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# DIRECTORATE OF INTELLIGENCE

# 1 July 1985

Japan: A Progress Report on Labor Unification

## Summary

The drive for labor unification in Japan, always an elusive goal, gained momentum in 1982 with the establishment of Zenmin Rokyo, the All Japan Council of Private Sector Labor Organizations. Zenmin Rokyo has made a good start, but prospects for success are limited unless the new national center can bridge bitter political and organizational divisions that plagued past unification attempts. With an eye to labor's potential as an influential interest group, the Liberal Democratic Party (LDP) has stepped up contacts with the moderate Domei (Japanese Confederation of Labor), the original proponent of the unification movement. These exchanges could exacerbate friction between Domei and the more leftist Sohyo (General Council of Trade Unions)--already 25X1 critical of Domei's influence within Zenmin Rokyo. 25X1 Office of East This memorandum was prepared by 25X1 Asian Analysis. Information available as of 1 July 1985 was used in its preparation. Comments and queries are welcome and may be directed to the 25X1 Divison, OEA,

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Unifying the splintered labor movement in Japan would open the way for labor to play a more active political role, especially if the movement remained unaffiliated. Labor's political leverage could be particularly important during elections, when the LDP, vulnerable to uncommitted voters, might be willing to bargain for support--especially in urban areas where it traditionally does less well. According to press reports, LDP members are already stepping up contacts with labor officials. A unified labor movement would be in a good position to win ruling party support on such labor legislation as a shorter work week. Private-sector unions have advocated fewer hours for some time, using foreign criticism of this "hidden subsidy" as an argument.

### Background

In 1982 unions from the four major national labor confederations--Sohyo, Domei, Churisturoren (Federation of Independent Unions), and Shinsanbetsu (National Federation of Industrial Organizations)--took a step toward unification by establishing Zenmin Rokyo. Although participation is currently limited to private-sector unions, the goal is to include public-sector unions once a formal confederation is established. Plans to shift Zenmin Rokyo from an informal working group to a full-fledged national confederation by the end of 1985 looked favorable at first, as the council got off to a strong start (see table).

Zenmin Rokyo's early success was partly the result of a truce between labor's major rivals--Sohyo and Domei. Sohyo initially tried to sabotage the labor unification effort. The predominately public-sector Sohyo and its political ally, the Japan Socialist Party (JSP), both noted for dogmatic Marxist positions and opposition to the International Confederation of Free Trade Unions (ICFTU), are traditional adversaries of the more moderate Domei, which is dominated by private-sector unions and has ties to the Democratic Socialist Party (DSP). Sonyo eventually agreed to allow some of its unions to join Zenmin Rokyo, however, in an effort to counter Domei's influence in the new organization and to pacify its private-sector unions, which were eager to join the unification bandwagon. Sohyo and Domei tried to put aside ideological differences that had blocked past unification attempts. As a result, the initial Zenmin Rokyo platform concentrated on common economic issues.

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Zenmin Rokyo members also agreed not to support any one political party, partly to avoid arguments between Sohyo and Domei member unions over JSP-DSP ties, but also to encourage an opposition coalition. According to Embassy reporting, union officials believe an opposition coalition backed by a united labor front could challenge the LDP's hold on government. Wary of LDP efforts to block progress toward opposition cooperation, member unions further agreed to discourage their political allies from striking separate deals with the ruling party. At first Zenmin Rokyo appeared to be having some success in encouraging cooperation among labor's political partners:

- o During the 1983 lower house election campaign, Zenmin Rokyo member unions endorsed candidates from opposition parties other than those they traditionally supported. According to labor leaders, the endorsements made the difference in several close races and demonstrated the potential political clout of a united labor front.
- o Thirty-three JSP and 19 DSP Diet members affiliated with Zenmin Rokyo launched a joint discussion council last year to coordinate policy on key legislation.

### Too Wide a Division

Despite early successes, establishment of a politically powerful unified labor movement is unlikely in the near term, as the temporary cooperation between Domei and Sohyo appears to be unraveling. As chief architect of the current unification effort, Domei has incorporated some of its views into the Zenmin Rokyo platform, in spite of the agreement to keep the platform nonpartisan. For example, Zenmin Rokyo supports the LDP's administrative reform program--which threatens several public-sector unions in Sohyo--and advocates affiliation with the ICFTU.

