivable that Japan might even have to import rice. The principal effect of the global shortage of cereals on government rice policy was the subsequent abandonment of production adjustment targets and a policy emphasis away from restricting rice production.

These events were followed in 1973 by a temporary US embargo on soya bean exports which demonstrated the measure of Japanese dependence on a single supply source for this staple item in their diet. Although the embargo was shortlived, its psychological effects endured. It served to strengthen a growing sense of national vulnerability to fluctuations in the supply of foodstuffs. It combined with the oil crisis which followed the October 1973 Middle East War to create a certain 'seige mentality' which easily carried over from one policy sphere (that of energy supply) into another - food supply. The situation prompted further re-examination of Japan's reliance on overseas imports.
for a significant part of her food needs, particularly as Japan's production of non-rice grains had reached an all-time low in 1973. These constituted a substantial proportion of its food imports. The overall self-sufficiency ratio for total Japanese food production had also dropped sharply from 80 per cent in 1969 to the lowest-ever figure of 71 per cent in that same year.

The Japanese attachment to food autarky or self-sufficiency did not, however, originate in these historical events of the early 1970s. It had long been in existence as one of the critical tenets of postwar Japanese agricultural policy, and was embodied in the Agricultural Basic Law itself. It was also part of the rationale for the government's farm incomes policy. Massive support from government was necessary to insulate the Japanese farmer from the effects of the decline in agriculture relative to other sectors of the national economy and to preserve agriculture as a viable industry. The latter was necessary to ensure the nation's food security. Apart from purely political considerations, the official reasoning behind the MAP farm incomes policy was, therefore, based on more than social policy considerations. It also took into account the objective on which there was a national consensus: that the destruction of Japanese agriculture should be averted, and the role and status of those engaged in it assured. This notion was contained in the preamble to the Agricultural Basic Law itself.

Furthermore, there were several key policy developments which took place prior to the events of mid-1972 onwards, which related directly to the question of Japanese domestic farm production versus agricultural imports. The theme of self-sufficiency as a fundamental goal of Japanese agricultural policy was postulated in a high-level report issued by the Round Table Conference on Agricultural Problems Arising from
Internationalisation (of the Japanese economy) (*Kokusaika ni taiō shita Nōgyō Mondai Kondankai*). This conference, first launched in 1970 by the Chairman of *Keidanren* and the Chairman of the National Chamber of Agriculture, represented the meeting of minds of representatives from the economic world and the agricultural world. They were anxious to mesh the seeming contradictions between the interests of big business, which were more inclined to respond favourably to international pressures for a relaxation of Japanese trade restrictions (and in 1970 it appeared as if liberalisation was proceeding in high gear), and agriculturalists, who were demanding the modernisation and structural reform of Japanese agriculture in order to be able to compete with overseas products. The Conference, which was acting as a semi-official advisor to government, endeavoured to establish a mutual understanding between these two conservative sections of Japanese society, and to find mutually acceptable solutions to the problems they faced.

The founding members of the Round Table Conference at the time of its first meeting in September 1970 numbered 18, and included

1 These were: the Chairman of *Keidanren*, the President of the Agriculture, Forestry and Fisheries Finance Corporation, Chairman of the Asia Economic Research Institute, Chairman of the Board of Directors of *Nōrin Chūkin*, a representative manager (*daihyō kanji*) of the Japan Committee for Economic Development, the Chairman of *Zenhanren*, a member of the Policy Committee of the Bank of Japan, a Tokyo University Professor, Chairman of the *Keidanren* Agricultural Problems Round Table Conference Committee, Chairman of the Japanese Chamber of Commerce, Chairman of the Overseas Technical Cooperation Corporation, Chairman of the Japanese Chamber of Agriculture, Assistant Representative Manager of the Japan Committee for Economic Development, Chairman of Mitsubishi Industries, Vice-Chairman of *Keidanren*, Chairman of Mitsui Industries, Chairman of *Zenkören* and the Chairman of *Zenho*u. This list is given in Anon., *Kokusaika ni Taiō Shita Nōgyō Mondai Kondankai* no Keii (Particulars of the Round Table Conference on Agricultural Problems Arising From Internationalisation), n.d. p.5.
representatives from Keidanren, Nokyo, the Japanese Chamber of Agriculture, the Japan Committee for Economic Development, the Bank of Japan, Mitsui and Mitsubishi Companies and the academic world.

