

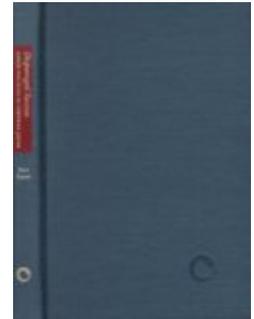
H-Net Reviews

in the Humanities & Social Sciences



Ikuo Kume. *Disparaged Success: Labor Politics in Postwar Japan.* Ithaca and London: Cornell University Press, 1998. xii + 248 pp. \$27.95 (paper), ISBN 978-0-8014-8494-0; \$63.95 (cloth), ISBN 978-0-8014-3364-1.

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Ikuo Kume's new volume on postwar industrial relations in Japan challenges the conventional wisdom that Japan's unions have been weak and relatively ineffective in obtaining better wages and working conditions for their members. Instead, the author posits that working conditions for Japan's labor force are comparable with those in other industrialized countries: "This then is our problematic: given the alleged structural weakness of Japanese labor, why did it achieve such favorable results?" (p. 14). Kume's answer to this apparent paradox is that Japan's large, private sector unions successfully intervened in the political process, particularly in the 1970s and 1980s and achieved substantial policy improvements, especially in the employment field which Kume proposes was the main achievement of organized labor in the postwar period.

Given Japan's reputation for long work hours and for afflictions such as *karoshi* (death from overwork), Kume's assertion regarding the success of Japan's labor movement may seem outlandish to some but it would be wrong to dismiss this book. It provides a comprehensive articulation of the liberal interpretation of postwar labor-management accommodation in Japan suggested by Martin Kenney and Richard Florida (*Beyond Mass Production*, New York, Oxford University Press, 1993), which Kume cites as a "brilliant" work to which he owes a debt of gratitude (p. 49).

Disparaged Success has eight chapters. In the first two, the author constructs the framework for his thesis. Kume argues that working conditions in Japan are comparable to other industrialized countries and goes on to provide a theoretical discussion related to political opportunity, resource mobilization theory and micro-

macro linkages. Subsequent chapters unfold in a generally chronological manner, tracing labor-management relations in the early postwar period to 1960, the rise and success of *Shunto* (the spring offensive), the development of labor's political agenda in the late 1960s (pensions and health reform) and the subsequent demands for employment security/benefits after 1975. Chapter six examines employment policy in the coal mining industry and industrial adjustment in manufacturing. The penultimate chapter provides a fascinating window on privatization and taxation issues in the 1980s. The conclusion attempts to preempt potential critiques, i.e., that only a small core of workers benefit from Japan's system or that worker participation can only be effective at the enterprise level when there is a strong national movement (Kume says this is not the case).

On the positive side, Kume correctly identifies that conventional wisdom about Japan's unions being weak can be misleading. For example Robert Brenner, in his important comparative study on the crisis in capitalist economies, argued: "Only from the middle to late 1950s were they [Japanese corporations] able to consolidate Japan's distinctive postwar system of cooperative labor relations powerfully harnessing the Japanese labor to the requirements of capital accumulation and competitiveness," (*New Left Review*, No. 229, May/June 1998, p. 78). While it is quite true that there were significant setbacks for the labor movement in the 1950s, independent unionism remained alive and well into the 1970s. To his credit, Kume sets the historical record straight: "Under Ota's leadership, *Sohyo* achieved a high wage increase by adopting the *Shunto* wage strategy, despite the fact that *Nikkeiren* advocated a wage freeze." (p. 103). Indeed, without a broader perspective that includes an un-

derstanding of Shunto and the relatively progressive role of Sohyo, it is impossible to explain the powerful strike movement that shook Japan in the 1973-75 period and which resulted in a 33 percent wage increase in 1974.

On the whole, however, Kume emphasizes the benefits of labor-management collaboration and systematically attacks any interpretation that supports the politics of class confrontation. His thesis is suspect, however, on a number of levels. On the question of incomes for instance, Kume argues that real wages increased substantially up to 1975 and thereafter the rate of increase dropped dramatically due to restraint policies adopted by private sector unions and federations such as the IMF-JC and Domei. The author argues that union restraint was appropriate and necessary because "wage increases began threatening the competitiveness of Japan's industries in the 1970s" (p. 139) and that income tax cuts helped to offset the effects of lower wage increases. But is this true? Rengo, the trade union federation that Kume supports, apparently doesn't? think so: "Compared to 1975, productivity levels in manufacturing, on an hourly basis, have increased 150 percent in real terms. The U.S. or Germany have gone up about 50 percent in the same period. On the other hand, real cash earnings in manufacturing have only gone up about 70 percent in Japan. In other words, the business foundation has been strengthened, competitiveness has been strengthened but these things have not been reflected in wage improvements. Instead, the yen has appreciated in value and this is how international adjustment is being carried out," (Rengo Haku Sho, Tokyo: 1995, p. 51). And Kume himself admits that in terms of purchasing power, Japanese workers remain as much as 30-40 percent behind German and American workers (p. 12).

Disparaged Success argues, however, that the key achievement of the labor movement was in employment security not wage improvements. Chapter six argues this point through an examination of the coal industry pre-1975 and in manufacturing in the post-75 period. Essentially, Kume's evidence is limited to the latter since it would be easy to ascribe employment relief measures in the coal industry in the 1960s to the strength of the coal mine union and Sohyo which Kume admits pursued militant and confrontational tactics. In the case of post-1975 manufacturing, Kume points to the passage in May 1978 of the Special Measures to Stabilize Targeted Depressed Industries as a positive example of private sector influence. Unfortunately, the author provides no details or empirical evidence to indicate how significant this measure was or how workers benefited from it. Given

that major employment security laws were passed in the 1960s and early 1970s, for which both militant and cooperationist unions lobbied, one could just as easily ascribe the success in industrial adjustment plans to the success of united class politics.

Taking issue with Kume's thesis is not to say that Japan's unions did not make improvements in wages and employment security but it does put in question Kume's hypothesis that private sector unions in collaboration with employers were the main vehicle for these gains and that the post 1975 period was one of significant improvements in wages or working conditions. The most interesting part of Kume's study is what it reveals about Japan's private sector unions' response to the rise of neo-liberalism in the 1980s. Kume documents how a number of unions affiliated to Domei bought into the agenda of government retrenchment and privatization. These unions "did not want tax increases for any reasons and preferred small government," (p. 193). As a result, these unions supported the privatization of Japan National Railways, one of the most aggressive attempts to break militant unionism in Japan? postwar history. Furthermore, these same unions supported cuts in social programs such as the introduction of user fees in health care and a cut in pension benefits. This was because the private sector unions "preferred a middle level welfare state with less burden to a big welfare state with a heavy burden." (p. 195). Despite Kume's reassurances that private sector unions had not been co-opted, these revelations do little to convince us that the 1980s represented a step forward for workers in the private or public sectors.

Japan's unions are facing tremendous challenges at the turn of the century. Ministry of Labor statistics for 1997 indicate that Japan's union density has declined for the third straight year, to 22.6 percent. Of Rengo affiliates it was the automobile and electrical workers unions that suffered the greatest membership drop, 14,000 and 25,000 members respectively. These unions are not unaware of the problems and have begun to question their own records as indicated by the self-critical tone of the 1992 automobile workers' union (JAW) statement. Not only does Kume's study disregard these developments, it completely and utterly ignores the issue of women workers in the postwar era. As a result, Kume's book ends up reflecting the past rather than illuminating it.

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