The result has been controversy within Sohyo, with some powerful leftist unions opposed to what they perceive as their national leaders' acceptance of a Domei-influenced platform. The Communist-affiliated unions--which fear they will be excluded from a unified labor organization and their political ally, the Japan Communist Party (JCP), from an opposition party coalition--have been most vocal, threatening to pull out of Sohyo. Concerned that these small but noisy members could mobilize the entire left wing--the Communist unions have already formed their own labor unification council--Sohyo officials are now using stalling tactics to delay further consolidation of

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Zenmin Rokyo until they have solved internal differences and reevaluated their participation in the council.

Domei officials are becoming increasingly frustrated over Schyo's success in putting a brake on the unification movement. Although Domei president Usami once hailed Zenmin Rokyo as a potential political force, he and other Domei leaders are now looking elsewhere for political clout. Usami downplayed Zenmin Rokyo's role in the labor movement at the Domei convention in December 1984 and instead for the first time endorsed a possible coalition between Domei's traditional political ally, the DSP, and the ruling party. Domei officials' attendance at the government-sponsored National Founders Day ceremony in early February was another effort to promote the union's moderate image and its attractiveness to the LDP as a political ally.

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The LDP is likely to encourage Domei's initiative, although stopping short of an alliance with the Democratic Socialists. This year Prime Minister Nakasone took an unprecedented step when he attended a reception marking Domei's 20th anniversary. We believe the ruling party's interests are twofold: the LDP sees wooing conservative unions as a way to strengthen its political position while reaffirming divisions within labor. A divided labor movement cannot encourage cooperation within the opposition camp.

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#### Internal Weaknesses

In addition to facing problems posed by the Sohyo-Domei split, Zenmin Rokyo is experiencing major organizational difficulties:

- o At the 1984 executive council meeting, Zenmin Rokyo members agreed only to study the question of transforming the council into a federation, leaving labor officials doubtful that a more formal organization will take shape soon.
- o Loyalty within Zenmin Rokyo is weak, as council officials share their time with parent unions. The absence of local organizations to implement policies limits the council's authority. National unions have blocked efforts to establish regional chapters, fearing erosion in their support bases.
- o Zenmin Rokyo relies on the other national labor organizations for financial support. Because labor

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officials are uncertain of the council's long-term prospects, however, they are reluctant to increase--contributions. Resulting financial difficulties have limited the organization's ability to exercise influence in -- the labor movement.

#### **Outlook**

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Although these problems make unification of Japan's fragmented labor movement appear a long way off, several events could help put it back on track. One of Domei's major reasons for disillusionment with Zenmin Rokyo was the council's failure to affiliate with the ICFTU. Recently, however, Churitsuroren, the third largest labor federation, agreed to join the international organization. According to Embassy Tokyo, Churitsuroren leaders hope this move will reawaken Domei's interest in the current unification effort.

Some political observers have speculated the LDP could be in trouble in the next Diet election. Squabbling, which, if it got out of hand, could discredit the party and weaken its support at the polls. At this time we do not see signs of serious trouble for the LDP, but the possibility has raised hopes in the opposition camp. Visions of an opportunity to unseat the ruling party could encourage new efforts to form an opposition coalition, which in turn could offer labor an incentive to renew its own unification attempts.

The transfer of major public corporations to the private sector as part of the government's administrative reform program could also boost at least private-sector unification. The return of Nippon Telegraph and Telephone (NTT) and the Japan Tobacco and Salt Public Corporation (JTS) to the private sector has moved their respective labor organizations, Zendentsu (280,000) and Zensenbai (30,000), into alignment with the private sector. A stronger private sector could put Zenmin Rokyo in a better position to ignore Sohyo and move forward on the unification process. Sohyo, which relies heavily on public-sector support, clearly sees a threat to its power base. Sohyo officials and the JSP are already gearing up for a Diet session this fall, when they hope to block legislation that would approve privatization of the Japan National Railway, raising the possibility of an additional quarter of a million union members' joining Zenmin Rokyo.

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