The Round Table Conference presented its second report in December 1971. In it was expressed a growing concern for the need to encourage farmers to maintain agricultural output in order that Japan's food supply be met as much as possible by domestic producers. The report stressed a number of themes: the issue of self-sufficiency in staple foodstuffs particularly food grains; the importance of the stable supply of these grains at stable prices by domestic producers; and the belief that feeding the nation was a matter of 'national security'. It also posed a new imperative for policy-makers: 'Japan must aim at complete self-sufficiency in staple food supply', and in due recognition of the valuable contribution of the farm population to the nation and of their role as a 'stabilising factor' in society, the maintenance of rural standards of living on a par with those in urban areas was acknowledged as a prime goal of agricultural policy. Much of this was repetition of the ideology of the Agricultural Basic Law, but it also demonstrated that the acquiescence of the big business world to these fundamental objectives, including the notion of self-sufficiency, had been obtained.

The Conference was in part both a political and public relations exercise. Its participants represented the leadership strata of two major LDP supporting groups, and it was inevitable that they should

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place importance on the role of the farmers as a conservative and 'politically stabilising' force in the community. Big business recognised the strategic necessity for preserving the rural population as a reliable source of LDP voting support, because successive conservative governments had provided the stability vital for rapid economic growth.

The content of this December 1971 report and its timing was also significant. The LDP had suffered setbacks in the Lower House elections of 1967 and 1969, and in the most recent June 1971 elections, when a number of long-held conservative seats had been lost to JSP candidates. The grapefruit liberalisation issue was in part blamed for this, particularly as it followed hard on the heels of rice production cut-backs and deferrals in producer rice price increases. All these policies had provoked unprecedented opposition from the farmers and this had worried the LDP. Adverse political repercussions in the form of significant anti-government feeling amongst the farmers appeared to be emerging at the polls. The government's new attitude towards self-sufficiency in foodstuffs, particularly rice, which was further developed as part of official policy in 1972\(^1\) had its roots in these political and electoral considerations.

The pattern of organisational collaboration and mutual consultation between big business and agricultural group representatives which began in 1970, continued with annual Round Table Conferences and reports. These groups found common cause in the issue of self-sufficiency and in the importance of shoring up the LDP's electoral fortunes, both of which

\(^1\) See the White Paper on Agriculture for Fiscal 1972 and the *Nihon Keizai Shinbun*, April 11, June 4, 1972, reported in *ibid.*, p.165.
contributed to a subtle reorientation in the attitude of big business towards the farm sector during this period. It is indicative that these earlier voices in support of higher levels of self-sufficiency were directed towards staple grain commodities, in particular rice, which carried more political and electoral significance than any other agricultural commodity. This further substantiates the underlying political origins of the resurgent self-sufficiency doctrine.

It was at this juncture that Japan's supply crises of the early 1970s intervened and gave new impetus to the notion of maximising domestic food production. These external factors substantially reversed the swing towards further agricultural trade liberalisation by providing powerful ammunition to the growing self-sufficiency lobby. The task of ensuring a stable food supply to the nation, whether from external or domestic sources, was elevated to a critical tenet of national security policy. The self-sufficiency doctrine conveniently rationalised an ideology of agricultural protectionism against those foreign imports which Japanese producers wished to exclude from domestic markets, while at the same time, providing support for the notion of developing diversified sources of supply. The latter policy applied to those commodities which Japanese farmers had by and large stopped producing, like soya beans, feed grains and what.

What was only nascent in the period from 1970 to 1972— the 'national obsession with food self-sufficiency'— became full-blown from 1973 onwards. The timing of these policy developments, however, is fairly crucial to an understanding of the 'political' source of the self-sufficiency doctrine. The doctrine itself, far from being merely

supported by farm lobbyist groups, was originally propagated by agricultural organisations (in concert with big business groups) who wished to find policy justification for a rice surplus and the restoration of rice production as a prime imperative of agricultural policy.

This is supported by the emphasis given to particular farm products under the policy in the name of improving self-sufficiency ratios. The selection of certain commodities for expansion and protection is explainable more in political than in economic terms. Given that 100 per cent self-sufficiency in foodstuffs is an impossible goal for Japan, and in view of the policy orientation towards 'selective expansion' embodied in the 1961 Agricultural Basic Law, it is logical that some agricultural commodities should be given priority over others, especially those in increasing demand. The self-sufficiency policy is, however, actively directed towards two very contentious, but at the same time, politically significant, areas of production: rice and livestock products.

Japan is, on current harvests, more than 100 per cent self-sufficient in rice. Production consistently exceeds demand each year. The emphasis given to maintaining this ratio and even expanding production under the self-sufficiency policy at tremendously high cost in price support and storage subsidies, has been justified in terms of the need to establish a rice 'stockpile' situation. The terminology has thus been adapted to the post-energy crisis situation: the policy is now one of 'building-up buffer stocks' as 'emergency stores', a policy directive similar to that used in the case of oil. Official reasoning points to the fact that since rice is one of the few agricultural products in which Japan is completely self-sufficient, it should be promoted under the self-sufficiency policy as a means of increasing
Japan's reserve stock of grain food. The chief financial beneficiaries of this policy, however, are the Nokyo warehouses which stockpile the rice as government agents under the Food Control system, and which receive sizable commissions for their services, and the farmers who have also benefited from the substantial increases in producer rice prices since 1973. Rice growing has once again, and in spite of all the policy upheavals of the late 1960s and early 1970s, become one of the most profitable ventures in farming. The result has been an upswing in rice production since 1974, with a costly surplus build-up once more an expensive reality.

There is a second contradiction in the self-sufficiency policy which points to the political basis of targets selected for Japanese protectionism. The emphasis on maintaining and increasing the supply ratios for livestock products actually undermines Japan's overall self-sufficiency capability by increasing its need for imported feed grains. The Japanese government is not, however, exhorting its farmers to produce these in much larger quantities, because of their availability on the international market at prices considerably below Japanese domestic prices. Moreover, production and price support measures for these products are not a political priority amongst the farmers and Nokyo.

Conclusion

In the liberalisation issue, perhaps as much as in the case of the rice surplus and FCSA deficit problem, the Japanese government was under domestic economic and fiscal pressure, but policies concerning the abolition of agricultural import quotas also involved questions of international trade, particularly Japan's trading relationship with the US. The fundamental issue at stake, however, related to the confrontation
between the forces of economic rationalism and the forces of agriculturally vested interest. For the time being the latter hold sway, although there was a period in the late 1960s and early 1970s when this superior position was placed under serious challenge. The supply crises of the early 1970s ensured their renewed predominance at least until 1980. They also made a significant contribution to the ideology of protectionism. By arguing for the maintenance and increase of self-support ratios on the grounds that this contributed to national security, the advocates of protectionism were able to tap a valuable source of policy legitimisation. If the promotion of sectional interests by pressure groups in Japan is not regarded as strictly legitimate, then the opposite is also true: the phraseology of 'national interest' automatically raises policy requests above the level of selfish group interests. In spite of the elevated terminology, however, the self-sufficiency doctrine remains a policy veneer for government commitment to the policy goals of the farm lobby, and one of the most officially acceptable rationales for maintaining and increasing MAF budgetary allocations in the name of raising production levels in the farm sector.

To those who would argue that consumer pressure, possible changes of government, financial common sense, foreign trade demands and the changing structure of farm population must in the end prevail, it should be pointed out that the political barriers that need to be overcome are enormous. Supporters of agricultural trade liberalisation 'are up against a complex of legal, policy and institutional barriers which provide the necessary backing to the protectionist argument'.

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1 George, op. cit., p.24.
Opening up the Japanese market to overseas fruit and livestock commodities would require overturning the whole bureaucratic system governing the importation of these farm products, a revision of long-term MAF production goals and a reversal of current agricultural trade policies.
CONCLUSION

Nokyo has been portrayed in this thesis as a monolithic farmers' group which dominates the representation of agricultural interests in Japan. It does so for reasons which are largely electorally-based, and by means which hinge primarily on party-political connections. While Nokyo is not a political group (*seiji dantai*) in terms of organisational type, patently, it conducts political, electoral and policy-related activities in addition to carrying out its more fundamental cooperative objectives.

Nokyo's economic, business and financial functions have expanded at a spectacular rate in the last two decades in a way which has to a degree paralleled the rapid growth of the Japanese economy. It can no longer be dismissed (as it was by Ishida) as one of the weaker interest groups which benefited from minor concessions on subsidies and agricultural prices, while major national policies continued to be attuned to the interests of big business. Developments in the 1960s and 1970s seriously challenge this thesis. Nokyo demands attention as an economic power in its own right, as the equivalent in the agricultural sector of the giants of Japanese industry. As Nokyo has assumed more of the features of a *keiretsu*, it has begun to encroach on big business areas of political support, such as electoral funding.

Ishida's writings on Nokyo were influenced by conditions in the early postwar reconstruction period, when the agricultural cooperatives were undergoing a shared experience of rehabilitation and economic consolidation, along with the nation's secondary and tertiary industries.
As productivity in industry rapidly outstripped that in agriculture from the 1950s onwards, however, the government was faced with the urgent problem of ensuring that farm incomes could rise in step with incomes in other sectors. The problem was specifically recognised in the Agricultural Basic Law and was met by successive LDP governments' agricultural pricing policies falling into two major categories. Prices for some products (especially rice) were subsidised so that farmers received a price higher than the on-farm equivalent of the consumer price. In the case of some other products (e.g. meat, fruits), imports were controlled and tariffs and/or levies imposed to ensure that the domestic market prices would rise sufficiently to return farmers a payable price through the market mechanism.

Originating largely in social welfare and electoral considerations, the LDP's farm incomes policy has been remarkably successful in supporting a relatively prosperous agricultural sector and a standard of living amongst farmers comparable with that of urban workers. It has been so successful in fact that it has inhibited more fundamental structural changes in farm production (also an aim of the Agricultural Basic Law) which sought to reduce disparities in income and productivity between agriculture and other sectors of the economy by encouraging the out-migration of farmers, the consolidation of farm plots and expansion in the scale of production. Japan's farmers have remained closely attached to the land, and since policies of price support have combined with opportunities for off-farm work to enable farm families generally to achieve income parity with non-farm families, such policies have helped maintain structural inefficiencies in Japanese agriculture, inhibiting for example the sale of farm land to enable the scale of operation to be enlarged. Of course, this 'dear food policy' has been
possible only because the general level of economic prosperity has resulted in average incomes high enough to afford the high food prices which are frequently several times import parity.

Although spokesmen groups for Japan's industrialists (Keidanren and Keizai Dōyūkai) have on occasions been in the forefront of public protests about agricultural support prices (particularly rice and beef), the system remains entrenched, and the number of commodities subject to price stabilisation laws continues to increase. As more and more agricultural products have become subject to ministerial intervention and processes of political negotiation between government and the farmers, the involvement of Nokyo in the policy process has deepened and pricing decisions have become even more politicised.

In yet another field - that of trade liberalisation - the interests of the farm sector also appear to have prevailed. Here there has been a clash of interest between the Japanese corporate world, attached to the notion of the international division of labour and the securing of cheap, reliable sources of supply, and domestic farm producers anxious to protect their high-cost industry from cheaper foreign imports. Quota restrictions have been maintained on politically sensitive products such as beef, dairy products, fruit juice and oranges, and tariffs and levies imposed or retained on these and other farm products which have been ostensibly liberalised, even where these measures have jeopardised Japan's wider trading relationships with nations such as the US and Australia. To some extent the halt in progressive Japanese agricultural trade liberalisation which took place in 1973 was also due to the supply crises of the 1970s, which prompted a re-evaluation of policies relating to the provision of strategic resource materials and the security of food supplies. Staple items such as food grains, feed
grains and soya beans were in this category. There was thus a timely coincidence between the dictates of agricultural protectionism and those of national security. Neither Japan's industrialists nor the public at large are immune to appeals for the need to preserve domestic food production and to secure reliable overseas sources of essential supplies.

The late 1960s and 1970s have also witnessed a decline in the electoral popularity of the LDP, a process which has registered much more strongly in urban areas, but which has also been apparent in the LDP's traditional support base in the countryside. The result has been an even greater rural/agricultural bias amongst the conservatives. Although there is no specific agrarian party in Japan, the LDP's identification with the rural sector has strengthened rather than weakened over the past two decades. Continuing support of the farmers has been the key factor enabling the LDP to hold on to power. In spite of the gradual contraction of the agricultural sector, farmers continue to represent a sufficiently important group within rural, semi-rural and even some urban electorates not to be ignored. The calculations in Chapter 4 with respect to the size of the national Nokyo electorate demonstrate that the number of votes theoretically within the scope of the agricultural cooperative system still represents a significant proportion of the national vote. It has been suggested elsewhere\(^1\) that changes in the rural environment such as the increasing diversification of the occupations and interests of farmers could be expected to reduce the effectiveness of Nokyo vote control. Absence of marked changes in

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the numbers of Nokyo Diet members or farm politicians with electoral connections to the cooperatives, however, provides little support for this hypothesis. Having displaced prewar buraku-centred power structures as the primary mechanism of political recruitment and vote mobilisation in the countryside, the agricultural cooperative leadership forms one of the core groupings in local political elites, a role which is considerably enhanced by the semi-administrative status of Nokyo as a distributor of Treasury subsidies. There have been no significant changes in the structure of Japan's party system, forms of local party organisation or personal political support groups which could challenge this system. Agricultural cooperative leaders, either in their capacity as Nokyo officials or holders of public office, continue to engage in and sponsor both formal and informal electoral support activities. Nokyo not only relies on the residual importance of the farm vote going to the government party to extract special policy considerations for agriculture and the cooperatives, but it actively intervenes in the electoral process in order to place political supporters in positions where they can most effectively influence policy formation.

Nokyo's political connections are not exclusively tied to the conservatives as was shown in Chapters 3 and 4; nor are constituencies which farm politicians represent the exclusive preserve of the LDP. The predominant patterns of political alignment amongst Nokyo's political allies in the Diet (whatever their criteria of identification), is majority-conservative/minority-socialist. The same proportion of political support is evident amongst voting patterns in rural and semi-rural districts. The diverse political beliefs and relationships encompassed within the agricultural cooperative system preclude a uniform attachment to any political groupings; it also prevents Nokyo from
operating as a centralised electoral machine and has on occasion been a source of internal political disunity. Cross-cutting cleavages within the agricultural cooperative organisation (identified in Chapter 2) have become more evident in the last decade or so as Nokyo's financial and business involvements have multiplied and the proportion of rice to non-rice products in total agricultural production has declined. Moves to liberalise agricultural commodities selected for production expansion also encouraged specialist cooperatives to supplement the central spokesmen groups of Nokyo with an organised strategy of response in defence of their own interests. This was particularly true of Nichienren and the prefectural fruit cooperative organisation in Ehime as was pointed out in Chapter 6.

An examination of agricultural policy content was not central to the study: it was interpreted largely in relation to Nokyo's own interests and demands. If one were to sum up trends in agricultural policy in the last three decades, the most striking feature would be lack of change, suggesting that there is a great deal of immobilism in Japanese agricultural policy. The one major turning point was the passage of the Agricultural Basic Law in 1961 which inaugurated the government's farm incomes policy. Later developments which appeared at the time as fundamental redirections in agricultural policy proved to be largely ineffectual in coping with the long-term problem of structural adjustment in agriculture. These included the initiation of a Comprehensive Agricultural Policy, the reforms in FC which partially liberalised the sale of rice and the institution of 'voluntary' production adjustment (backed by substantial financial incentives) aimed at curtailing rice production. Measures taken during the period reviewed in Chapter 5 did remarkably little to reduce the dimensions of the
problem of excess rice production and massive deficits in budgetary allocations to rice control. Japan's agricultural policy-makers are still faced with the task of discouraging rice production and increasing land mobility. The substantial barriers to change are endemic to the system and have their roots in political and electoral factors. The rice price campaign, for example, although it contains a large element of ritual, continues to carry political weight. It is a display of mass farmer solidarity which farm politicians, particularly those within the government party, cannot afford to ignore. This group is not a diminishing voice within the LDP; as a proportion of total government party membership it is becoming larger. It operates to greatest effect within internal party policy-making organs concerned with agriculture. Its role here is to amend political policies which originate from the MAF. This can be measured in finite terms in the form of the 'political addition' made by the party to agricultural support prices annually reviewed by the Minister of Agriculture and Forestry. In this process, even the MAF itself cannot be thought of as an entirely independent and 'rational' arbiter between the LDP and the farmers. It frequently acts as policy advocate in order to promote its own vested interests. The desire to maximise the share of the national budget allocated to agriculture and forestry is an objective it shares with Nokyo and the farmers, although there may be major differences over funding for particular projects. *Vis-à-vis* the MOF on budgetary matters therefore, the MAF and Nokyo have broadly speaking identical goals, although in the one-to-one relationship between the MAF and Nokyo, agricultural cooperative leaders are in a subordinate position as petitioners who come in request of subsidies and special concessions. The degree of financial dependence of Nokyo on government,
however, has declined notably in recent years as the cooperatives have consolidated their own economic power base and the contribution of FC to Nokyo finances has declined as a proportion of its total operations.

The role of MAF as policy advocate has been increasingly apparent not only in the terminology of MAF spokesmen and official publications, but also in the public pronouncements of whatever politician dons the hat of the Minister of Agriculture and Forestry, particularly in the area of agricultural trade liberalisation. References to self-sufficiency and the notion of food security are constant. The MAF has emerged as arch-protectionist, and the ideology of protectionism has been built into production policies in the form of self-sufficiency targets. The vested interests not only of Japan's farmers but also of its agricultural and forestry bureaucracy are an additional obstacle to change quite independently of party-political and electoral considerations.

The factor of immobilism in Japanese agricultural policy is thus due to a complex of interrelated causes. An adequate explanation of the barriers to change cannot be found in the analysis of production constraints, demand estimates for farm products or market conditions. An exclusive concentration on economic factors might lead one to suppose that the 'irrationalism' inherent in Japanese agricultural policy is easily susceptible to change as a result of the application of 'rational' economic solutions. Changing agricultural policy in Japan, however, is not a matter of manipulating a few administrative variables, nor is it an area where a free market situation is likely to be possible if Japanese agriculture is to survive. This may be difficult to understand for analysts of the Australian scene where agricultural policies are basically ones of non-interference, but the Australian is the absolute antithesis of the Japanese situation. Economic pressures in Japan are
certainly important, but whenever there has been a direct clash between economic and political imperatives in agricultural policy formation (as in the debate over FC reform and agricultural trade liberalisation), political arguments have predominated. This has been true even when domestic economic pressures and strong representations from Japanese financial and business interests have been reinforced by external trade and diplomatic pressures from Japan's major trading partners. The Japanese government is well aware of the factors which contribute to its high cost farm industry, but this is not a policy area where normal economic arguments apply. Its response in the face of exogenous pressure has been to institute a series of palliatives (in the form of enlarged import quotas), but there has been, so far, a steadfast refusal to implement systemic change. The latter is prevented by political barriers created by the strength and complexity of established agricultural interests with effective political clout. The restructuring of Japanese agriculture can only be attempted within the restrictive boundaries of what is politically acceptable to Japanese farmers. For a number of reasons, Japan's farmers are in a strategic position to influence farm policy to a striking degree. It has been the aim of this thesis to spell out the institutions and structures through which this power is exercised.
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